

MANAGING THE CREATIVE CHAOS

– **Processes to The Rescue at Parcerio Marketing Partners Oy**

Master's Thesis
Heta Seikkula

Aalto University
School of Art, Design And Architecture
Department of Art
Creative Business Management
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AALTO UNIVERSITY
SCHOOL OF ART, DESIGN AND ARCHITECTURE
DEPARTMENT OF ART
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Author	Heta Seikkula
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ABSTRACT

Design as a creative activity requires flexible processes for its iterative and challenge-seeking nature. Simultaneously, project management focuses on effectiveness for to reach set business goals. To combine these two substantial aspects for current design work happening in the creative economy is somewhat a challenge, but essential.

In this thesis I explore features that apply to service design and design thinking as well as familiarize a suitable managerial approach for the attributes, in order to conduct an applicable service delivery process for a startup agency working in the field of digital marketing.

Keywords: service design, design thinking, project management, design management, process management

*“TIME IS THE SCARCEST RESOURCE AND UNLESS IT IS MANAGED
NOTHING ELSE CAN BE MANAGED”.*

- Peter Drucker

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1. INTRODUCTION

This Master of Arts thesis was carried out to find out how to manage creative workflow in a service oriented startup company through process management. I conducted a case-study of the topic using a startup company as an example. My goal was to develop the company's business activities and help it form a base for future growth.

In order to be able to answer the challenge appropriately, I chose to examine two theoretical frameworks. The first section is an overview of service design and design thinking to find out special features that need to be taken under consideration when planning processes for managing creative design work. This section helped reflecting the company's methods of conducting design.

Secondly, it was important to seek answers for how creative design work should be managed. Theories revolving creativity management and design management as well as project management, gave guidelines for the actual management approach for suitable managerial practices in the context. The main theories and models formed a background for the processes developed for the company.

After literature review, the methods used for conducting the case-study part were clarified. Company overlook presents the scope of the organization with a starting point, which offers a perspective for the functionalities, lacks and needs at the start. Through this, the methods and processes were conducted, observed and developed.

The final two parts of the thesis present what affected the process development process and the actual outcome of the thesis – the organization's service delivery process with its stages, special features, challenges and needed future development. Thesis ends with discussion and propositions for further research as well as needed advancements.

1.1 Research Background

Successful services rely on incremental and continuous improvements (Best 2006, 120). This requires efficient processes for the overall functionality within information flow, management, logistics and operations both internally and externally. Well executed processes offer key guidelines for the design management to guide the creative work in design and knowledge orientated service organizations.

At the same time processes themselves cannot be standardized thoroughly because of the complex nature between the design team and the decision making process. Also designing services is an iterative but non-linear work which develops in interaction between the client and the organization, and is therefore always project oriented. With creative work, design intensive companies need to avoid too rigid guidelines for not to stifle the design team into standardization. By not enabling dialogue and debate the services and outcomes might turn into mediocre products. (Best 2006, 114.)

The iterative and explorative nature of creative work is not the only feature why processes require flexibility. The difference between clients and projects demand for procedure customization. Generic process models are good for initiating projects and discussion with the client but eventually these models need to be adaptable for special requirements. Flexible and easily customized processes give better ground for details which again leads into better quality and through that - customer satisfaction. (Best 2006, 114.)

However, standardization does give certainty for level of quality and efficiency. With clear timeframe, project steps and performance criteria an organization is able to reach expected outcome. With standardized processes, one is able to optimize production and performance against time and cost issues. This strengthens the need for variable, clearly set processes with proper implementation for an organization to function to its full potential. (Best 2006, 114.)

Although the debate around creative processes and management is going strong the full production process in creative economy has been overshadowed by the current managerial practices and methodologies with design management and service design. Both offer insight into *how to enable* creative design work and emphasize especially on creativity but little is discussed about the entity. These theories do not give unambiguous answers to *how to actually manage* the creative work from the managerial perspective.

1.1.1 Personal Motivation

Having a background as a producer, I have become familiar with the difficulties of giving space for ideation but staying within given boundaries simultaneously. Producers are responsible for executing projects within given budgets and timeframes. At the same time, designing the content, requires flexibility to enable iteration. To be able to manage this combination of production control and freedom, demands for resilience, management skills and adaptiveness. Also, as a producer, my approach for this specific topic is somewhat different since my background is not in design or management expertise, but moreover in the production process as a whole.

With my current position as a project manager in a creative digital agency that designs services, the theme for the thesis arose when I was given the task to develop our company's processes. The challenge was to come up with fluent procedures that can be implemented through our company's developing life circle as a year old start up in an incremental and iterative field. First thought was to "just" organize the workflow with linear processes and provide clear tasks and job descriptions for the team members but soon I realized that there was more to the picture when working with creative design work.

