

Organizational Design Redefined by Design Thinking. Case studies in the hotel industry

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Abstract – This paper presents two different case studies, where the design thinking process, among other theories that came from classic design were used at the level of the organization design, organizational structure, process design and business design. Considering the exhaustive information brought from Classic Design Theory, a new philosophy was created for organizations based on that theory. Some frameworks were also created to help those who want to practise these technics and theories to design their own organization in a more profound, adequate and creative way. A study is made in the tourism sector based on two projects, one to be developed in the northern region of Portugal and the other one, already implemented, called “Biovilla Sustainability” located 40km away from Lisbon. The aim of this paper is to show how the identification and experimentation of concepts and methods used in classical design allow a better understanding of the implications they have in the engineering organization design theory and how their application may bring strong positive implications in terms of Simplicity (everyone understands); Functionality (it serves the purpose); Beauty (people love it); Sustainability (it must integrate time) and Viability of such projects, never forgetting the users and context where the project is embedded.

Keywords - *Organization design, design thinking, classical design; engineering-based organization design, design-based organization design, context, users-oriented, simple, love, functional, sustainable, eco hotel, holistic, co-creation, integrative processes.*

1. Introduction

Most of nowadays organizations designs, that we name “engineering organization design”, are based on management theories, techniques and experiences developed at the very beginning of the 19th century, on which Frederic Taylor and his followers had a primordial role. In some countries, it is necessary to admit that today’s reality is very different in all dimensions from the reality observed more than one century ago. The human resources

school made a lot to improve the stated “engineering organization design” but it seems insufficient to satisfy most of people, or maybe because the “engineering organization design” is not the most adequate for the best human resources practices to produce the desired effects.

This way, to renew this engineering organization design, we conceived an organizational design framework to use classical design methods and adapt them to organizational design theories, in order to contribute not only to the art of science of a designed-based organization design theory, but also to create or to test any organization design. Several alternative organization designs came out on our action research. We will present some examples of organization design interface of some real Eco Hotels or Eco Agro Tourism that are also a useful tool for organization design practitioners and non-organization design practitioners. For this purpose, it was applied and tested in several real organizations, interviews and focus groups. Most of the organizations we interviewed and analysed were from the hotel industry, not just because we wanted to contribute to the knowledge of the industry where some of the authors of this chapter currently work but also because it is a business 100% based on people.

The final result of this action research was a design-based organization design framework and its outcomes - which are unique, functional, simple and sustainable, a design-based organization design interface which people love, considering always the context and user profile on which it is inserted.

Most of the organizations (namely in the wine sector, or in the design sector, or yet on an NGO) on which we made the interviews and analysed were from the hotel industry, not just because we intended to contribute to the knowledge of the industry where some of the authors of this paper currently work but also because it is a business 100% based on people.

2. Learning from History

At the end of the 19th century after passing the Industrial Revolution, the organization theory art and the classical design art have seen considerable revolutions. Frederick Taylor accomplished a lot in the organization design, but it fell out of favour. Part of the reason is that it had a strong engineering characteristic, though it did not fit well for human systems. Even if this engineering organizational design had evolved with the human resources approach (or more human politics) and useful management tools, there are constraints to generate new and different ideas (as is defended by Boland and Collopy, 2004). Apart from that, these models - often derived from the schools of humanities and human resources - do not have an adequate base to generate the desired effect. In other words, they keep their existence in an organizational base that was inspired by and designed for the old hierarchical organizational model drawn by Frederic Taylor and his followers. We will call this "Engineering-based Organization Design" through the label EOD.

Parallel to this there is the classical design, which is practiced since the 16th century¹. Depending also on the human sense, on social, cultural, economic, political, technical and aesthetic aspects, the classical design evolved to an extreme functional and engineering design during the Industrial revolution. During those days, the design was supposed to be mainly functional, that is to say, the object or process mainly had to serve its objective.

The point is unlike EOD, the Classical Design continued to mutate actively and massively throughout the market, and over recent decades, some strong design histories changed with matters of concern like class, gender, postcolonial, voluntarism, new crisis and ecology, which have contributed to new ways of understanding the world around us today and to give people what they really need and look for. In practice EOD did not evolve much. In spite of several theoretical studies that demonstrate a considerable evolution which responds to the new needs of society and ecology (for example, through the school of human resources and people management), they are far from being put in practice in the market, especially in the hotel industry in Portugal and yet still even further from being applied massively in the way it already happens with design.

Lately, science began to be interested in improving organization design, using the classical design approach in all business dimensions (Boland and Collopy, 2004). We will call this "Design-based Organization Design", with the label DOD.

¹ It was practised in a very small scale, for example in royal furniture and architecture design to ornament the high society class of that time.

This work project will focus on furthering this new approach. We will experiment this idea, and formulate methods and interfaces that can be useful not only to create a DOD method, but also to use it in a DOD interface (an outcome of a DOD method to organization design), not exclusively for the organization design practitioners but also for non-organization designer users. With this, we mean that design is not there solely to create whatever may be needed in a sound and thorough manner, since it has been proven that it does do that: "design is everywhere" (TomPeters, 1994). So, in this study we will not only demonstrate a method to create an organizational design, but also demonstrate the looks of an organizational design derived from design thinking, design methods as well as fundamental bases of classical design.

This research followed a research action process, "...a participatory, democratic process concerned with developing practical knowing in pursuit of worthwhile human purposes, grounded in a participatory worldview... It seeks to bring together action and reflection, theory and practice, in participation with others, in the pursuit of practical solutions to issues of pressing concern to people, and more generally the flourishing of individual persons and their communities" (Reason & Bradbury, 2001).

With this in mind, we developed a 3-part investigation: Pre-design, experimentation and results. There will be no separate literature review and methods section, as they will be incorporated into an undivided section, particularly in pre-design.

First, we will present the pre-design that is the phase of analysis that occurs before the design begins. In this part, we will present, not only some research information taken from the literature, the interviews and focus groups executed exclusively for this work project, but also the methods we used to develop DOD. Secondly, we will describe how we experimented and took action using this research in an Eco Hotel prototype, a NGO (Non Governmental Organization), a wine business and a design business to experiment, learn and evolve DOD action. Finally, we will describe some examples of a refined full-fledged DOD interface of an Eco Hotel in Gerês and an Eco Agro Tourism called Biovilla (integrated in a cooperative).

3. Pre-design

The methodology used in this action research consisted in learning about design, knowledge sharing interviews with designers and by travelling, experimenting on the field action, testing the DOD in interviews and focus groups, and comparing results. This way, the first phase was the appraisal, learning and understanding of the design art. The first readings and meetings with designers had the aim to learn more about design methodologies, design

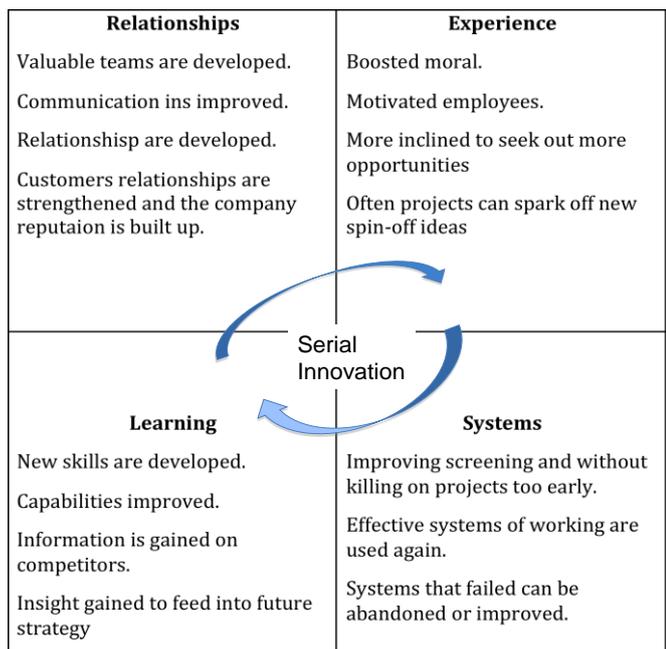
concepts, design principles and how creativity can be fostered

In this stage, we investigated and made an inquiry to designers² for a better comprehension of the most important buzzwords in design, which are **Simplicity** (everyone understands); **Functionality** (it serves the purpose); **Beauty** (people love it); **Sustainability** (it must integrate time).

Moreover, other important principles were referred frequently in literature and in the inquiry: Design as applied system thinking: “*every unique problem is embedded in a larger system of problems* (Nadler and Hibino 1990 cited on Romme paper 2003). This permits to inspire passion in others by observing, feeling or psychoanalysing the behaviour of the users and customers to understand the adequate design; and it also suggests that each situation is unique. Another important principle was that design is something that is always mutating, meaning that constant learning is important to create new design or change the existing one. Design is also seen as a constant updating, mainly because of its strong relation with the external environment or contextual information. This is why one of designers’ interviewee stated, “*Constant learning, knowing a little about everything and being constantly updated to the tendency is fundamental*”. In the DOD the benefits of the constant learning and the constant innovation can also follow a circular benefit spiral, as “the long-term benefits of serial innovation” in the HMSO 2001, where by learning, the organization can also develop relationships among the users, which create experiences (action) that improve systems to an ever and ever-learning cycle:

² One of the main questions was – “What are the four most important principles in design?”.

Exhibit 1: Long-term benefits of serial innovation (HMSO³ 2001)



³HMSO - Her Majesty's Stationery Office - It sets out the Government's plans for a joined up strategy for skills and business development in UK.

Another important principle inquired was the pragmatic experimentation as a work tool “The pencil is one of the best eyes” (Agassiz cited in Weik, 2007). Finally, another important principle inquired was: those who carry out the solution should be involved in its development from the beginning of the process until the end, not only because it creates values by multidisciplinary teamwork, for example, but also for a social purpose. “In some cases the benefits of participation in creating solutions can be more important than the solution itself”. (Romme, 2003).

Here are some other values from classical design:

1. *Pragmatic experimentation*
2. *Participation and involvement in decision making and implementation*
3. *Anticipation*
4. *Harmony with the outside environment*
5. *Willingness to take risk*
6. *Accepting high level of ambiguity*
7. *A passion to drive ideas through conclusion*
8. *Use spaces rather than vectors*
9. *Nature teaches us all the patterns we can use*
10. *Focus on purpose and ideal solutions, searching for the effectiveness and satisfaction of the user (co-worker), and not just the buyer’s effectiveness and satisfaction. But the perfect solution may not always be implemented straight away. It can often follow a long process of constant improvement until it gets close to being the perfect solution.*
11. *Use economic and environmental sustainability*
12. *Limit information depends on the spaces where the construction team uses design methodology*
13. *Beware of extreme situations like children and elderly or new niches of the society to understand simplicity. For example 10% of adults are colour blind, public and special cases such as special feminine movements that have been increasing for many years and the*

growth of the gay movement must be taken into consideration.

In summary, design tools and values aim at creating services that are simple, useful, desirable, harmonious, beautiful, efficient, unique and effective. They have a human-centred approach that focus not just on the customer, but also in the user experience (the co-worker and customers), representing an holistic approach that considers, in an integrated method, several variables: environment, strategy, structure, systems, processes, people, purpose and touch-point design decisions. It has a circle and interactive process that integrates user-oriented, team-based, interdisciplinary approaches, co-creation, methods in ever learning cycles and sustainable changes. Finally, as the work and the final design are based on social principles, it has to be made for the benefit of the community.

After this investigation about classical design, we experimented the DOD in several businesses design and tested it in interviews and in focus groups (exhibit 2), allowing to put people into design space, since some of them would be the business administrators of the companies DOD interface we developed during this action research. We usually challenged the participants to experiment the DOD methods and to test the DOD interface⁴ we were developing.

Exhibit 2: The meetings Summary

Type of meeting	Number of participants
Individual Interviews	24 designers 10 musicians 23 young managers and economists 20 senior managers and economists 7 children
Focus groups	- First group: One designer, two managers and one engineer. - Second group: Two designers and one manager. - Third group: Three designers and one manager. - Fourth group: four designers, one sociocracy expert, three managers and entrepreneurs, two economists and one farmer. - Fifth group: 12 people, a multidisciplinary

⁴The DOD interface is the outcome of our DOD method in Exhibit 4: Framework for the Design-Based Organization Design (inspired in Tim Brown, 2008).

Type of meeting	Number of participants
	group with designers, economists, managers, architects, engineers and permaculture specialists.
Projects that reached the Pre-OD space	All the 5 projects
Projects that didn't reach the implementation space	1 project: Eco Hotel in Gerês (didn't finish its implementation because of bureaucratic problems related with licensing of some buildings).
Projects that reached the Pos-design space	4 projects: Bairro Criativo (NGO), the Eco Agro Tourism called Biovilla, the design business and the wine business.

In terms of methods, for classical design the EOD methods are not rich from the designer's point of view, because they are too sequential and imply a strong causality thinking that avoid the flourishing of blind spots and new ideas (Ravi Chhatpar, 2007). Besides, the EOD design was created to fulfil the needs of organizations and working labour of the beginning of the XX century, not the developed, graduated and informed users that work in today's organizations. For example in most of Portuguese hospitality organizations there still exists a lot of hierarchies on daily decisions, so that means we still don't trust on the decision making of the bottom line co-workers even if they are qualified to take most of the decisions with the adequate orientations or by simply knowing what is the strategy of the company or project. However, in the social sciences we already have new and commencing lines of thought which feature designs better adapted to our times and that empower organizations, but unfortunately they are being applied only to a residual number of cases, such as in sociocracy or holacracy,

"Typically the CEO delegates some of his power to managers, creating what is akin to a feudal hierarchy. This hierarchy steers the organization through top-down, predict-and-control planning and management. Those lower in the hierarchy have virtually no voice except by the good graces of those above, and no official way to ensure key insights or

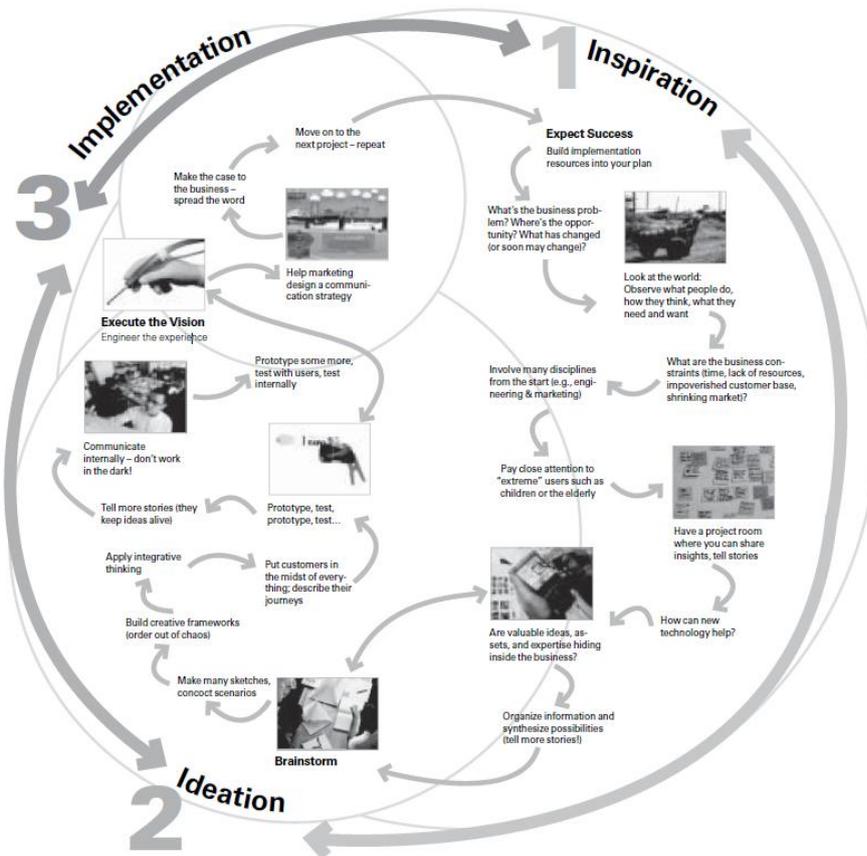
information they hold are incorporated into plans or policies. We had seen firsthand how limited this system can be – even at its best it tends to be inflexible to change and illequipped to artfully navigate the complexity most businesses face today." (Robertson, 2007).

Another complementary inspiration for this framework construction was this good design definition from Bate, Khan & Pye, *"By it self, design is an empty vessel waiting to be filled with people, meanings, and actions... it is a dead form that as no life or energy itself... Yet on the other hand, it creates everything since the organizational design will have a fundamental framing effect on people's expectations and perceptions, setting the context for the organizing activity – the social construction of roles and relationships – through which structure is enacted"* (Bate, Khan and Pye, 2000). Design methods take users into account because they were created to serve them. Moreover they are usually described by spaces instead of the EOD design usually described by vectors. For example to mediate and guide the achievement of the expected outcome, design methods use internal and external boundaries, meanings, values, sense, actions and minimum of rules instead of strict processes used on the EOD design, that is sometimes aggravated by the fact that those processes on the EOD are created by technocrats that are far away from the operation and don't think on what users need.

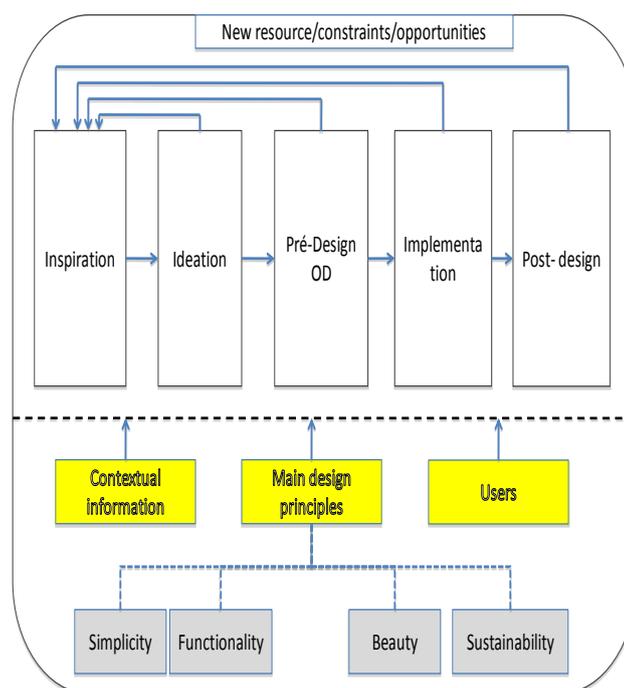
In this research it was used a creation methodology inspired in Tim Brown⁵ products development_methods (Brown, 2008), as we can see in Exhibit 3.

⁵ The CEO and president of a large innovation and design firm called IDEO.

Exhibit 3: The three spaces Inspiration, Ideation, Implementation



It consists of 3 three main spaces: Inspiration, that motivates the search for solutions and creates opportunity; Ideation, the process of generating, prototyping, developing and testing that may lead to solutions; Implementation, for the Charting of the path to the market. In this circular method, as we can see later, the projects may loop back frequently, mainly to the inspiration and ideation spaces, since ideas are redefined and projects take other directions different from the initial design project. However, for this research we enriched and developed this method by making a framework and the representation of one design space (Exhibit 4), a generator of DOD interfaces.

Exhibit 4: Framework for the Design-Based Organization Design (inspired in Tim Brown, 2008)

This way the methodology followed to create DOD interfaces was a design process that generates design outcomes in the design space (the process on the top of Exhibit 4), and filled it with the design components (at the bottom of Exhibit 4). To a better understanding, we can view design methods from a chemical and biological language perspective, i.e. viewing the outcome solution as a chemical solution, where the design space is a “solvent”, the circular processes and the design components the “reagents”.

As we can see, first we have the inspiration space, which motivates the search for unique solutions. Sometimes the extreme solutions or jokes help to create opportunity for creativity. In this space, together with the participants that collaborated in this work project, we studied the words, found what’s the business sense, what were the business constraints, where were the opportunities, what has changed or may change in a near future within the organization and on the external environment. We also observed what people did, how they think, what they need and want. Since two of the projects were located in the middle of the nature (in national natural parks), nature was the main inspiration and actually they can show us all the patterns that exist). We used examples to communicate. For instance, after working for two days with the Eco Hotel administrators and designers, we were talking about how to make an Eco Hotel more sustainable? Since there were functional and beautiful synergies, we suggested that we put some strong values or even a NGO or a foundation in the middle of the organization.

However, it is important to notice that this inspiration space was never abandoned and it was a constant state of mind that was also created by the diversity of activities we were experiencing during the work project. For this purpose, some of us participated in many real projects, conferences, exhibitions, travels and design museums in several countries to learn more about design but also to take some ideas from what we saw. This gave us a lot of inspiration and the opportunity to explore this theme abroad and learn about other organizations with some alternative organization designs that are less known because of their little dimensions but they had really been made to people.

Secondly, there is the ideation space, which is the process of generating, prototyping, developing and testing, that may lead to solutions. At this space, we used brainstorming, made many sketches, mixed existent scenarios to reach, finally, the ideal solution. So we built creative frameworks, order out of chaos, using the main principles of design and instruments (bottom of Exhibit 4) that served as boundaries to the creative space, and it was noticed that those boundaries had a huge impact in this method. We applied integrative thinking, we put users and customers in the midst of everything and described their journeys and experiences. In this part, it was very important to engage in developing and codifying the external elements (bottom of Exhibit 4) that help to align organization theory and DOD. After, it was prototyped and refined some more until the part of testing in which we followed the Van Akens’s Alpha/Beta test interface; where “*Alpha testing*

involves the initial development of a design proposition, and is done by the researchers themselves through a series of cases. Subsequently, Beta testing is a kind of replication research done by third parties to get more objective evidence as well as to counteract any blind spots or flows in the design proposition not acknowledged by the researchers" (Van Aken, 2001, in Romme's, 2003). The testing space of this work project was made by comparisons with other project results we were dealing with, through interviews and focus groups. We created and tested more deeply a DOD interface with design methods and the results were tested with users.

Thus during the brainstorming where decisions should work fast, we used a minimal testing process by testing mainly four boundaries of the prototype, which, as referred before, are considered the four big buzzwords and principles of the design: functionality, beauty, simplicity and sustainability (from now on the FBSS test).

The third space is the Pre-Design based Organization Design (Pre-DOD), which means a final prototype conception that will be the guidance to the implementation phase, without this pre-design, implementation can easily fall into chaos. This way, in this space a fledged DOD interface is created to serve that purpose and to put everybody on the track to the final design. Two good things about prototyping is that you materialize and observe the big picture in less time and it can be changed later to be improved. Most of the projects and organizations we helped and participated achieved this space.

The fourth space is Implementation, which is the path to the market and DOD action in the field and as you can imagine the most tricky part. This step not only happened thanks to the growing interests of the interviewees that experienced the DOD and started to use it, but also because some of the authors of this research were entrepreneurs and also used it on their organizations.

The final space is Post Design, which is characterized by conducting field studies of the DOD in use, to obtain data for new versions or to improve the quality of the DOD based on new features and users.

Therefore since this design methodology has a circular design, whenever we had new resources, new opportunities or new constraints the process looped to the initial moment, "inspiration" and restart again the design thinking methodology we adapt to hospitality shown on Exhibit 4.

A very important characteristic of DOD framework is to fill since the beginning this design vessel or process with some guidance or boundaries like the ones we use in our DOD experimental tests at the bottom of Exhibit 4: users (meaning, to ask constantly, who and where are the users or potential

users?), the contextual information (meaning to ask, what are we here for? Where are we? When?) and the main design principles referred previously, which can be briefly referred as: simplicity, functionality, beauty and sustainability. All the tests to make the DOD

Additionally the adequate Language (being part of the "simplicity" principle) to the design space can be different and a complement to the EOD language but adapted to the context and users.

In terms of language, it may be a problem to the DOD if the EOD language is used. The main explanation to this fact is that in the classical design the language can be more universal, i.e. more holistic, open, artistic, with a multidisciplinary dimension, using nicknames and codes that co-workers around already understand, using images, metaphors, examples, rapid prototyping or drafts, and questioning the basic assumptions of the context where the organization is embedded: what is teaching? What is learning? What is an office? What is a hotel? What is comfort? What is tranquillity? What is activity? What is security? What is Eco Hotel? What is green? What does green sound? What is the form of green?

Directly taken from the classical design and designers' language, the following elements can be incorporated into the organizational design language:

Proximity: Items that are related to each other must be in proximity in a way that visual units are created, so that the user will see and understand the message passed by the user. *"Whatever is being created should not just look like a bunch of individual components, but it needs to hang together as a coherent whole; it must embody a distinct point of view or personality that differentiates it from what everybody else is creating using similar components."* (Wladawsky-Berger, 2007)

Alignment: The alignment of the process is very important, because those who experiment it must see that it is organized for them, in order to perceive the network.

Directions: In an organization, based on change, usually co-workers don't know what is their direction in the organization, e.g. the shapes of the DOD interface form can have a shape and suggest directions of the departments (Lima, 2009)

Contrast: The contrast is all that creates difference. In a contrast it is very important to avoid too many repetitions, if not the strong contrast that is easy to perceive will be lost, as interest, sense and emotions can be flourished by the contrast. For example there can be contrast by Concordance, when only one typology is used, leaving only one simple feature to the scenario; or by conflict, when more than two different typologies are used, but if they are similar that is a mistake because the contrast effect

will be lost (Lima, 2009). When a hotel manager design an experience for his hotel, for example in a promotional package, it is important not to forget the “contrast” produced by switching between activities included in this promotional package. This experience provided to the guests of a hotel will of course depend on the way the teams (inside the organization control) and agents (outside the organization control) of the hotel are organized and coordinated.

Repetition: The repetition serves to increase the interest or expertise of the user on a role, process or system, but too many repetitions can destroy all the beauty intension.

Dynamic as opposed to static: in music, dynamics refers to the softness or loudness of a sound or note, making the music sounds groovier, richer with more emotions. In organizational theory, dynamics deals with internal reaction loops and time delays that affect the behaviour of the entire system and decisions. An organization also changes with the time and the feeling of a specific situation. Dynamics also suggests movement between empty spaces and filled spaces, as the mix of walls (filled space) and windows (empty space), or in a music silence and noise.

Size, weight, structure, form, directions and colours: Those are elements of a new language that can create new forms of designing an organizational design, because it can make sense and be considered in the organizational design and structures. It is another approach to the perception of the user and the creator, in relation to the organization as a whole. It can also be an opportunity to value things like knowledge and intangible social capital. For a structure that suggests, “shapes” it can be designed according to the organization characteristics.

The result of this pre design part, was seen as a chaotic part for those experiencing for the first time, partly due to its architecture that differs from the linear and milestone-based process (Brown, 2008). And also due to some emotional approaches to the organization and individuals, which classical design puts in the same level instead of separating both dimensions; in opposition to the EOD approach (Daft, 2001).

However, when we experience this complex interactive world of design, we realize that if we make a bigger design approach using DOD rather than EOD we can create something very rich that exists by the expertise of making a reaction among a creative circular process, with the users and elements like contexts and principles together. This way, design can easily create new features that can make sense to unify, to create synergies, to facilitate the creation of horizontal organizations and to shape the organization for nowadays reality, making it a more organic organization. So it can be said that classical

design together with organisation theory create mainly new dimensions and solutions that are new in kind and language, the DOD interface is itself an example.