I also noticed that although been studying culture production and creative business management for six years there actually is not that much information for this specific topic. More traditional practices of project management fail to give

creativity and design focus and vice versa the contemporary and newer ones emphasize the creative side a bit too much in order to enable innovation and change in more traditional field of the economy. In the creative field, management is instead finding its way for guiding creative work towards efficiency. This is why I needed to find answers from somewhere in the middle. Combining and stressing the knowledge I have gained so far.

As mentioned prior to this chapter there lies a dilemma between well planned and implemented processes and service orientated creative design. As working in a company that has its main core in individual's creativity and knowledge this dilemma is going to be my focus during this thesis. I do not want to focus only on the creative process but the overall production process divided into production sections from sales to delivery with firm but resilient guidelines.

From the managerial perspective, combining these facts of the necessities of good production processes, creative workers and well executed services, I will build and develop my agency's processes through pointing out the challenges that occur during different phases of productions and find new ways to improve productions through effective processes. This all I will build up upon theoretical framework that circles the current managerial topics of service design, design thinking and management.

I am fully aware of the overall approach for this subject but considering the fact that managing creative work happening in service orientated creative agencies from this perspective has not been researched that much, I needed to combine the information I found necessary for this thesis. Therefore I am not clarifying service design, design thinking and design management to the fullest but collecting and combining essential knowledge for the question *how to manage creative work*, especially from the production management point of view, as well as focusing only on the attributes that answer my question of what are the special features of creative design work.

1.2 Research Objectives and Questions

This MA thesis was carried out to find out how to manage the creative workflow in a startup company through processes. The objectives of this thesis can be divided into two sections.

Section 1) The literature review aims to seek answer to the question

How the contemporary studies in the field of creativity and design management and service design can help a service orientated creative startup to develop processes?

What kind of special features of design work should be taken under consideration when managing design processes?

Section 2) The second part of the thesis is a case study to find out the nature of design work conducted at Parcero Marketing Partners Oy in order to find out what kind of an approach the managerial level needs to take with the processes. What the company does and how should we do it. After the definition the needed processes were subscribed.

What kind of processes does Parcero Marketing Partners Oy need for the product and service delivery?

With this I am finding out how our employees work at the moment and what exactly are the key processes Parcero Marketing Partners Oy needs for the service categories to serve to full potential. In order to be able to define this topic one needs to build a theoretical background and take an overall look for the company. Defining the most referenced studies in the field of creative business management and design management gives base for assimilating Parcero's current organization chart, products and services.

After mapping out the needed processes the next step is to find out

What kind of special features of work conducted at Parcero Marketing Partners Oy should be taken under consideration when conducting the processes?

Once the processes are defined they will be disputed for further improvements. By execution and implementation one will find out where to put further focus and which section to emphasize. When surveying the outcomes one gets a view on how to progress with the chosen processes.

1.3 Research Methods

This thesis is a qualitative, ethnographic study with a purpose to gain knowledge of service design's attributes to find out suitable procedures and practices for managing creative design work and furthermore, implement the findings in a small startup. I chose not to limit data collecting into certain methods, so instead of using one, I used a variety of sources and methods to gain holistic understanding over these issues. I will present the case study methods more thoroughly later on, in chapter four.

First, a theoretical background was formed through literature overview to form an understanding of service design's features and appropriate approach for managerial practices. Chapter two presents design as an activity and features that need to be observed in service design oriented organization's. For literature, I chose most referenced studies in the field such as Stickdorn's and Moritz's writings.

Chapter three addresses managerial approaches for creativity, projects and design. This part helps combining special features found in design as an activity to business management in different levels. This is also why I chose to view project management in this context. It aligns these managerial practices with business strategy and presents tangible steps of project management. It also embodies my personal skill set as a producer. Literature builds up with Best's writings as well as the most referenced studies in the field of creativity management such as Amabile and Csikszentmihalyi.

The findings were then reflected to the characteristics of the organization in order to be able to indicate adaptable theories and practices with shortcomings. Also, the literature overview helped forming discussion topics and questions for the company's owners and employees. Theories revolving service design steered conversations about design as an activity and managing it.

Second, the ethnographic research method was chosen for the case study approach. The qualitative data was gained by observing the organization's functionality, practices, policies and systems for eight months through weekly meetings, client appointments and daily office work. Also the length of observing was chosen because of the startup nature of the organization. The rapid change of operational environment is common and uncertainties of the future causes turbulence for implementation of practices.

In addition open discussions were conducted with the company owners to find out how they work and how do they see the situation – with the lacks and needs of the overall functionality. Also an interview with one of Parcero's owners took place in April 2014. Through this I gained necessary knowledge about the current situation of the company and it strengthened the outcomes.

At the start there were no evident existing processes and the organization's functions needed to be studied closely. The observation provided information that offered a solid base for process development to start.