Therefore, in this case, design can be useful to create an organizational design with more information and that also stirs the senses of human beings, turning that information and senses into a resource for the better understanding of the organization they work in. How? Using design to transform organizational information (for example: structure, governance, processes, communication and organizational culture) through other means and resorting to all the senses of a human being. It was based in this challenge that the DOD interface emerged, an organizational design that leads the way for the use of the several senses and offers humans a richer, and more complete and holistic representation of organizations.

Consequently, at the end of the meetings those who experienced these methods and results (DOD interface) considered them useful, beautiful and simple tools if a simple language is used like the one exposed above (e.g. forms, shapes, size, colours, proximity, contrast, etc.) in order to perceive the organization as a whole and more loyal to reality.

According to several entrepreneurs’ revelations, when we were testing DOD interface in real projects, we could see that now they believe they will be able to construct a rich organization design and facilitate the organisation of their own business. Even people who we haven’t formally interviewed, and companies where we only showed the results, revealed a lot of interest in those DOD interfaces and also requested this service for their future business.

We repeated the design thinking and repeatedly put into practice the framework of Exhibit 4: Framework for the Design-Based Organization Design at the organizational level. Since the beginning of this study, six years ago, that every challenge we overtook and every project in which we implemented this methodology or went deeper into others that already existed and were being perfected (such as sociocracy or holacracy enabled us to learn something new and reformulate other issues, while leading us to some conclusions we considered very important to organizational theory. We also had the chance to notice that organizational theory was effectively at a point of revolution, where what organizations used in the past was not suitable for a great deal of today’s society.

We noticed that by putting into practice the methodology featured in Exhibit 4: Framework for the Design-Based Organization Design, we created organizational designs which we called DOD interface (Design-based Organization Design

interface) with different designs inspired in several other designs and premises. However, it was very interesting to notice that some of these DOD interfaces are similar to the organizational design put into practice some years ago by the management practices derived from sociocracy and holacracy. This similarity owes itself mostly to the fact that sociocracy and holacracy also think in terms of space rather than vectors, for example. In sociocracy and holacracy one is concerned in creating spaces and forums to resolve the different challenges faced by an organization. In the same way, in design there is also the will to think in terms of spaces and their organization. Therefore, this study proves that sociocracy and holacracy are a good organizational design in an organization where management and distributed governance along the organization in its different spaces/forums are accepted and strived for. By considering the main principles of design, the users and the context to which it belongs as presented by the DOD framework (*Exhibit 4: Framework for the Design-Based Organization Design*), we may say that the most practiced organizational design in sociocracy and holacracy can be considered quite functional, beautiful and sustainable with the right users and within the right context. At a certain point, we noticed that this approach to organizational design coming from classical design began to converge with some designs practiced in sociocracy and holacracy, in cases that were prone to a shared management (with semi autonomous circles) and a less vertical organization, as it was the case of the DOD interface for two Eco Hotels or the volunteering projects that we analysed. However, classical design does not end here: based upon design it is also possible to take sociocracy and holacracy into different ways or create something completely new, depending on the users willing to innovate and the context into which the organization is embedded. As we had referred, one of the definitions of design is: "By itself, design is an empty vessel waiting to be filled with people, meanings, and actions." (Bate, Khan and Pye, 2000). While on the other hand sociocracy and holacracy are an already designed "social technology or system of organizational governance", since they depend on a more democratic condition and suggest some pre-established decision making processes, they do not start from asking first what is this case? What is the situation? In other words, sociocracy and holacracy, contrary to classical design, do not start from an infinitely wide blank sheet of paper for the creation of different organizational designs with different shapes, where the context, the users and the common principles and ethics will define of influence the final results.

So we cannot do without speaking a little about one of the great revolutions that is taking place in organizational theory, sociocracy or, in other aspects, holacracy.

These were some of the questions in the origin of holacracy: "How can we live and work together in a more full, more embracing, more powerful way? We weren't looking for another incremental improvement or new techniques within existing models and structures; we sought an entirely new tier of organization and shared meaning, one which rewrote the most basic rules of human engagement. Although we had no idea what the answer to our question actually was, we already had the most important ingredient in finding out – we had the question" (Robertson, 2007). What distinguishes us from holacracy is that using classical design or design thinking, we start from a semi-emptiness (almost a blank sheet) so that with creativity and based on classical design techniques we may create an organizational design that is unique, thus creating a wider range of types of organizational designs. So our question was, how can we create organizational designs adapted to the needs of the users, the ethics and the context of the organization using design thinking and organizational theories? However it is important to say that sociocracy and holacracy don't give us solutions for organizations that don't want a shared management spirit or a more hybrid organizational design, while design thinking does. Holacracy and sociocracy only gave us arguments and additional practical cases and processes for organizations that were open for shared management and governance, or to develop the technique of organizing with autonomous circles in the organization. In holacracy practitioners start from a quite democratic base and it is very efficient with regard to providing answers so that the decision making processes with a democratic base may be not only faster, but also be based upon consensus.

That's why we have been inspired in sociocracy and holacracy in the DOD of the Eco Hotel and Biovilla studied further ahead, because they are larger projects where the users and the context were propitious to practice this shared management spirit and this kind of organizational design arranged by semi-autonomous circles. Below there is a brief explanation of what holacracy is:

Organizational Structure

Holacracy aligns the structure in a more organic natural form based on self-organizing teams (circles) and more natural links based on cooperation and participation, facilitating top/down and down/top communication. "Each circle connects to each of its sub-circles via a double-link, where a member of each circle is appointed to sit on the other, creating a bidirectional flow of information and rapid feedback loops" (Robertson, 2007). Each circle governs itself with the premise to serve others and reach the aim of the circle but also of the organization, by electing people for specific roles of governance or operation and to be the representative people of the circle in another circle in the hierarchy of the organization.

Organizational Control

“Holacracy enhances organizational agility by improving the methods we use to control organizational activities. It helps us make decisions rapidly and incrementally with maximal information, so that we can adjust our path continuously as new information emerges along the journey. And when it isn’t clear what decisions and actions are expected of us, Holacracy encourages us to take individual action using our best judgment, accept ownership of the impact, and then help the organization learn from the experience” (Robertson, 2007).

Meetings for governance and for operations

One of Holacracy’s core characteristics is that there are circle meetings for both governance and operations, *“Governance meetings help define how we will work together – they facilitate uncovering and assigning the roles needed to reach the circle’s aim. Operational meetings help get work done – they facilitate effective planning and execution of the circle’s day-to-day business. In addition to the core practices, Holacracy includes add-on practices or “modules” which address many specific organizational processes, from hiring to budgeting to project management”* (Robertson, 2007).

Shared Language & Meaning

“Holacracy injects powerful mental models and concepts into the organizational culture, creating a body of culturally shared language and meaning which facilitates ultra-high-bandwidth communication beyond ego” (Robertson, 2007).

Roles & Accountabilities

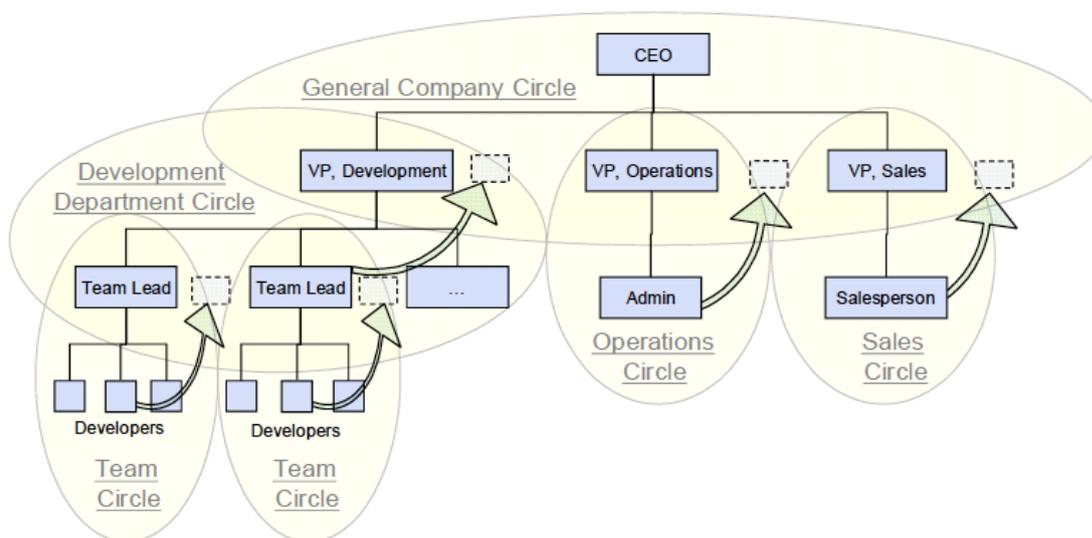
An accountability is one specific activity that the organization is counting on, for one person or for a group of people. In an organization, what is your role? You are in this organization for what? Aren’t you accountable to all the organization, at least in certain ways? Well, there are many opinions about these questions, that is why holacracy and also the DOD approach can be difficult for some to understand or even to accept. In these two similar approaches to roles and accountability in an organization, it is important to trust the process and

for that it must be perceived and reliable for everyone, because implementation can be turbulent, since it normally demands change, learning, practice and adaptation. *“If there is no clear and compelling mechanism to sort out this misalignment of expectations directly with each other, then playing politics becomes an effective path to working around the system, and this pulls us further into interpersonal drama and wasted energy. Worse yet, rarely do we consciously recognize that we have a misalignment of expectations – instead we make up stories about each other, we blame each other, and the spiral continues. On the other hand, when we have an effective process and supporting culture to clarify what we will count on each other for, we can channel the frustration of misaligned expectations into an opportunity for organizational learning and evolution. Politics become no longer useful, and the personal drama gives way to an explicit discussion of what makes sense to count on each other for”* (Robertson, 2007). That is why a facilitator about this new model in the organization is very important at the beginning of its implementation. An accountability is one specific activity that the organization is counting on, for one person or for a group of people. *“Roles in Holacracy hold multiple related accountabilities in a cohesive container (...) In Holacracy, the title of a role becomes secondary, merely a label – the real meat that describes the role becomes the list of explicit accountabilities”* (Robertson, 2007).

In Holacracy the design can also be mutating, the perfect design is a result of constant learning and progress *“Holacracy seeks to clarify accountabilities over time, as tensions actually arise from unclear implicit accountabilities or conflicts between roles”* (Robertson, 2007). Moreover, Holacracy’s approach also focuses on differentiating individuals from the roles they fill, because it is the individual that counts and it is not the role that makes the individual, as in opposition to our modern organizations culture.

Below we can see a typical example of an organizational design from the holacracy and sociocracy taken from Robertson (2007). The practice is also very well explained in Buck and Villines (2007).

Exhibit 5



In addition to organizational structures, Sociocracy and Holacracy use very effective shared management processes, such as agile integrative decision processes and dynamic processes of integrative elections. They also use quick processes and spaces to decide upon operational and governance issues as well to decide upon issues of strategy and tactics (every meeting with a different timing).

Holacracy itself is quite more open and comprehensive in terms of designs that change according to their natural evolution, starting from a shared issue and a series of structures and established processes. So it was from sociocracy and holacracy that we also derived inspiration, choosing a more generalized approach, essentially focused on design. By this we do not mean that subjects such as psychology, sociology and economics, the environment, amongst other equally important fields of knowledge and research that may be embedded into management do not play a role in the creation of organizations. That is why one of the main tendencies and principles of design is that of sustainability, since a design is only excellent if it lasts for its own life cycle or even if it never ends its life cycle. We will now look at some live examples, with different types of organizational design “designerly”⁶ created, what we in this study call the DOD interface. In other words we will use classical design and design thinking as disciplines to support the creation of an organizational design, using a creative process derived from design as shown in Exhibit 4: Framework for the Design-Based Organization Design.

⁶ What we mean by “designerly” is the using of design as a base discipline.

4. A brief description of the Eco Hotel

The Eco Hotel under study is a tourism development project with the aim to provide the northern region with an international luxury hotel based on nature, culture and wellness supporting an environmental, socio-cultural sustainable development, communitarian service, the incessant “surprise” and personalized service to customers and users, as Tom Peters stated: “you must design the customers experience or the customer will design it for you” (Peters, 1994) doing this by design.

Exhibit 6



Situated in an exclusive area of the National Park Peneda-Gerês, the hotel will benefit from the exclusive natural location and the mysticism aroused by the historical submerged⁷ and communitarian village “Vilarinho da Furna” (you can feel it by the photography below), by a historical architecture, cultural characteristics, organic agriculture, specialized activities and a gastronomic unique selling proposition, which will be integrated to create

⁷ An incredible communitarian village isolated from the world in deep “Serra do Gerês”, that was submerged since the construction of a dam in 1971 by the Portuguese dictator Salazar. The Hotel architecture will be based on the reconstruction of the main road of this village that passed through the main square of the village, i.e. the main communitarian spaces of the village.

the intended communitarian atmosphere, but never forgetting that we will be deeply in the 21st century. The project proposes the customers, in a luxurious context, a complete offer of nature, culture and wellness features which will also enable them to have a learning experience. Finally, based on the 45 hectares of land provided by the municipality under long term concession, the investment is estimated at €33 M.

The main concept is around the village Vilarinho das Furnas, (photography dated from 1965).

Exhibit 7



Today, this is what remains from the last historic Portuguese communitarian village.

Exhibit 8



Key success factors: comfort, tranquillity, security, multiple activities, constant “uau”, personalized service, aesthetics related to the landscape and architecture, environmental sustainability, personalised service, gastronomy, exclusive group human resource training (MICE), nature, sports, wellness and finally but very important a particular communitarian atmosphere.

Mission

“Our objective is to offer the guests a full package of luxury services related to nature, culture and well-being. The project and the surroundings of the area will offer the customer an ongoing and subconscious learning component in National Park of Peneda-Gerês. All these aspects linked together will create unique value and differentiation for the customers”.

Segmentation and target market: These demands are predominantly visible in the luxury travel market, which are supported by the respective market segmentation seeking a cultural, natural and holistic wellness environment. Studies prove that there is a tourism tendency in choosing destinations where the density of tourists is low, demonstrating a demand for tranquillity. Considering these and other factors, the establishment will target not only domestic market but also international market (by some customers platforms that “École Hoteliere de Lausanne” facilitate in Spain, France, Germany, UK and in Netherlands). In terms of demography it will also target young and mid-aged couples together with active senior customers. With its overall unique offer, the Eco hotel will also respond to the increasingly luxury travellers who feel the need for an environmentally friendly escape, heritage and well-being.

Strategy

The hotel will apply a differentiation and focus marketing strategy. The differentiation strategy is designed to achieve a competitive advantage by creating a product or a service that is perceived to be unique in some meaningful way (Lewis, 2000). The hotel will have a distinctive historical background and will offer a learning experience through its facilities and activities. The focus strategy is aimed at serving the needs of a limited customer group or segment, based on a distinctive competency (Lewis, 2000). The hotel will offer services adapted for wealthy people seeking for nature, rural activities, tranquillity and businesses seeking for an exclusive training week. As we can see in the DOD interface, the two strong pillars of competitive advantage of the first fase of this Eco Hotel will be gastronomy and farm, natural activities and M.I.C.E (meetings, incentives, conferences and exhibitions). This way, the hotel will be specialized in a specific area of training, where enterprises will know if they want to make a training for their co-workers in that specific management area and they will know that this Eco Hotel is the best in that training, having all the human resources, infrastructures, activities and quality level and at the same time, the ambition to create a human resources' training platform in the future.

Differentiation

The following points will determine the differentiation factors:

- a. Exclusive location in the National Park Peneda-Gerês.
- b. Unique architecture:
 - Village recreation with all the adequate scenario
- b. Embedded learning with every offer:
 - MICE speciality (b2b management communication)
 - Indoor and outdoor activities
 - "Living history" & mysticism
- c. The choice of two restaurants: traditional cuisine and wellness.
- d. Personalized service with personalized packages (for example: the pre matrimonial villa, where couples can experiment living together before their marriage).

- e. The delay of the check out hour.
- f. Happy co-workers that are proud of working in the Eco Hotel

General policy:

The strategic plan requires clear and transparent policies to be operated successfully. Here all the co-workers have the opportunity to propose, discuss, learn and understand well, even if it is not fully agreed by the organization. "*Do what you love. You'll be better at it*" (Francis Ford Coppola), making efficiency by emotional commitment. I followed that policy in "Bairro Criativo" and it worked very effectively.

The workers' functions and positions will change about 2 months once a year, where the lower levels have the opportunity to shine in higher levels and also to practice change.

The Eco Hotel wants to define and practice a policy of open and honest management, which will lead to a frank evaluation of performance with different rewards.

This openness and active participation of all employees of the Eco Hotel will oblige them to the total confidentiality of the process.

The Eco Hotel policy will be supplemented with the following documents, which describe the organizational structure and internal processes:

- Welcome Manual;
- Functions description
- Operations manual integrated in the DOD interface.
- Code of conduct;
- System appraisal integrated in the DOD interface.

Another particularity is that the Hotel design, starting from the co-workers uniforms inspired in the traditional clothes of the old times until the experience of the arrival, staying and departure, was designed as a trigger to the sensation of mysticism, secret, refuge, tranquillity and communitarian atmosphere. For example the client's path leading to the hotel follows the yellow line in the picture above. Arriving at point 0 the client enters the hotel and he admires all the biological park and farm during the trip until point 1 (the reception) where he makes the check-in and receives a briefing about the Eco Hotel. Until now the client hasn't seen the village yet. He just has the idea he got from the main road where he could notice something in the mountain, since the villages architecture is so melted with the stone and vegetation of the Gerês mountain range. Our aim is to make the sensation that the village is there for many centuries. Then a horse cart transports the client till point 2 where he feels like arriving to a spectacular lost village, going from the top to the bottom of the

village by privileged panoramic elevator that also gives the sensation of isolation.

Exhibit 9



The infrastructures:

- 30 Villas, with 2 suits each, all thematic and unique, arranged by communitarian groups and communitarian spaces.
- Body and mind center.
- 2 Restaurants: a normal one, and a typical one where you have an interactive team teaching the traditional gastronomy.
- One MICE centre (meetings, incentives, conferences and exhibitions), and at the same time a local cultural centre, and a space where co-workers can construct their projects.
- 2 pools: one external and one internal.
- 1 Farm.
- 1 Biological park with natural experiences like mediation zones, zones with music, dojos, body maintenance circuit.
- A lagoon and a river beach that will be explored, cleaned and maintained by the hotel.

5. The Design-Based Organization Design interface of the Eco Hotel in Gerês (the DOD interface)

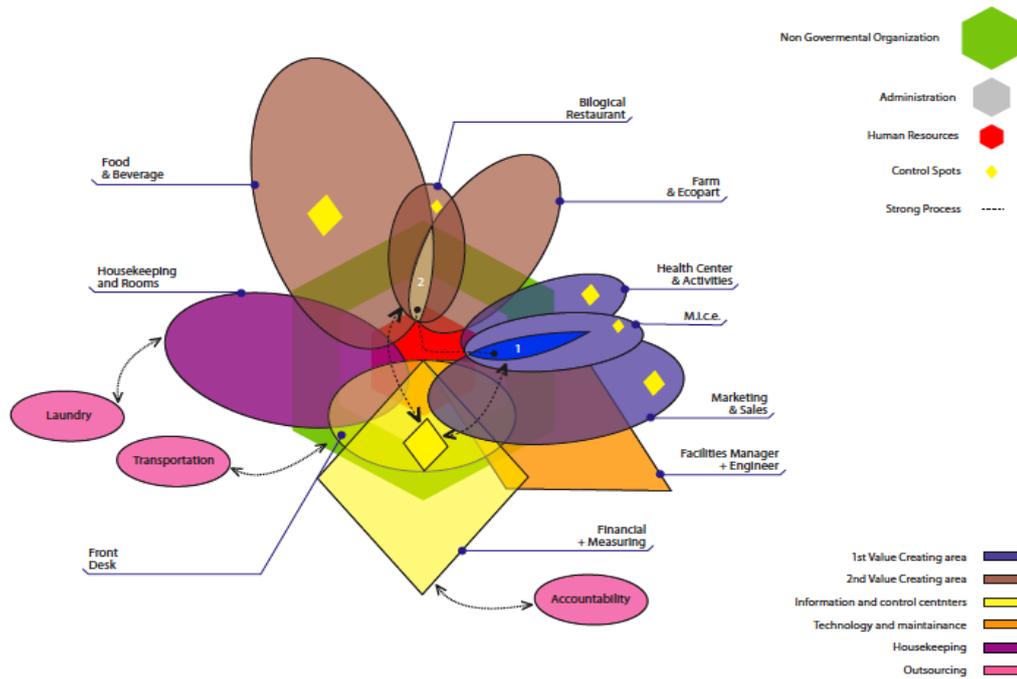
In this stage using this action research, by experiencing and learning the DOD interface on the field, or by experiencing it in other businesses, or by testing it with designers and manager meetings; the final Eco Hotel Pre-DOD were ready to be implemented.

First, to introduce this new dimension we will demonstrate a DOD interface from an Eco Hotel in Gerês (North of Portugal).

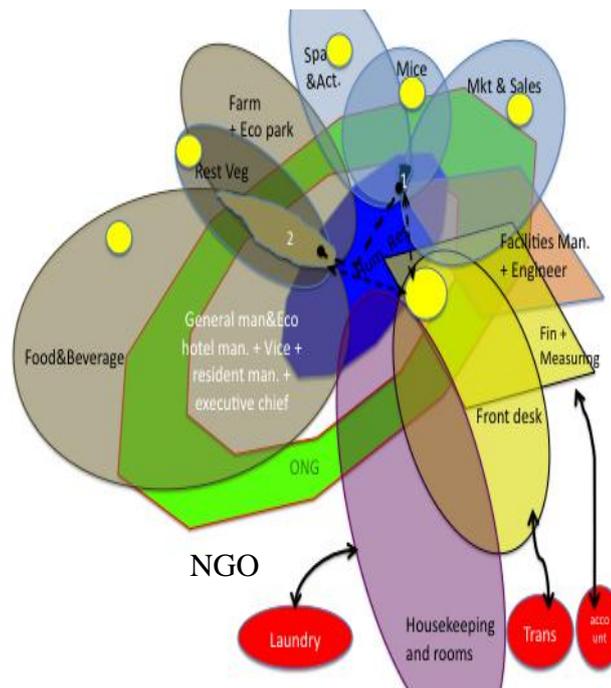
In what we call the DOD interface of the Eco Hotel in *Gerês*, you can see that we flattened the organization to a 2D (Exhibit 10) or a 3D dimension⁸ completed and integrated with co-workers positioning (Exhibit 11.1).

⁸Unfortunately we didn't have the essential support to these 3D graphics.

Exhibit 10: “The base of the Eco Hotel design-based organization design interface”



Here we have the same DOD interface but using the same design software that was used in the entire work project, with poorer graphic quality.



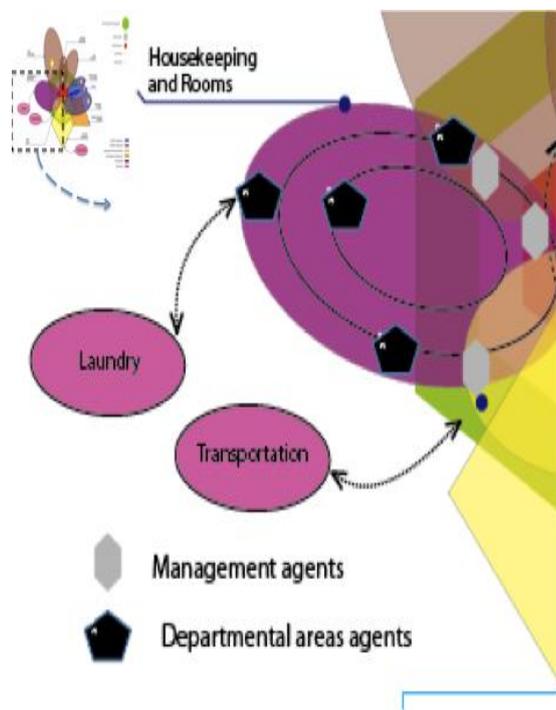
The forms:

In the forms we can see the size of the team, the colours as identity, the directions of the forms meaning that they are planned to be changed; by changing the position to an outsource situation (in the case of the financial support), or by a change inside the organizational map, changing the position to another place where synergies will be more important (in the case of the facility and maintenance area that is very important to be in a first stage related with the first competitive advantage creation area). This DOD interface can change, melt, get fat, with separated spaces, in a dynamic world. The proposal is just the first flash (blink of an eye) of the organization, with

the representation of a strong culture, direction, dynamics, process, strategy, leadership, boundaries and other business concepts.

Next you can see an example of co-workers positioning using also a model with the areas A, B and C that can be used to employ hierarchies among sub-departments or within departments for example (the interior circles in the picture). One can use for example the following rule: The closer the co-worker is to the extremities of each shape in the DOD interface (each departmental area), the more responsibilities and interactions he will have with other departmental areas, working in this case as representative or manager of each departmental area.

Exhibit 11.1: The DOD interface with subsystems in 3D dimension



It is based on melting and change, with an introduction (start up) design that will mutate with the organization users, context, lifecycle and anticipates it for functional, social and emotional causes. Some critics of this DOD interface saw it as a normal structure, but it is more than that, it is an interface between EOD and DOD, between business man/woman and design, and between management team and co-workers, which will serve as an interface inside the organization. For more sceptic people it is a richer representation and perspective of the

organization as it is, where we can consolidate, see and use many dimensions and information as you want, doing this also with the help of graphical design expertises, helping to integrate every dimensions and to perceive more information in a simple way using design. It represents the structure, the organizational design, the governance, the strategy, the culture, the leadership style, the processes, and at the same time mixing human behaviour dimension and organizational dimension. We used standard organization tools as inspiration

rather than direct tools; based on changes rather than stability; spreading instead of guarding; using spaces rather than vectors in the graphic representation and in practice; open and based on trust instead of closed and secret; embedded instead of distributed; respect and trust rather than authority and management manipulation; organized around and among networks using 2D or 3D structures rather than top down and rigid hierarchical ones; based on interdependency principle rather than dependency principles; using a collaborative process rather than a centralization on a heroic maestro. Finally, we tried to make all this simple, functional, beautiful, sustainable, adapted to users and context. That is to say we tried to make it harmonious, and personalized to co-workers, through design.

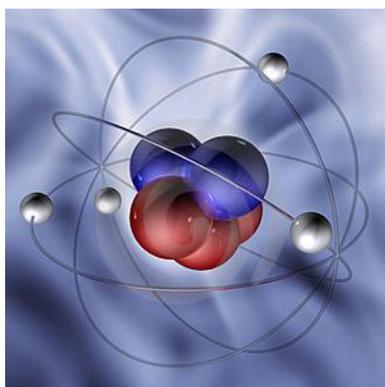
In this Eco Hotel DOD in Gerês not only because of its situation, but also because of its concept, we knew sustainability would come by the responsibility to create value to the community around (by creating employment, development and

people care) to the co-workers and to the clients. Never forgetting where these agents found each other, because we are also responsible for what clients do to the local population or what the population does to the clients.