Although I am mapping out how to manage the whole process from sales to delivery I chose to exclude exhibiting theories revolving sales management. To be more specific I ruled out sales management section in the theoretical part because it does not add to service design as a part of the process and because it is not at the center of my thesis. The decision was made also not to interview or compare other organization's methods and processes because of the individual nature of the practices.

2. DESIGN AT THE CENTER OF BUSINESS ACTIVITIES

Design is not only making products look good but moreover recognized as a discipline and an activity of ideation and developing of products and services. It is an approach for user-centered innovation in all sectors of the economy and helps bringing ideas to the market by offering tools, techniques and methodologies for the overall innovation process. Especially with services, design's user-centered approach, adds to organizational and business model innovation. (European Commission 2013, 4.)

In short design is both a process of making things and the actual product of the process. The term *design* is therefore specified by two definitions. First, it is an outcome of a design project such as services and products that one comes in contact with. Second, it is an activity of user-centered, problem-solving process designing. (Best 2006, 12.) That makes design tangible – it is in the outcomes of design projects and processes, as well as in the people who make the actual design work – designing (Best 2010, 8).

In addition design is in relation with other disciplines both in external and internal contexts. The external context is evident in politics, society, business, environment and technology for example in the design's relation to economics and management processes whereas the internal context includes how design project's phases and objectives can be utilized for design activity for the benefit of economy, business and society. (Best 2010, 8.)

Managing the possible, positive impact and the holistic operation of design in the external and internal context is key for people working in all the sectors of economy but especially in this context - the creative economy. Understanding design's role in services and processes helps businesses develop their production management processes by focusing on the two sides of design. By prioritizing design as an activity and giving it space to happen will lead service development to quality outcomes and therefore better business results.

2.1 Creative Design Work

The creative economy include the areas of media, design, fashion, arts, software development, advertising and architecture. Current global discussion related to creativity in design businesses identify creative work's impact on increasing competitive advantage between commercial companies because of its holistic nature. Design takes a people-centered approach to solution-seeking and enables integrative problem-solving. (Best 2010, 8.)

Design is seen as a highly *creative activity* where compromising and determination result in as the best realization for a given challenge. It involves interaction between the design team, client and end-user in order to identify and frame problems, proposing solutions and making choices. (Emmitt & Ruikar 2013, 23.) Furthermore design as an activity requires analytical skills in addition to creative-thinking. Both designers and managers exhibit creative and analytical skills when facing a problem or searching answers for business solutions just with different tools hence different outcomes. (Best 2006, 6.)

When designing one needs communication, interaction, thinking and decision making skills to move from the problem to the solution. It is not a straight forward activity because it involves changes and iteration in the process. To avoid unambiguity, coordination for interdependent activities is also required. It is the interdependency that in design work leads to collaboration which in turn helps multi-disciplinary teams conduct new design knowledge. (Emmitt & Ruikar 2013, 23-25.)

By nature design is solution seeking, iterative and explorative work where idea sharing and revisiting ideas are common ways of problem solving (Best 2006, 16). Therefore it can be seen as an interactive inquiry which requires flexible processes to be there for guiding more than unambiguous linear processes that do not support the incremental nature of design (Emmitt 2013, 24). Special attention should be therefore paid on iteration when planning processes at the managerial level.

By focusing on giving time and space for communication, interaction and iteration, organizations are able to reach better customer satisfaction because end-users have been given the needed attention hence better business results.

2.2 Design Thinking

In the contemporary creative economy design is seen as a way of thinking. It is not used at the end of the design process nor restrict to the surface of things anymore but moreover as something to start with, progress and develop with. *It combines the expertise of different design disciplines to develop holistic concepts* (Moritz 2005, 32) and therefore the real needs of projects are discovered by multi-disciplinary work teams. (Moritz 2005.) It is about understanding what clients want and need so that the outcomes are able to reach requirements.

Design is involved from the broadest to the most focused point and can be found in four levels of development:

- 1) Design of features (product, service, space)
- 2) Design of client experience
- 3) Design of processes and systems
- 4) Design of strategy, policy, philosophy, ideology

(Moritz 2005, 33.)

As mentioned before, design is about innovation. Solution-seeking for challenges. From the managerial perspective continuum of innovation needs to be recognized as a system rather than clear, linear steps because design is an exploratory process. Brown (2009, 16) states that the system is about three overlapping spaces:

- 1) Inspiration – the reason behind the motivation of solution-seeking
- 2) Ideation – the process of testing and developing ideas
- 3) Implementation – the ways that accompany the service/product to the market.

However in order to succeed the system needs boundaries. Idea's feasibility, viability and desirability pushes designers to think what is functionally possible, what is likely to become part of sustainable business model and what makes sense to and for people. The trick is to find balance between these constraint criteria. (Brown 2009, 18.)

The challenge is that these constraints are almost never equal. Different projects are driven by different boundaries such as budget, technology or time and organizations approach ideas differently. It is common for a company to address new ideas with efficiency and therefore how they fit the framework of the existing business model. This leads to predictability of new ideas because they are expected to be composed efficiently. Design thinking navigates among these constraint challenges creatively instead of just resolving. (Brown 2009, 20.)

2.3 Service Design

Service design does not focus only on managing design and hence creative activity but instead it concentrates on improving organization's adaptiveness in service economy to the contemporary industries by innovating and improving their services. This comes in need considering the problem-solving nature of designing services and therefore creative work.

Service design aims to improve services or innovate new ones to reach better customer satisfaction through making services more useful and desirable. In addition service design helps organizations to produce these services more efficiently and effectively. (Moritz 2005, 13.) This is executed through combining design thinking and methodologies to produce immaterial products (Mager 2013).

In order to set framework for designing services five definitions have been set to specify the unique features of them. Services 1) are not tangible 2) are not separable from consumption 3) cannot be stored or owned 4) are complex experiences

6) quality is difficult to measure. (Moritz 2005, 29.)

In addition to the features, services include three components – space, product and service. Client satisfaction is an overall outcome of these components. Service design considers each encounter between a client and a part of a service *Touchpoint*. (Moritz 2005, 31.) Because of this, services do not exist without client experiences. An organization that delivers services needs to address research and innovation for it to keep up to date (Moritz 2005).

Considering the service definitions and components, the process of service design is iterative. Although this approach is not linear it is possible to outline structure and understand that it is iterative and ductile. These stages can also be defined accordingly to fit an ongoing project. In fact Stickdorn states that a service design process should be started with designing the process itself because of the contextual essence. (Stickdorn 2013, 124-127.)

Although there are many aspects to this multi-disciplinary, multidimensional and iterative process, in simplicity it can be presented in four stages (or with four D's)

(Discover → Define → Develop → Deliver)

Exploration → Creation → Reflection → Implementation

A service design process starts with discovering and exploring the customer from its culture and goals. This helps the designer to identify the problem to work on so that the organizational problem is observed from the customer's point of view. After gained insight findings are visualized to simplify intangible and complex processes in order to help the customer, stakeholders and the team see change-demanding aspects. (Stickdorn 2013, 129.)

Gaining a clear understanding of the situation from the perspective of current and potential customer is crucial for successful service design (Stickdorn 2013, 128). After identifying the problem comes the generative stage of creation that is followed by

reflection. Between these two stages there are many iterations. During creation ideas and concepts are tested and retested to both find and make mistakes in order to avoid them later on during implementing or adopting new concepts. With reflection comes testing chosen concepts in reality. The intangible nature of services sets challenges for reflection but can be dealt with staging or role play approaches to provide a reality-like environment for customers. (Stickdorn 2013, 132.)

Where problem identification, creation and reflection emphasize the role of the customer, implementation involves organization's employees in addition, because new services require change in a deeper level. A new service cannot be implemented without employee engagement. This demands change management. Employees engaged and contributing to the prototyping of a new service will play a crucial role for the smoothness of transition. The organization must also notice the iterative process of implementation so that it is followed by exploration to evaluate the progress. (Stickdorn 2013, 135.)

In order to meet client satisfaction, service design has developed six steps in addition to four stages of the process:

1. Finding out and learning (client, context, service provider, providing insights)
2. Giving strategic direction (tasks that help identify, plan, set, review, analyze and give a project direction)
3. Developing concepts (relevant, innovative ideas and concepts, creating solutions)
4. Selecting the best (selecting ideas and combining concepts, evaluating results and solutions)
5. Enabling understanding (sensualisation and mapping, making concepts tangible, showing future possibilities and giving overviews)
6. Making it happen (implementation and delivery, providing guidelines and plans) (Moritz 2005, 120-123.)

These steps are formed out of specific tasks and tools of a service design project that help to reach client understanding. Each step is reached by a number of tasks and demands for a different mindset than another one. This does not mean that the steps could not overlap but moreover enable creating ideas and raising new questions. (Moritz 2005, 123.)

The service design process is in its simplicity an iterative and diverse process that requires learning to know the customer, engaging the customer, testing and retesting findings and emphasizing employee's role in implementation. With multiple different tools and its ability to change for distinctive demands, makes service design process a considerable base for managing design work.

2.4 Summary

Above I have presented essential viewpoints on design as an activity and what kind of special features this activity has. I have also pointed out attributes that need to be taken under consideration at the managerial level when planning business management processes. For this thesis I have focused on two aspects of these design theories in order to adapt addable methods for process management

- 1) Designing is a creative activity that culminates in design process's outcomes. It is problem-solving by nature and demands for open communication and interaction between the design team, client and end-user in order to reach solution for the given challenge. It also requires multi-disciplinary team work for conducting interdependent activities in order to forbear predictability and to create new design knowledge for quality services.
- 2) Design is a way of thinking. It is something to start with, progress and develop with. It is about understanding what clients want and need by discovering and exploring the customer from its culture and goals. It is also an iterative and diverse process that requires learning to know the customer, engaging the customer, testing and retesting findings so that the outcomes are able to reach requirements.