Then, this DOD interface evolved new and more refined features, by both disciplines, organization theory and classical design. Therefore, to show a subsystem that suits in this DOD interface we inspired ourselves on the circular design of Romme (2003) and Endenburg (1998), (searching inspiration in Sociocracy), but intentionally we cut the hierarchical structure principle that this system was serving, (Exhibit 11.2).

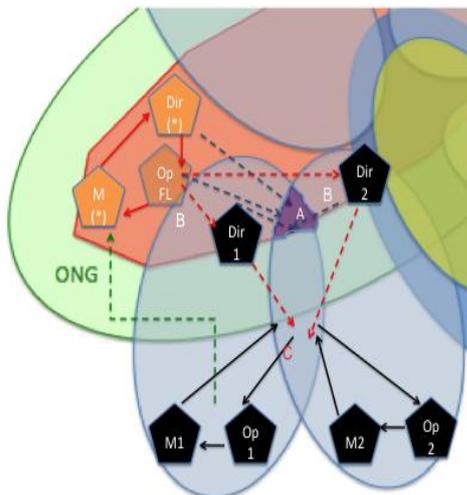
Exhibit 11.2: “The subsystems in the Eco Hotel design-based organization design interface”

We imagined this organization design as a molecule design:



Stage 1 is the introduction stage, where middle management is learning and working under the

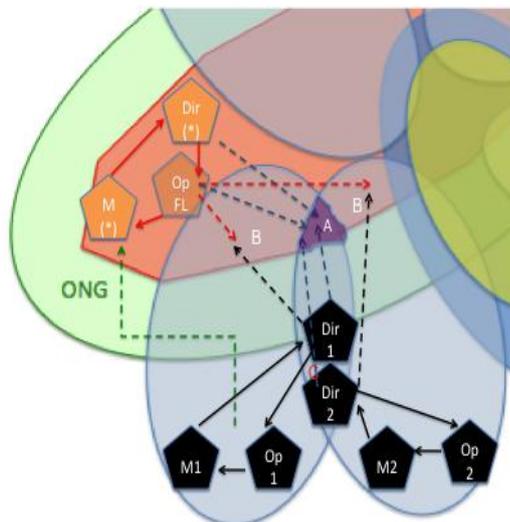
coordination of the administrators. It is also the only space where the decision is based on consensus:



Stage 2 is the Growth stage where the organization empowers the middle management and

emphasizes teamwork and co-leadership by putting them together working with their team in point C.

Decision is based on majority vote, or in case of draw, decision is made with base on the consensus too.



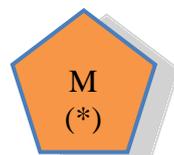
Additionally point A is a space of meeting between administrators and middle management of two or more synergic departmental areas. In another way point B is the space where administrators and middle management meet but separately by individual departmental area. Each space A, B, C, ... that implies meetings and gatherings, has its own periodicity.

These systems are distributed this way through all the base design, making a subsystem network of all the department areas, being positioned differently if it is needed and desirable. In a way that all the connections are proper and work effectively with an adapted governance and strategies that can be stated by the proper circle or by the Administration Circle in the centre, depending on the circle's users and context. Sometimes it is only necessary to create informal spaces to communicate fast (that is to say, sometimes there is no need to have a formal meeting), like a process inspired in a walkie talkie, online chats (ex: Whatsapp, MSN) or a limited characters chat.

role is to be the leader who is loved and respected by all and they are the keepers of the interest of the organization's sustainability or to the interest of the stakeholders, depending on the type of hotel business.



The Operational manager (functional leader in the operation) will be the resident manager. He is the one who solves the daily operational work directly with each or both op. directors of department areas (Dir 1 and Dir 2) in area B.



The Measuring and sensing of the functional departments (elected by the circular design of the departmental areas) will be the controller and the "eyes" of the top management to feel what happens and what are the needs in the operational activities. This kind of double link is used in sociocracy and holacracy structures using a similar role of the elected delegate (Buck, 2007).

Role played in the subsystem:



General Managers, in co-leadership will lead the directing team (figures in orange in the centre of the organization). He/they can be also in contact and will work in the team at the area A, where the most important functional issues are decided. Their main



This will be the director of each department, with power to decide, responsibility and the authority aligned with the Eco hotel strategy and policies. He will be connected with the operational leader from the top management at point “B”.

He will direct his departmental area with other departmental areas that together create synergies, at point “C”. This way the principal areas are managed together in a hybrid co-leadership system (in some projects they share leadership, others they don't).

With this organizational design the number of directors can be decreased if in which point “C” you just have a director for both departmental areas for example.



This represents the operating chief and his staff, who execute and also create new processes with their director.



The measuring and Sensoring of each departmental area can be someone elected from another departmental area nearby (like sociocracy and holacracy). But this role can also be executed by the financial department or any

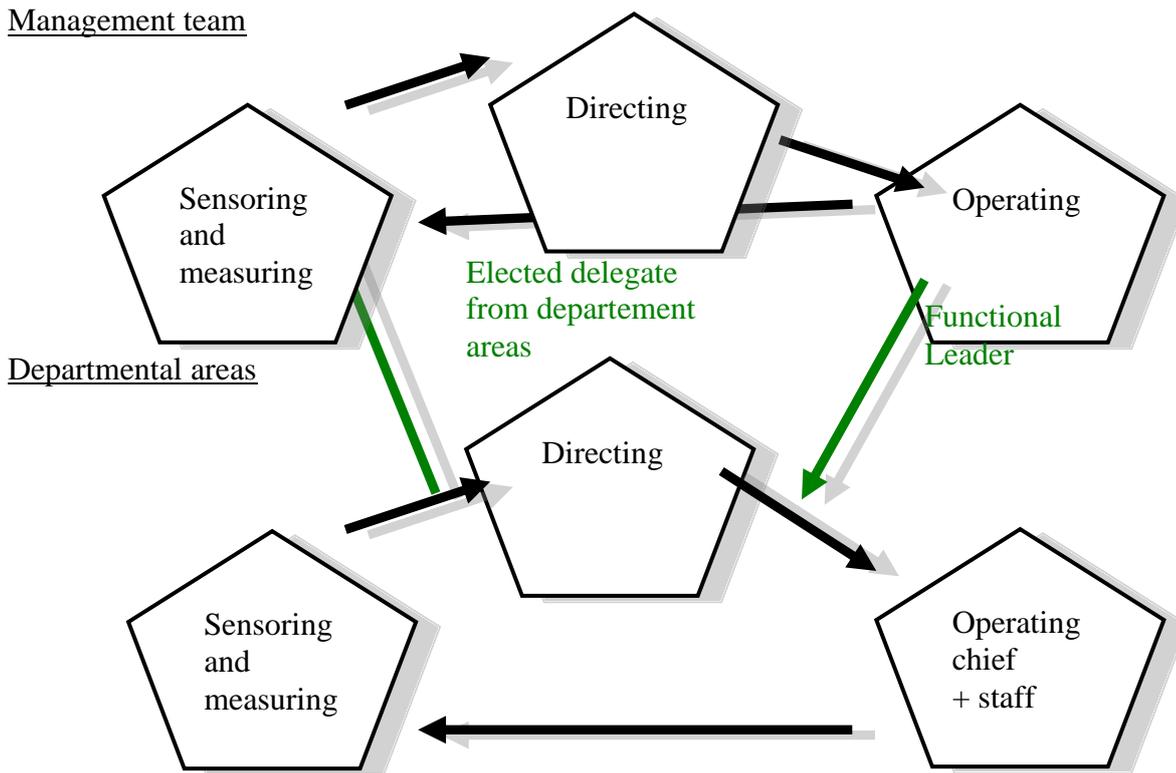
other department that can enrich the decision, the election or support the management.



The elected delegate who is the feeling of the staff. This will also be a top management panopticon control.

We used also the circular design inspired on Romme and Endenburg (Romme & Endenburg, 2006) adapted to the hospitality sector.

Management team



Note: End of Exhibit 11.2.

It is very easy and interesting to position co-workers in this interface, because the co-workers positioning has also a meaning. Just like in any design which appeals to the senses, each organization has to find the language and the sense it believes to be more adequate for them so that they know where they stand and what is their position in the organization. In this case we expose here, the closer the co-worker is to the extremities of each form in the DOD interface (each departmental area), the more responsibilities and interactions he will face with other departmental areas, working in this case as representatives or managers of each department.

In a way the inter teamwork and inter team decisions are made by the adequate profile worker or team of workers, among the departmental areas that have interceptions. As you see in exhibit 11.2 it is predicted to change from stage one to stage two through the empowerment of middle management together with their team. “The mid-level managers will assume the position of the engineers of knowledge of the innovation firm” (Nonaka & Takeuchi, 1995). In sociocracy for instance, this person from middle management or as a leader and representative of the department, in communication among departments or with the hierarchy just above, is elected by and from within his own department.

In this Eco Hotel DOD, the participation, the creativity and the improvisation of the co-workers have a space, which explains also the form of our organization design; doing this by constant training and skills development given by the Eco Hotel. The Eco Hotel in Gerês even gave a physical space “The project atelier” with a privileged view that will permit co-workers to create their solutions for the organization’s challenges, because it is easier to create challenges with the proper tools and infrastructures. Additionally the Eco Hotel will create competitive advantage in spiral like the learning organization design creating constant innovation.

With this DOD interface you can introduce also the label of the organization⁹ (values, ethics, principles, culture, brand identity, an important personality in the history of the organization, a group of people or any fundamental identity to the organization and business) that levers the organization by taking advantage of the *Gerês* national park biologic rehabilitation and also by an

⁹The “label of the organization” is something that naturally creates an involvement, influences the worker behaviour to the desired strong pillars of the culture or that creates a connection with the exterior in sync. An organization that can’t find this label can have a problem of culture and human resource, because the same way an organization has to know its product to sell it in a better way in order to have success, an organization must know its culture and identity to work well.

union platform of the hotel industry competitors in *Gerês* region, to create a green and natural strong brand of tourism “Gerês” (as there is in Madeira, in Azores or in Algarve).

This DOD interface also allows us to understand the strategy by the bigger value creation areas, which are also explained by the competitive advantage of the Eco Hotel strategy. This way, those areas will be areas of intensive teamwork and decision-making, decentralizing the “central brain” of the organization. It is suitable and more simple for small and medium organizations because of the distances inside the organization and because it also suits for democratic, transformational leadership and imperatively for co-leadership, characteristics that the administrators have and believe “It all starts from the top” (Porter, Lorsch & Nohria, 2008).

In the hotel industry we see multifunctional policies, but the co-workers are sometimes far away from decision points, on the contrary in this case, by design principles of social beauty and functionality we created the structure which suggests that multifunctional culture. As a result, flexibility was accepted and seen as a good thing, because the concept of a good worker was that he had to be good on a diversified number of functions. “*Flexibility is something that's earned -- it's not something that's handed to you*” (Welch, 2006).

This allowed us to understand how we create naturally commitment proactively as well as to create the self-achievement of the hotel co-workers (chosen using a specific criterion for choosing the co-workers with a specific profile 10), “They must realize that success ultimately depends on their ability to enlist the voluntary commitment rather than the forced obedience of others” (Porter, Lorsch & Nohria, 2008). Additionally to this, we see the latest generations with a very different behaviour, where for example the children have a under estimated power on society today, because more and more they have a decision voice within the families. That is to say as they have an opinion to give since very young, how will they be when they have to work in an organization?

This interface is based on change and dynamics because each departmental area has a particular form that allows us to see which one is in a provisory position. This means that in the growth stage some departmental areas will change their position, i.e. a different position may affect the span of control, the

authority, the decision making, the chain of command, delegation, the working team, the accountability and the responsibility. As it is the case of the “Facilities maintenance”, it is be very important to be in the first strategic area of the Eco Hotel at the introduction stage of the company life, but afterwards it will be important to achieve another area.

In terms of control, unfortunately we must be aware, because this kind of liberal design with some creative human resources needs some adequate regulatory policies, control systems and incentives. “*For the reluctance to embrace design is the difference between designers and managers on a number of issues, and a widespread belief that designers – or creative people in general – cannot be managed*” (Stamm, 2004). That is why the adequate leadership in this type of organizations is even more important. The control system and the selling spots can be seen in yellow in the DOD interface (the yellow bullets in exhibit 10). The control information focus can be eliminated, when there is more important information, because in this stage of the design we were concentrated in the construction and implementation of the DOD interface and at the same time in the simplicity and functionality of the practical interface, never forgetting the beauty, the context and the user (the more information there is, the more complicated the interface will be). This way with this organizational design, it is almost imperative to have an incentive system that rewards team and individual performance, in order to position and incentive in a natural way the co-worker by merit and honour, in an open book system thanks to the graphic screen¹¹ (Exhibit 12). We decided to inspire this system in a precipitation meteorological map and a brain radiography by using the coloured results of the system appraisal of the BSC - Balanced Score Card¹² - in the base team dimension, i.e. just for the base structure characterized by big forms and colours.