In order to reach best outcomes, conducting design work requires iteration and reflection to enable understanding of client's challenges. This calls for flexible, non-linear processes so that design teams are able to combine multi-disciplinary expertise to develop holistic concepts for the dilemmas. By having design as a mindset, organizations are able to put problem- and challenge-seeking at the center of their services. This will result in customer satisfaction by fulfilling end-users wishes.

3. A REVIEW OF CURRENT DESIGN MANAGEMENT PRACTICES

Now that I have made brief view on the nature of creative design work and thinking theories the question arises: what do contemporary managerial practices add to the table? In this chapter we go through the current, contemporary managerial methodologies and theories circling creativity and design management as well as project management. We also take a look at how they approach processes. What do these theories emphasize on and what is lacking?

Although I do recognize the wide approach of this following section of the thesis, there are a lot of touch points between these multi-disciplinary, holistic, integrative disciplines with some disparities. Therefore considering the ambiguous nature of design and management paradigms, these perspectives should be taken under consideration in order to adapt a proper framework for this thesis.

Also, considering my role as a project manager I need to examine how to combine project management work assignment and the creative activities exhibited earlier. Therefore I start with going through project management's key tasks and goals, then move on to creativity management attributes and lastly take a look at what design management adds to the table.

3.1 Project Management

The profession of project managers has developed over the years from something that needed to be done to its own discipline. The profession's framework has at the same time developed from sole responsibility to goal orientated team work. What used to be an army-like management practice to get things done is nowadays considered as a holistic approach for reaching the wanted outcome in align with organization's strategy. This makes project management a pragmatic process where the success is assessed by judging the results and the wanted result is primarily and always to make sure the project succeeds. (Ramroth 2006.)

To reach this outcome there are a number of concepts and tools for managing projects: planning, scheduling, task-listing, budget, quality-control, objectives of the project and last but not least – project management goals. Goals are furthermore defined by six categories in order for the project to be successful. They help to reach the end of the project, on time, on budget, safely, without errors and by meeting expectations. (Ramroth 2006, 22.)

With expectations a project manager needs to identify different stakeholders of the project. Clients, customers, organizations, project managers and design team members all have different expectations. Because PM is the leader of the project and the design team, it is essential to emphasize both client satisfaction and teamwork. If the team is challenged by friction inside the group it is unlikely that the outcome will be most successful. Therefore the PM must know how to motivate team members towards meeting the project's objectives. (Ramroth 2006, 29.)

Objectives however have a different meaning in project management. They are the project's results that in order to reach the specific intended purpose, must be achieved. Objectives can also vary considerably compared to goals which instead are set and general. The challenge is the subjective nature of design objective in this context. (Ramroth 2006, 23.) For example defining whether a design is aesthetic is not unambiguously decided but furthermore even this objective needs to be reached

to achieve project goals.

The six goals have been set to help project manager navigate towards the project's end - successful outcome. The most challenging part is meeting stakeholder's expectations and making proper distinction between project's objectives and set goals. Goals must be reached in every case as do objectives but they demand more subjectiveness and vary in context. Also how to get to the end of a project within given framework needs specific project work knowledge.

3.1.1 From Start to End

There are various ways of dividing projects into phases but in this context Ramroth's definition for five stages of a design project are addable. There is always a start – when the project begins, planning – when figuring out how to perform work, designing – when designing the overall plan for the project, production – preparing deliverables based on the overall design and closeout – when the project work is completed. (Ramroth 2006, 31.)

These phases are then carried out with activities. At the beginning, the project manager defines the scope of work aligning with schedule, budget and project objectives. Next the effort of work is planned considering it so that the scope, budget and schedule will be met. After this the design team's work is directed and coordinated so that objectives will be reached within the given budget and schedule and that the inter-disciplinary information runs smoothly. Monitoring the conducted work of the design team is needed for keeping up with progress. At the end learning from the project on what went wrong and what went right gives important insight for next project execution. (Ramroth 2006, 32.)

In addition risk management with budget and schedule control is essential. With every project there are always different kinds of risks. Previous experience and acceptance of the fact lessens the impact of uncertainties that occur. Also using standardized contracts, clear communication with the client throughout the project

and always agreeing on the plan before actualizing production helps avoiding unacceptable risks and uncertainties that might destroy the project. (Ramroth 2006, 115.)

With budget control, a project manager is responsible of making sure that the amount of work does not exceed the incoming fees. A project budget might be a top-down budget where executive management have formed the budget for the project or it might be negotiated together with the client and the project manager. In every case it is important to keep track on used labour hours in comparison with charges. This also helps to measure cost efficiency for future projects. (Ramroth 2006, 146.)

Maybe the most essential part of the project plan is the project schedule. It is used by all stakeholders to monitor and asses progress. Planning the schedule is iterative work. It starts with setting up a simple framework with major milestones. Next comes minor milestones with dates that tasks must be completed to reach a major milestone. After adding more detailed information and tasks, the project schedule is encompassing with task-interdependencies and deliverable milestone dates. It is crucial to choose a compatible schedule format that suits the design team and the projects itself so that everybody conducting the project, finds it easy to use. (Ramroth 2006, 173.)

In order to meet all these criteria, project phases and activities, a project manager needs to have a good general knowledge of managerial practices, leadership, project work i.e the iterative nature of design and team work, understanding of stakeholders involved and knowledge of the field of the work conducted.

3.1.2 Aligning With Strategy

Not only does a project manager need to have wide knowledge of project phases, activities, design and stakeholders but also one needs to meet company's aims and goals. Projects need to align with company's strategy to reach the purpose of the

organization. This means projects need to be managed so that the organization's determination for leadership, customers, resources, competition and time are met to answer the strategic plan. (Morden 2007, 14.)

Because strategic management is concerned with the enterprise as a whole and defines enterprise's missions, objectives and strategies, it cannot be carried out without every section of the company being involved (Morden 2007, 15). Depending on the size of the organization, there are different levels of project management that steer operation. Whether one works in small to medium-sized businesses (SME's) or bigger corporate enterprises, strategy is carried out by different domains of work. (PMI 2013.)

In big, global enterprises, Project Management Office (PMO) is responsible of aligning project work with corporate strategy and providing project-related services such as supporting business units, programs and projects by offering management guidance. PMO's domains of work include standards, methodologies, processes development and improvement; talent, knowledge, change, performance, project delivery and portfolio management and strategic planning. (PMI 2013.)

In SME's, although the scope might not be in global context or that wide, strategic aligning of the projects plays an important role and is normally conducted by the project manager. The importance of well-executed strategy lies in the characteristics of strategic planning. Defining organization's present state and the future is giving organization a purpose. The purpose is then clarified by mission, objectives and vision and implemented through managerial processes. Without this implementation and constant developing a company is not able to keep afloat. (Morden 2007, 16-17.)

Implementing strategy through project management is a challenging but necessary fact that improves organization's overall efficiency and adaptiveness to the market by making the strategy visible to every level and unit of the company.

3.2 Creativity Management

Creativity is a socially embedded consequence that is dependent on collaboration and networking among individuals. It is not a singular isolated act but rather a social accomplishment that needs to be considered as a part of interrelated practices that can be managed with organized activities. (Styhre 2006, 145-146.) Moreover it is a process where cultural, social and individual's background interact (Csikszentmihalyi 1999, 12). Creative work is therefore an outcome of interactive acts that are grounded in social and cultural thinking (Emmitt & Ruikar 2013, 24) and needs to be addressed as something that consists of individual's effort and inquiry on a group level.

The creative process according to Csikszentmihalyi (1996; Best 2006, 112) is a series of actions that produces imaginative approaches when one faces a challenge or a problem.

Preparation → Incubation → Insight → Evaluation → Elaboration

In order to manage creativity in organizational context, one has to grasp the idea of creativity management strategy which is to identify contextual aspects that evoke creative work as well as the factors that constrain creativity.

Previous study show that there is a link between information and creativity. Creativity is enhanced by open communication and information exchange and on the contrary hindered with restrictions on available information between organization and its environment. Therefore the key is to focus on the situations where challenges might occur and through that develop creative processes. (Woodman 1993, 293-297.)

3.2.1 Individual's Role in Creativity

Intrinsic motivation can be seen as the primary force for creative work. Individual creativity arises from intrinsic motivation which can be positively affected with a person's social environment. Therefore when people find something being interesting, exciting and involving, an organization is able to reach the best outcome. Contrary to external motivation such as evaluation, competition with peers and surveillance, intrinsic motivation offers positive challenge and satisfying tasks. (Amabile 1997, 39.)

Teresa Amabile (1998) states that a person's creativity is a function of three components:

- 1) *Expertise* is the foundation for all creative work. It is a set of gained knowledge which is articulated in technical, procedural and intellectual skills.
- 2) *Creative-thinking skills* include variable set of styles on how people approach problems and how they take on new perspectives into problem-solving. Creative thinking depends on personal characteristics, self-discipline, independence, tolerance for ambiguity and a lack of concern for social approval.
- 3) *Intrinsic task motivation* is a component that determines what a person actually will do and is seen as the main force for creative work to happen. The two components prior define what a person is capable of doing.