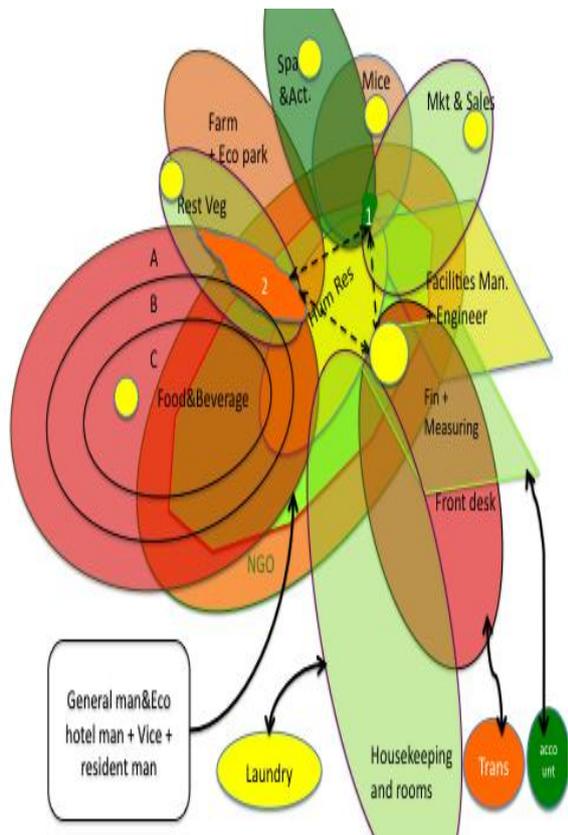
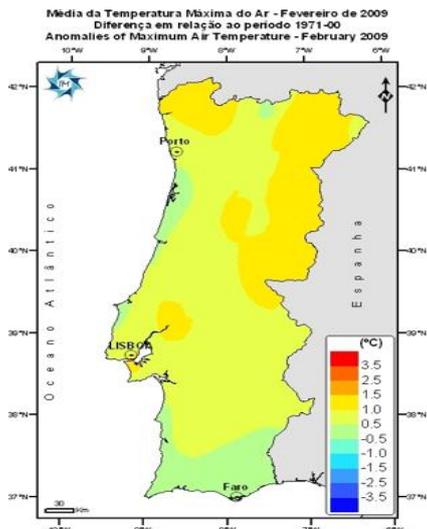
If we use these scales colours of the balanced scorecard in our DOD interface, we can easily see where and what are the problems in one “eyes click”, or what is disturbing the teamwork results of the principal areas (see the islands at the interception of the principal activities that create value). This is an example of what co-workers can see in that screen:

¹⁰For example the co-workers that the administrators already have recruited participated in several social and environmental voluntary work in the past and have a strong team working skills. Some creative skills will be needed also, but well balanced in terms of proportion, because we didn't want an entire creative team due to its chaotic management constraints. These profiles will not only help to find the working conditions for these people, but also will help to nourish motivation of co-workers through the social and environmental mission of this innovative Eco-hotel.

¹¹An integrated and visual screen that gives the information about the performance. To learn more, see the performance appraisal part.

¹²Since it is a system that by design it can be seen as a success of integration (Richard J. Boland Jr. and Fred Collopy, 2004)

Exhibit 12: People care system appraisal



To make the individual incentives and positioning we mixed the BSC with the GE's "20-70-10" system implemented by Jack Welch, that is controversial due to its lack of beauty, but as Jack Welch said "An effective performance appraisal system relies not only on honest feedback but also on meaningful differentiation among employees" (Welsh, 2006). But we just used the ending classification part of his appraisal system, classifying the co-workers by areas A, B and C, as you can see in

the food&beverage department area example in the DOD presented above. The classification will be dictated by the BCS individual result, the individual interview and the circular design that allows the 360° control and flow of information; all that will result on the classification of a co-worker in level A, B or C; in a way all the co-workers receive incentives but some will receive more than the others.

At the same time, to help this co-workers positioning on level A,B or C we will use a sociometric test, since one of the administrators is an expert in the sociometric test. This test will also be used to position the co-worker in the team they fit and love the most, using this DOD interface as a simulator to see if the teams can be reformulated and equilibrated. This will allow us to have the right person in the right place.

The process will be supported by two separate screen systems: one will give a daily feedback to the teams and departmental areas by colours of their performance, giving the sensation that it is a team game. The other screen system will inform the clients if they are being ecological or not, also by colours, receiving a prize at the end that is to plant a tree. To support that, gaming is nowadays a characteristic and a passion of our society, "Keep the change"¹³ project demonstrates that design thinking can identify as aspects of human behaviour and then convert it into both clients' benefit and business value" (Brown, 2008).

For example, the client screen will have this aspect, showing if the client is being ecologic or not.



As a new business in the region with some suppliers who have the required service level, we designed outsourcing to be directly related with the direct operational level of the organization, (exhibit 10) distributing the power along the organization, since it is a start up¹⁴ and it is a scholar principle of design of simplicity coming from minimalistic period, "minus is better", that allows us to concentrate on the core business.

¹³"Keep the change" project was a bank project inspired on the traditional habit of putting the change on a bottle, but doing this at the credit card level, i.e. when the customer makes a transaction and the real account balance has decimals, those decimals go to another account, "saving" money to the customer without realizing he is saving that money.

¹⁴It is an entrepreneur preference to use fewer fixed costs as much as possible in the beginning where the failure risk is high.

Finally we also decided to create different periods in the Eco Hotel, following the exchanging design technique in which the design changes according to the theme where it is inserted, creating constant “surprise!”. In this particular case the design will depend on the year seasons. This way preparing special clients’ package and internal operational changes needed. Consequently this will be a space of constant innovation where learning will be a very fundamental path.

Note: End of Exhibit 12

6. The case of the DOD interface of an Eco Agro Tourism called “Biovilla”.

Biovilla is a cooperative where two of the authors of this research are coops (also social investors) and one of them is the responsible for the agro tourism part of this multifunctional project.

Concept:

Situated in the heart of the Arrábida Natural Park (45km away from Lisbon), Biovilla is a cooperative without the purpose of making profit by profit, but rather it aims at promoting social, economic and environmental development in an integrated and balanced way through practical and innovative business models that put sustainability and nature design at the centre of its activities. Biovilla is not just an agro tourism, it has more activities beyond tourism. Biovilla’s mission is to take sustainability to people, based on three main pillars today, which in design terms represent a trilogy that holds together a sustainable design: the economic, social and environmental pillars. Without any one of these pillars no organization can be 100% sustainable.

In Biovilla, the economic factor is the Eco Agro Tourism: a small tourist complex with four rooms (twelve more rooms will be build in 2016) that aims to be an alternative to the non-sustainable tourism we see almost everywhere. It is also regarded as having the aim of attracting people to pass by Biovilla, in order to allow them a sustainable and nature experience. It is a way of taking sustainability to people while offering total comfort and also generating revenue to give logistical and financial support to the remaining pillars of Biovilla, which are still ameliorating their levels of profitability, thus taking advantage of the inherent synergies among the three pillars. Historically, tourism is an activity which promotes comprehension, tolerance, fraternity, and peace amongst different people and cultures. That is why this pillar in Biovilla also has an important role in generating the conditions that will enable Biovilla to be a place of convergence for people and cultures of all around the world who look for a different kind of tourism, with practices that are really sustainable, such as the a real Eco hotel. Last but not least, the

success of sustainable tourism also generates profit, since there is ever more and more demand due to the increased concern with environmental and social issues whenever a tourist decides to book a hotel. In many European countries this market is not just a niche anymore, as it takes a larger part in the global markets. However, tourists are still faced with the need of booking regular hotels since many times there is no choice, i.e. there is still a lack of supply of hotels that really apply sustainability in their organization or business model. In the Biovilla tourism pillar we expose our guests and visitors to the good practices of sustainability, a very humanized service and sustainable products that guests can experiment and then use those same techniques at home. For this purpose we have co-workers at Biovilla who transmit this awareness and knowledge and give some tips (based on “do it yourself” techniques) to the guests.

The social factor in Biovilla is the learning pillar: It organizes workshops with the goal of becoming one of the first official institutions of education for sustainability in Portugal in the near future. The courses are usually priced fair and accessibly, and Biovilla has it as a rule to offer two scholarships per course, for those who do not have access to this type of knowledge due to economic reasons.

The environmental element in Biovilla is the environment and nutrition pillar: The activities of this pillar have the goal of spreading Biovilla’s impact into raising awareness and producing food products that are 100% natural, creating conditions for the development of the fauna and flora in Arrábida and for the production of hygiene, house cleaning and medicinal products that are also 100% natural, in order to contribute to change non-sustainable consuming habits of today’s society (in a near future Biovilla will also have its own brand of 100% ecologic hygiene, house cleaning, and medicinal products).

Biovilla will have more main pillars of activities, new people and new dreams in the future and, like a tree, new branches will grow and a new organization design, structure and processes will be necessary.

Brief description about Biovilla’s lodging and tourism:

Biovilla’s lodging has now 4 bedrooms available with double accommodation with extra bed option (with breakfast, linens and towels included), that have a shared bathroom for each two double/twin rooms, with hygiene products 100% natural. We have a kitchen (for guests also), decks, car and bike park, meditations spots, a library, free wifi, some board games and a living room with projection screen for films or documentaries, all this in a shared format. There are a few mountain bikes to rent in place. People have the opportunity to participate in the

daily works of permaculture, natural agriculture, gardening and trainings happening in place.

We always work to offer comfort and quality to our guest in the middle of nature and with sustainable practices. As an example, all the products like hygiene or food products at the disposal of the guests in Biovilla are natural and it is out of question to put any chemicals in our land. Depending on the season we have biologic and natural vegetables, fruit and other kinds of natural products at the disposal of our guests or of any person who prefers to buy biologic and natural products. We also prepare vegetarian meals for our guests.

Biovilla is proud of and it is our responsibility to take care of a part of our dear Arrábida Natural Park, as well as to show, protect and multiply native plants (we are responsible for the reforestation of one part of Arrábida), and also encourage the development of local fauna. In the eco agro tourism part, the co-workers are all specialized in nature disciplines and sustainability, rather than being specialized only on hospitality, because Biovilla's main mission is to take sustainability to people also when they are in leisure (Biovilla staff have the mission to show and to teach the best sustainable practices and habits to the guests), being the Biovilla project itself and its entire ecosystem the best training test. To have a good quality hospitality service, we have specialists inside the cooperative that give the sustainable hospitality training the co-workers need (that is why our co-workers can be landscape architects, environmental engineers, permacultors or managers with strong environmental awareness, for example. Guests can experiment sustainable best practices and products, but at a same time they experiment a sustainable business model and organization, and more than that, an identity. Biovilla in the end is also a brand that wants to be strong and innovative, in order to be the number one brand on sustainability in Portugal.

We are not just a tourism, we have also a nature food centre (biologic and natural food production, where the volunteers can use Biovilla's lodging for that purpose) and a learning centre on sustainability (we perform courses and workshops about sustainability with social scholarships). Biovilla spaces and lodging are also used for courses, workshops and events (for example planting trees and all kind of events connected with nature and sustainability). Moreover we have some very special prices for events that promote sustainability awareness. In the tourism part, we are the alternative to the irresponsible tourism, we are a sustainable tourism, nature tourism, eco agro tourism and a comfortable eco rural tourism, all in the same place.

Biovilla's people and structure:

In Biovilla we have a very special structure for the organization of labour. The whole organization is composed of twelve members of the cooperative, a

circle of people who help out occasionally ("cooperandums" and volunteers) and the contracted people. In what relates to Biovilla's labour reality, we have four types of relations:

- a. Some of the cooperative members are coworkers of Biovilla and they have a fixed salary and a more active role in Biovilla. They are determinants to the success of Biovilla. In terms of governance, they have the responsibility of assuming more on site functions at Biovilla for several days a week.
- b. Others members of the cooperative have just a few tasks or very specific task that may be done periodically or remotely and they work for Biovilla by heart and at no cost (with some benefits in Biovilla). Most of these members have a fixed job and cannot give much time to Biovilla but they have very important roles in the strategy of Biovilla and in technical or very specific tasks.
- c. Yet other members are temporarily away and have no concrete functions other than providing support to Biovilla. This is usually due to an important event in their lives which withhold them from dedicating time to Biovilla, for professional, geographical or other personal reasons which are accepted by the group, in accordance with the culture of people care of Biovilla, where we all wish that the person next to us may be happy and feeling well.
- d. People that are not formally part of Biovilla's cooperative but resonate with Biovilla and want to help and participate in this innovative project that considers itself to be bigger than the people who are a part of it. Some are also part of the local community that cooperate actively. These people can be volunteers who just want to help at Biovilla occasionally, as well as people that provide support to perform certain tasks more recurrently and with technical resources which Biovilla does not have. We call this group of people the "cooperandum".

One of the options that people have to obtain a yield in exchange of labour in Biovilla, is the local coin of Biovilla. That local currency that facilitates the exchange of services and products can be used inside Biovilla's networking and in all the services and products.

At the moment, one person alone (overnighting at Biovilla), with the help of another one who takes care of the cleaning for two hours a day, can operate the activities in Biovilla in normal situations, i.e. when there are no events or banquets. In the future this structure will change, since we look forward to

employing more wage earners in the next year (subject to an expected business growth), to perform important tasks that take much time for the members of Biovillla's cooperative. Thus Biovillla may expand into other business areas we have in mind, such as the production and marketing of natural hygiene and house cleaning products (so that sustainability also enters people's homes at the level of this type of products). These new and hired people may be formal members of the cooperative or not. In case they are not members, Biovillla may have to adapt and redraw once again its organization and governance design in order to adapt itself to the new context and users of the organization, if necessary.

Additionally, and without going into too many details in what relates to governance, everyone's vote has the same weight in important and strategic or operational matters of the cooperative. The organization has practically no hierarchies: the management only has a slightly higher level of responsibilities in the hierarchy, as well as the ones responsible for every pillar of activities. Nevertheless, there are practically no signs of hierarchies and, above all, everyone respects those who dedicate more time to Biovillla. The cooperative members are all "partners" of one another and we all cooperate and collaborate so that Biovillla may fulfil the common dream of contributing for the world to move towards sustainability and becoming a better world for all (for that we use the ethics and principles of permaculture, the base of the culture of Biovillla, which provide us with orientation in our special approach to what concerns people care and our activities).