Motivation can be either intrinsic when inner passion is the guiding force for creative solutions in problem solving or extrinsic when external rewards for example money is the motivator. At some occasions synergy might appear but it demands for the extrinsic motivators to be informational so that the work performance outcomes can result from constructive feedback, recognition or reward. Also timing of the extrinsic motivators is important. They might be useful at the stage of defining appropriateness instead of the ideation phase. This means, that the stage of for example gathering background information or working on final solutions, might

benefit from extrinsic motivators. (Amabile 1997, 45.)

Moreover, the initial level of employee's intrinsic motivation plays a crucial role. When a person is deeply involved and motivated from the beginning, the extrinsic motivators add to it but in contrary if the level of the intrinsic motivation is low from the start, extrinsic factors cannot improve the overall motivation. Employee's development of creative-thinking skills and expertise can be influenced by the social environment (i.e. work environment) but strongest influence is on motivation. Even a momentary alteration in the social environment can have a negative input on the drive. (Amabile 1997, 44.)

Generativity Theory (Epstein et al. 2013) adds to creative components as a creative expression with four core competencies:

- 1) Knowledge and skills broadening – deliberately acquiring knowledge and skills outside the current area of one's expertise. Broadening one's skills and knowledge enables previously learned skills interconnect with new ones and form new connotations.
- 2) New idea capturing – preserving novel ideas as they occur without judging or editing them. By capturing ideas as they occur one is able to improve and proceed with a novel thought towards new ideas.
- 3) Managing surroundings – surrounding oneself with novel and diverse stimuli socially and physically. Sudden alteration or change in social or physical stimuli interferes and enhances creativity through inducing thinking.
- 4) Challenge-seeking – constructive failure management and seeking for challenges. Previously learned behaviors reoccur and are modified to meet the needs when one is challenged and facing a problem-solving situation.

With these competencies the process focuses on how new ideas arise as previously learned ideas become interconnected (Epstein et al. 2013, 360).

Combining Amabile's components and Epstein's competencies it becomes evident that by endorsing individual's intrinsic motivation and supporting interconnected connotations with previous experiences, creative work can happen.

3.2.2 Creative Teams

Creative work is about team performance more than individual achievements. Working in multi-disciplinary teams holds advantages in contrast to solo performance. (Best 2006, 134.) Considering individual's role in creativity, teams should be built so that there is diversity in background and perspectives. Various intellectual approaches and different expertise accumulate into new intellectual and creative thinking style. Assembling homogeneous teams stops ideation and does not enhance expertise because of the same kind of mindset. Although homogeneous groups might enable quick solutions the end result remains poor because of the lack of friction. (Amabile 1996, 7.)

In addition to heterogeneity, excitement over team's goals, willingness to help teammates and recognition for colleagues knowledge, needs to be emphasized on when forming a team (Amabile 1996, 7). However, combining right personalities and skills for fluent team work within the given schedule and project frames is a challenge (Best 2006, 134).

From the managerial perspective supporting design work through creative teams requires managers to have deep knowledge of group dynamics, problem-solving styles and attitudes towards collaborative processes (Amabile 1996, 7). Best (2006, 134.) states that creative teams *work best when there is structure, guidance and leadership*. For creative teams to function to their full potential good communication is needed. Distinct information about project's goals and deadlines with responsibility areas and roles are crucial for delivering the best outcomes.

Managing creative teams is a two way sword. On the other hand a project manager needs to have tolerance for imprecision but at the same time be able to offer

structure and guidance. Special attention should be paid on giving a team leadership and freedom instead of micro-managing or controlling.

3.2.3 Organization's Role

Management is responsible for establishing organization's cultural practices that either enable or inhibit creativity (Epstein et al. 2013, 359). This puts challenges on managerial practices. The business imperatives such as productivity, control and coordination needs to be taken under consideration but at the same time one needs to offer practices that foster creativity. Amabile (1998, 6) has developed six managerial categories to answer this dilemma:

- 1) Challenge – matching people with right assignments so that they can play to their expertise right, stimulates creativity through intrinsic motivation.
- 2) Resources – for completing an assignment, managers must come up with a compromise between funding, team members, time, goals and deadlines. Too tightly set resources kill intrinsic motivation and through that creativity.
- 3) Supervisory encouragement – praising both successful and unsuccessful creative efforts fosters drive. Frequent constructive feedback and recognition for creative ideas helps sustain intrinsic motivation and enhance the three components of the creative process.
- 4) Organizational support – encouragement needs to happen in the whole managerial level of an organization. One of the most crucial ways is to enable collaboration and mandate both communication and information sharing.
- 5) Work-group features – designing the right kind of teams for creative ideas demands for supportive groups with diversity of perspectives. This can be reached through combining employees with different backgrounds and job descriptions.
- 6) Freedom – giving employees freedom to decide how to carry out a task fosters problem-solving by allowing employees to use their expertise and creative-thinking skills. Freedom to choose a process therefore increases intrinsic motivation. (Amabile 1998, 4-10.)