Again, in what concerns governance and the organization of the people who work in Biovillla, we use and adapt the structures and processes derived from sociocracy and holacracy, tailoring them to our organizational design where each department has multiple links with other departments within the organization and other agents outside the organization (taking advantage of all the richness that the edges and borders may generate in every organizational design). Hence, in what relates for instance to integrative decision processes, processes of integrative election, to decide operations, governance, tactics and strategical issues, we use the

processes derived from sociocracy and holacracy, in order to facilitate integrative processes that were agile and known to all.

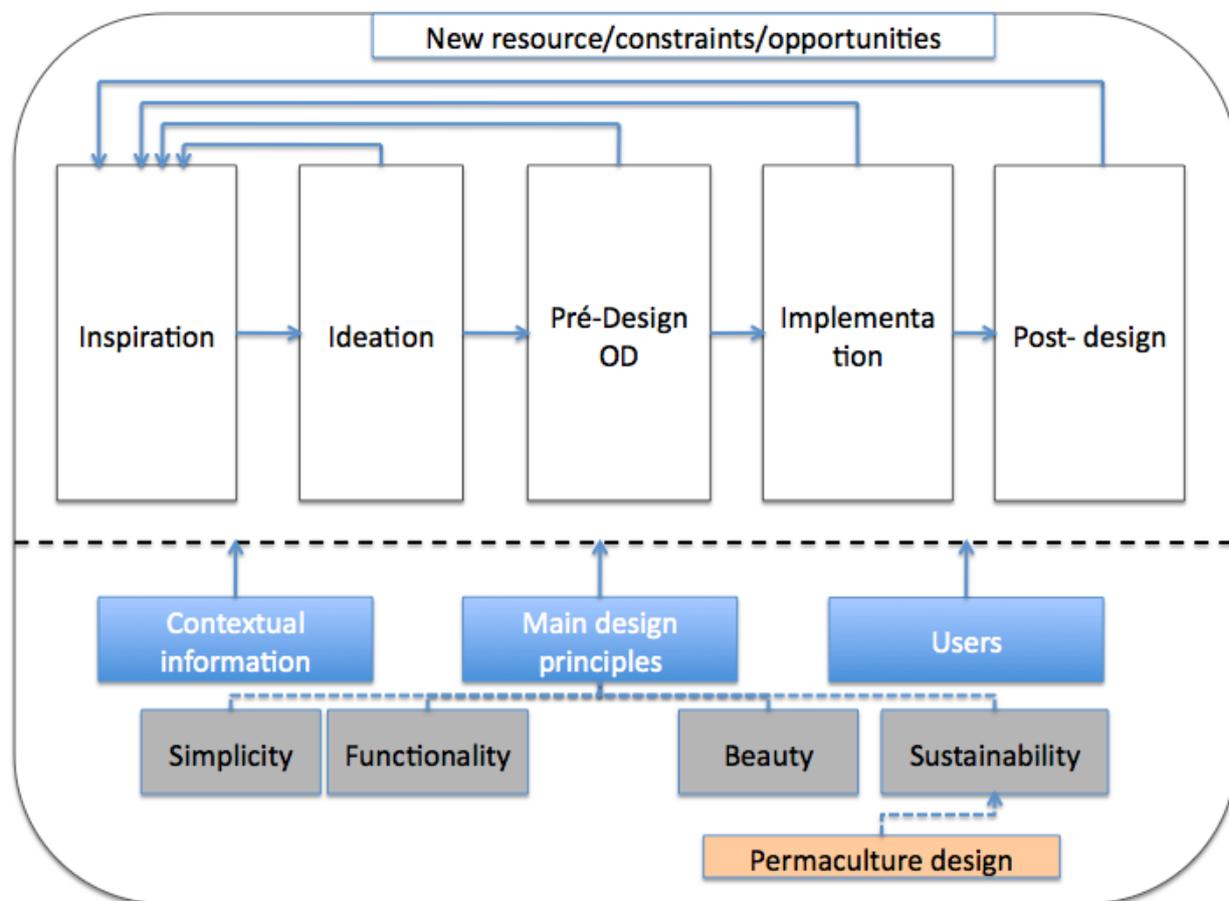
In Biovillla everything starts on a sustainable design approach. Since the genesis of Biovillla project in 2010, permaculture represented a big influence and inspiration. This way, when the entire cooperative project was established with all the members needed to start the project, it was already in the culture of Biovillla the ethics and principles of permaculture.

Principles, ethics and design in Biovillla:

Biovillla puts sustainability and nature design at the centre of its activities. As an example, the principles and ethics of Biovillla are based on the principles and ethics taken from permaculture. For example, in one of the first DOD interfaces of Biovillla permaculture was the label of the design and it was represented at the centre of the organization design. In the beginning it was important to have that label highlighted in the organization design, since it was important to internalize the culture. After more than one year, as the culture was already internalized, we excluded that label from the organization design and included some other information that was more adequate at that time for work force structure and more important to accomplish all the tasks and achieve all the goals of the organization. What is Permaculture? Permaculture has multiple definitions, one of them is: 'Consciously designed landscapes which mimic the patterns and relationships found in nature, while yielding an abundance of food, fibre and energy for provision of local needs (...) More precisely, I see permaculture as the use of systems thinking and design principles that provide the organising framework for implementing the above vision. It draws together the diverse ideas, skills and ways of living which need to be rediscovered and developed in order to empower us to provide for our needs, while increasing the natural capital for future generations' (Holmgren, 2013). Another definition is: "Permaculture is a design system for creating sustainable human environments" (Mollison & Slay, 1991).

This permaculture principles and ethics were integrated in the 4th main principle taken from classical design, "sustainability", that we can see on Exhibit 4 and Exhibit 13.

Exhibit 13: Framework for the Design-Based Organization Design (inspired in Tim Brown, 2008) used in Biovilla



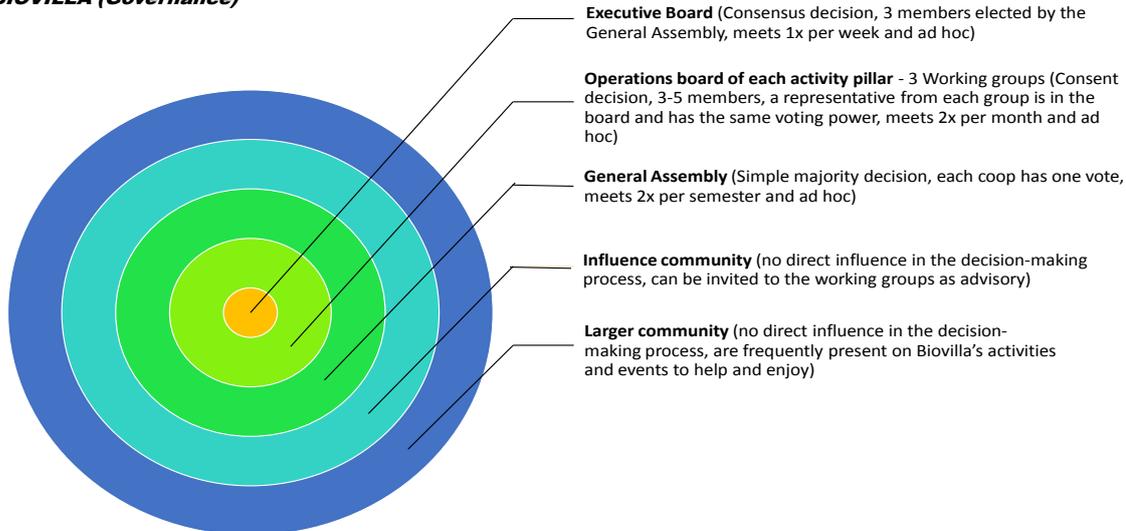
In this article we will not show all the prototypes and DOD interface that Biovilla designed based on this design thinking circular process. We show below on exhibit 14 the last organization design of Biovilla at the time of this article.

In this final DOD interface at this second phase we overlapped two different dimensions: governance and

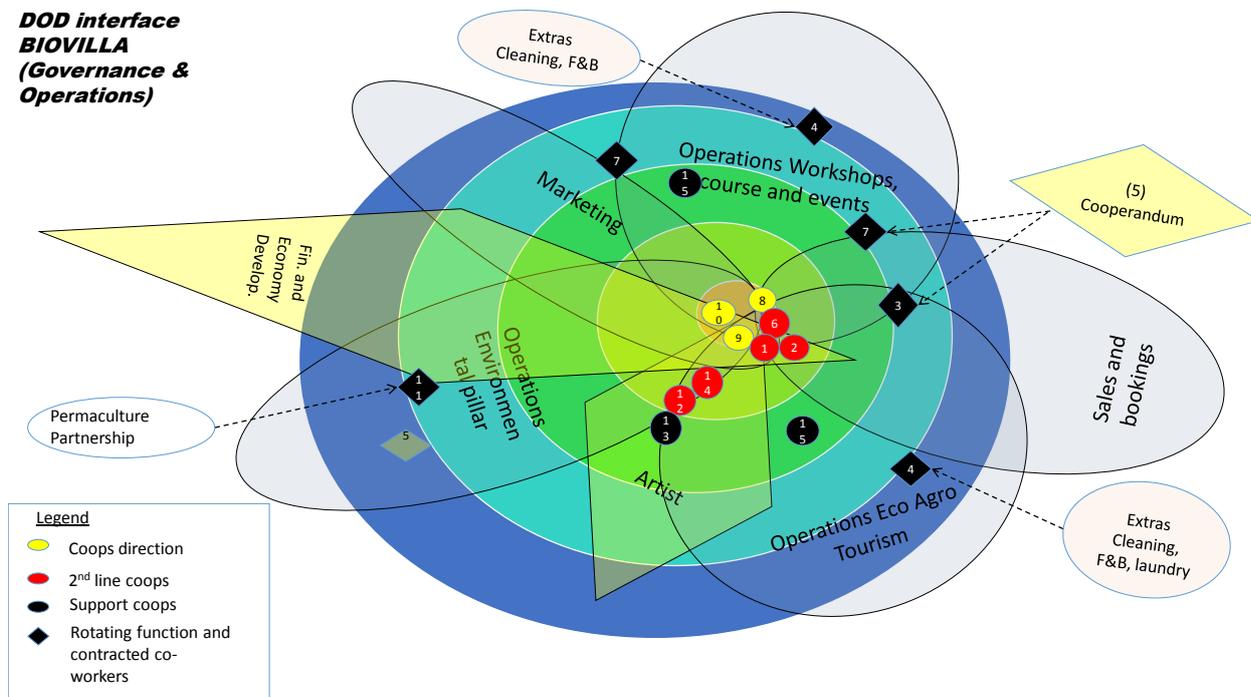
operations. As a result we decided to take out the “label” (representing the culture of the organization in the DOD interface) out from the centre of the design. After representing the governance at the centre of the design, reorganizing the design again and after some other design improvements, the final result was:

Exhibit 14: The DOD interface of Biovilla

**DOD interface
BIOVILLA (Governance)**



**DOD interface
BIOVILLA
(Governance & Operations)**



Function	Function description	Positioning in the DOD interface above
 <p>Coop Tourism Responsible</p>	<ul style="list-style-type: none"> - Sales management, E-commerce, hiring tourism agents, management and control of reservations, management of distribution channels of the accommodation and tourism pillar (b2b or b2p) - General manager of the Eco Agro Tourism - Monitoring and controlling the implementing of the tourism pillar and preserve its substance - Monitoring the operation of the eco agro tourism pillar - Support marketing of the eco agro tourism pillar - Revenue manager responsible of the eco agro tourism pillar - Ensuring people care in the eco agro tourism pillar - Responsible for the tourism booking flow. - Negotiation and contracting with suppliers for the tourism pillar. - Support the cooperative executive board - Operational services for the 3 activity pillars (rotational function) 	<p>Operations Eco Agro Tourism + Sales and bookings + Marketing + Artist + Fin. and Economy Develop</p>
 <p>Coop individual Sales and Op.</p>	<ul style="list-style-type: none"> - Answering and managing the flow of individual bookings of the eco agro tourism pillar - Revenue manager and support in giving quotes for groups - Management of work and presence schedules in Biovilla - Organizing moments of celebration and entertainment - Searching for funding opportunities - Writing applications for funding programs - Operational services for the 3 activity pillars (rotational function) 	<p>Sales and bookings + Operations Eco Agro Tourism + Fin. and Economy Develop + Operations workshops, courses and events</p>
 <p>Op. Services</p>	<ul style="list-style-type: none"> - Rotating duty amongst all the members of the cooperative, depending on whether they are working in loco at Biovilla or giving support - For the time during which he/she is at Biovilla he/she is the operational manager and performs several necessary duties to support the operational works - In case of being by him or herself, the operational manager performs all the operational tasks, since in case he/she has help for cleaning or F&B, he/she also has to coordinate the work to be done during the stay at Biovilla. - Assuring the normal functioning of the guest experience service at Biovilla, as required by the guests - Performing all the in loco duties related to the touristic operations - Ensuring shift turnovers and controlling stocks 	<p>Operations Eco Agro Tourism + Operations workshops, courses and events + Sales and bookings</p>
 <p>Extras cleaning and F&B.</p>	<ul style="list-style-type: none"> - Hired work from people and services outside of Biovilla's cooperative - They mainly provide support in the cleaning, kitchen, room preparation or for the trainings, groups and events happening at Biovilla. - In the case of the eco agro tourism pillar we add the laundry since we outsource these services 	<p>Operations Eco Agro Tourism + Operations workshops, courses and events</p>
 <p>Cooperandum</p>	<ul style="list-style-type: none"> - People or partners who remain with Biovilla in their hearts, friends, neighbours and volunteers who wish to help and participate in Biovilla's mission - Operational services for the 3 activity pillars (rotational function) - Working on the land and outdoor spaces - Promoters of Biovilla - Give support or can substitute some positions in Biovilla 	<p>Operations Eco Agro Tourism + Operations workshops, courses and events + Operations environmental pillar</p>

Function	Function description	Positioning in the DOD interface above
 <p>Coop Group Sales, Engineer and Op.</p>	<ul style="list-style-type: none"> - Support the executive board of the cooperative - Management of applications and participants´ logistics in the trainings and events of Biovilla - Co-ordination of trainings, trainers and keeping track of applications and proposals for future trainings - Responsible for the engineering matter in Biovilla and for providing support in maintenance - Responsible for groups and events - Support to the communication in the learning pillar - Distribution and monitoring of opportunities and demands that reach Biovilla through its main e-mail address - Revenue manager and support in giving quotes for groups - Operational services for the 3 activity pillars (rotational function) 	<p>Sales and bookings + Operations Eco Agro Tourism + Operations workshops, courses and events + Operations environmental pillar + Artist + Fin. and Economy Develop</p>
 <p>Coop Tourism & Learning Support</p>	<ul style="list-style-type: none"> - Responsible for leading the integrative planning process of the learning pillar´s activities in the short and long run - Providing support to the organization and the operation of the learning pillar - Support in the marketing of the learning pillar - Support the tourism operations and learning pillar in loco at Biovilla - Support to people care - Operational services for the 3 activity pillars (rotational function) - Encouraging the generation of revenue during the low seasons with events and attractive activities so as to hinder the waste of rooms to be sold - Support the cooperative executive board 	<p>Operations workshops, courses and events + marketing + Sales and bookings</p>
 <p>Coop Learning Responsible</p>	<ul style="list-style-type: none"> - Member of the executive board team and facilitator - People care co-responsible - Governance co-responsible - Responsible for the learning pillar - Co-coordinator of the trainings, events and groups. - Regular monitoring, keeping the regular information and “charm” loops; Local networking, connections with stakeholders, companies, NGO’s, universities, public administration, local cycle of social production/consumption - Responsible for the marketing of the learning pillar. - Formalising new partnerships - Biovilla´s representative in institutional channels and forums in which Biovilla participates - Operational services for the 3 activity pillars (rotational function) 	<p>Operations workshops, courses and events + Operations Eco Agro Tourism + Operations environmental pillar + Marketing + Sales and bookings</p>
 <p>Coop General Coordinator and planting responsible</p>	<ul style="list-style-type: none"> - Member of the executive board team - General coordination of Biovilla - Responsible for the environmental pillar - Hotel operation manager in loco. - Operationalization, maintenance, management and development of the agricultural sector - Contacting suppliers, analysing proposals and placing orders for suppliers - People care co-responsible 	<p>Operations Environmental pillar + Fin. and Economy Develop. + Operations Eco Agro Tourism + Operations Workshops, course and events + Sales and bookings + Marketing</p>

Function	Function description	Positioning in the DOD interface above
	<ul style="list-style-type: none"> - F&B chief and menu engineering (based on the farm production he/she makes the menus for groups and guests). - Coordinates and operates the kitchen and F&B operations. - Governance co-responsible. - Biovilla’s representative in institutional channels and forums in which Biovilla participates - Responsible for the control and coordination of shifts in Biovilla - Support in institutional contacts - Marketing and design support to each pillar - Operational services for the 3 activity pillars (fixed function 4 days per week) 	
 Coop Finance	<ul style="list-style-type: none"> - Member of the executive board team - Financial management - Accountancy - Writing applications for funding programs - Control and management of cashier and investments - Accountability coordination - Searching for value adding opportunities for Biovilla - Responsible for institutional contacts - Coordination of processes and contacts with state institutions - Coordination with reservation’s department for the control of deposits and guarantees - Operational services for the 3 activity pillars (rotational function) 	Fin. and Economy Develop.
 Permaculture Partnership	<ul style="list-style-type: none"> - Co-responsible for the food production and selling. - Co-responsible for Biovilla’s little market - Co-responsible for the Eco agro tourism food supplies. 	Operations Environmental pillar
 Coop Planting & Tourism	<ul style="list-style-type: none"> - Operationalization, maintenance, management and development of the agriculture sector - Co-responsible for the food production and selling. - Co-responsible for Biovilla’s little market - Co-responsible for the Eco agro tourism food supplies. - Embellishment and maintenance of outdoor spaces - Execution of diversified outdoor detail duties. - Co-responsible for Biovilla’s little market - Support to the tourism operation in loco at Biovilla. - Operational services for the 3 activity pillars (fixed function 4 days per week) 	Operations Environmental pillar + Operations Eco Agro Tourism + Artist
 Coop Architecture	<ul style="list-style-type: none"> - Embellishment and maintenance of indoor spaces and matters related to construction works - Operational services for the 3 activity pillars (rotational function) 	Artist + Operations Eco Agro Tourism
 Coop Artist and	<ul style="list-style-type: none"> - Maintenance and keeping of indoor and outdoor spaces by ensuring and monitoring maintenance activities - Restoration and conversion of used material, as well as creating new pieces of art for Biovilla 	Artist + Operations Environmental pillar + Operations Eco Agro Tourism

Function	Function description	Positioning in the DOD interface above
Maintenance	- Operational services for the 3 activity pillars (rotational function)	
 Coop support	- Support and help in any task force in Biovilla - Operational services for the 3 activity pillars (rotational function)	Operations Eco Agro Tourism + Operations Workshops, course and events

In this DOD interface at this second phase it was not necessary to explain the design thoroughly since naturally everyone had found and understood their place in the organization, since this organizational design was the result of the will of all the cooperative members. The only rules to understand the design are:

- In terms of governance, the people that are positioned in the inside circles can also participate in the outside circles (for example one person from the “Executive Board” can also participate in the general assembly, but respecting the general assembly governance). Sociocracy is partially used and adapted in Biovilla in terms of governance design (for example in terms of decision process).
- To analyse the positioning of each person (each bullet with a number in the DOD interface above) it is necessary sometimes to make a zoom in, so as to understand all the interconnections covered by the position regarding that person.

Additionally, this DOD interface managed to stand up to the operations in an effective and clear manner. What is more, the functions were many times rotating, which meant that all of us knew how to perform the duty of our colleagues, creating a great ease for substituting or supporting some people along some periods of the year. For that, a good baseline of co-created procedures and user manuals that were simple for the use of all Biovilla’s infrastructure was essential. In this way, whenever someone was on location assuring the services of Biovilla, that person would be responsible for the whole operation of the organization (with a great deal of freedom for taking decisions) and to pass on all the necessary information to the next person to take on a shift. This enabled this DOD interface to pass the test of functionality with a better performance than the one before due to its focus on the action and operation of the 3 main pillars of Biovilla. On the other hand, the language was also closer to that commonly used in the business world, which facilitated comprehension of each space and area in the organization, without need for such an exhaustive description of functions and duties.

In what relates to the graphical interpretation of this DOD interface (easier when in colours), we can see the different shapes and colours, as well as notice some lozenge shapes which in this case mean that they are technical areas that more frequently change positioning, according to the needs and due to their special characteristics as areas of support. It is the case of the technical and support areas called “artists” (maintenance and arts) and “Finance and Economy Development” (accounting, finance, local economy development and institutional communications) represented in the above figure and DOD interface. The small black lozenges are equally positioned in the spaces that interact and are usually positions where we know there is a lot of turnover when it comes to the person performing the activity, since he or she shares duties with everyone in the organization and around it (the cooperandum). The remaining circles or department areas are of easy interpretation and many of them aggregate a large quantity of operational functions, since whoever is in charge of that departmental area takes care of the whole operation (within the spirit of the functions’ rotational system that we have in Biovilla and which was mentioned before). In this case we speak of the departmental areas “Operations Eco Agro Tourism“, “Operations Workshops, course and events” and “Operations Environmental pillar”. But this simplicity of the organizational design is easier to be represented in Biovilla’s case, due to its small dimension, which asks for and enables it to be so.

Lastly, this second DOD interface has proved to be more adequate to the reality of the people that worked at Biovilla as well as to the small dimension of the organization and business. As of that the design has shown itself to be simple (people understood it and clearly knew their position and function), functional (it fulfilled its purpose, to accomplish all the tasks and achieve all the goals of the organization), beautiful (people loved it and used it to solve organizational problems) and sustainable (in the case of Biovilla, having its culture based upon permaculture saved this fundamental principle).

In 2016 some good changes will happen because Biovilla is growing fast and being a big success in Portugal. One of the big changes will be the hiring of more co-workers and the construction of more rooms for guests. These co-workers will occupy the centre of the organization at the level of the “Operations

board of each activity pillar”, this way giving them a lot of empowerment, since they are the most important internal individual of the organization. Since Biovilla will hire more co-workers, some coops will be moved a little further from the operational centre and will stay more at the “General Assembly” level or giving constant or punctual support and conditions to co-workers to be happy and execute their work. This way, coops can continue developing each pillar, create new projects to Biovilla or focus on the core of Biovilla.

Again, this DOD interface of Biovilla is only one example of the constant learning circular process of constant improving and development of Biovilla organization. Whenever there is a change inside the organization in terms of principles, users and contextual information, the organizational design and organizational structure can change to readapt if necessary.

7. Conclusion

In this chapter, it is shown that, by using the design thinking on an organization design, it is possible to create unique, beautiful, functional, simple and sustainable organization designs, considering always the context and user profile on which it is inserted.

A design-based organization design framework and its outcomes result in an organization which demonstrates to be able and which is in the front line in terms of competition in a always more globalized business world. In the beginning of this 21st century, new abilities are needed, in order that organizations be updated to define new skills and capacities to overcome obstacles and win in the today’s competitive markets. These abilities allow organizations to achieve sustainability and correspond with positive answers to nowadays societies’ new trends and requirements.

To achieve organization’s and society’s more sustainable and positive objectives, integrative sharing and big data management are taken into account and need to be fulfilled.

By using design circular methods, and mixing them with “reagents” or guiding elements like design principles, the users profile and the contextual information conceive in an organized way many kinds of DOD interfaces. Moreover this DOD interface will depend on the process and the guidance instruments used to conceive it, as we did in Exhibit 4: Framework for the Design-Based Organization Design (inspired in Tim Brown, 2008). But the main principles of design (simplicity, functionality, beauty and sustainability), the context and users must always be taken in account in any organization design, in order to have an excellent and complete design.

However, what we cannot forget is that these DOD results are not a substitution for the EOD knowledge, but a complementary framework and an example of a DOD approach.

Additionally the DOD interface allowed managers, organization design creators, designers and non-designers, to design an organization design in an easy way and with an easy language. How? Creating a DOD interface between both disciplines (EOD and DOD), or between management team and co-workers, or among everyone if the users are a big mass of undifferentiated profiles; using some adequate language to make it simple to operate (the DOD interface can be easily prototyped using basic software that everyone knows, like microsoft power point).

This DOD interface can have more risks and be difficult to manage in the beginning of the implementation, but mainly with the commitment of top management, as well as the rest of the organization and after some practice and some natural human resource repositioning, the organization design will be loved and efficient. Moreover, it absolutely needs the right person on the right place, team spirit, incentives and at least a democratic leadership. This research showed that, this could be possible using a DOD interface system appraisal.

The Eco Hotel DOD interface proved to be some remarkable new organization design in the tourism sector, loved by those who have experienced it.

The DOD interface can offer a wider and richer view of the organization, giving answer to these questions: How are people distributed through the organization? How do they interact amongst each other, the synergies they can gather if they work together? What are the organization’s most active and relevant points, to the competitive advantages within and without the organization? What are the expectations of the organization for a changing future? What are the characteristics of each department? What is the organizational culture that unites people? Furthermore, this DOD interface opens doors and horizons for the integration of several concepts and tools from design and management. Additionally, we found out that this work can be a great contribution for the development of sociocracy and holacracy, since these disciplines with several decades of study and experimentation have shown to have an adequate design for a richer organizational design which is integrative and collaborative.

The DOD truly opens the spectrum of organization designs, mainly to replace standardization and to create new organization designs, being a very useful tool for the creation of adequate organization design to specific human gender organization, to familiar organizations, or

simply to organizations where you see strong concepts, which can be represented by design.

We have also seen several times that any organizational design is by nature mutable, which means that it frequently has to adapt itself to the context, users, principles and ethics in which it is embedded, since otherwise it becomes obsolete and generates numerous problems to the correct functioning of organizations. Many times what happens in organizations is that people fear change. So in these practical cases we have seen that one of the ways of halting this fear is by facilitating the acceptance of change through organizational culture, by integrating all of the organization's users in the change process, or through design and looking at change as something expectable, good and natural.

Just before finishing, as "design is everywhere" (Peters, 1994), so if you want to use a very easy and useful tool for everyday design decision (not only at the organizational level design) just ask these questions or make this rapid test: Is it simple and do people understand it? Is it functional and does it serve the purpose? Is it beautiful and do people love it? Is it sustainable along the time? But if you want to make a more profound analyse, use the DOD framework (Exhibit 4). Never forgetting a very important basis, i.e. in what context and what kind of users the organization serves.

Finally, this research also gave some lights to explore a good path to quantify intangible capital, using those methods, tools and language.

Design your own organizational design, if you use Design Thinking in the organizational design level, how would you design your organization?

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