For this to happen managers must put out appropriate procedures and systems (Amabile 1998, 9). Emphasizing on setting clear goals with realistic resources and paying attention to team structure and communication enables creative ideation and problem solving in organizations. The more adaptive but explicit management there is, the more employees are able to use their creative-thinking skills. This leads to diversity in expertise and problem-solving skills. Also open dialogue and good information sharing allows idea exchange to happen. Through this, people are able to gain more knowledge which exposes employees to various approaches for sustaining intrinsic motivation. (Amabile 1998, 5-9.)

3.3 Design Management

Design management takes a holistic and concrete approach to managing design projects from planning to delivery. It provides a framework for integrating processes into existing methodologies by bringing people, projects and processes together for collaborative, inter-disciplinary work within business, political, environment and societal context. It is an approach for engaging different stakeholders for problem-solving and problem-seeking process by managing

- 1) projects, people, processes and procedures behind the design of outcomes (products and services)
- 2) the relationship between different disciplines (design, management, marketing) and the roles (project teams, designers, clients, stakeholders). (Best 2010, 9.)

As stated earlier the integrative, collaborative, problem-solving nature of design produces both an activity (designing) and an outcome (product, service). This causes design to be present both in

- 1) tangible form – in the design projects, the people and the outcomes of the design processes

2) intangible form – in the inter-disciplinary relationships that are part of the integrativity of design practice. (Best 2010, 9.)

The intangible form of design can be found in the practice of how these inter-disciplinary relationships are managed, how the teams, processes and procedures are organized and how products and services come to market with a designed and managed customer experience (Best 2010, 9).

Design management pays attention to the concrete side of managing the ambiguous nature of design and therefore offers insight for leading the creative work through more traditional project management perspective. It emphasizes project manager's role on successful delivery and calls for effective management framework for enabling designers to work their best.

3.3.1 Processes

Design management takes the design processes into pieces and at the same time project management process is reflected through the project's stages. Kathryn Best (2006, 112) also sees the design process to be evolving, ever changing, depending on the project and *a cyclical process of enquiry and creativity*.

Problem definition → Understanding the problem → Concept design → Concept development → Detailed design and evaluation → Production
(Best 2006, 117.)

First designers define the problem through given design brief then develop a better understanding of the problem, conceptualize the problem, detail a design solution and finally, test or implement the solution. However, this approach is pictured as linear although emphasizing on iterations and therefore falls short on describing the design process. (Best 2006.)

In addition Best (2006) separates different models of processes.

Iterative processes acknowledge the complex nature of design in interaction with people and decision-making. These processes are difficult to standardize because of the variability of projects and customer preferences. However with clear direction and specified framework the team, the designer and the design manager (also referred as project manager) are able to reach set goals within an agreed deadline. (Best 2006, 114.)

Standardized processes have clear and set project steps with a timeframe and expected outcome. These standards raise especially efficiency and quality with optimized production process but they fail to give room for creative design work. By focusing in finishing a project on time and within a budget might lead to uninteresting outcome because the design process has been stifled by standardization. (Best 2006, 114.)

Customized processes enable specific needs by combining customization and standardization into custom-made, detailed process. This comes in need with design processes because a generic model is useful for initiating customer conversation but at some point they need to be modified to suit individual demand. (Best 2006, 114.)

3.4 Summary

Above, I have presented viewpoints about managerial practices in project and design management as well as introduced essential features of creativity management. Considering this thesis and its objectives, these mapped out attributes give key guidelines for conducting Parcerio Marketing Partners's processes in the following sections.

The discipline of project management gives clear steps for managing a project from the start to the end. This goal-orientated approach offers framework for successful execution both in external and internal context.

No matter the field of project management, specific requirements of work need to be achieved in order to meet company 's strategy i.e the purpose of the company.

With creativity management, considering the nature of design work combined to the necessities of individual motivation and team work, organizations and project managers need to focus on enabling creativity through open communication and share firm guidelines with resilient framework. From project manager's point of view the individual intrinsic motivation combined with inspirational teamwork is a challenge but manageable and needs to be taken under consideration when developing organization's processes.

Design management takes traditional project management a bit further with emphasizing design work. It takes a holistic approach for the contemporary management practices and underlines the responsibilities of a project manager. Different process models are identified and the role of project manager is emphasized through describing a project manager's responsibility. However, it stays a bit high level considering the concrete managerial domain of work and does not answer to need of aligning with business goals.

4. RESEARCH METHODS

In order to come up with fluent processes for Parcero's business activity, a thorough understanding of the company's functions needed to be defined. Considering the nature of an agile startup environment where situations, decisions and direction might change rapidly, much of the information is tacit and difficult to grasp. Therefore, instead of limiting data collecting into certain methods or one specific method, I used a variety of sources and methods to gain holistic understanding over these issues. However, one can define the thesis data to be qualitative.

Also, ethnographic method was chosen for the case-study approach. As it is typical for ethnographic research, the collected data can be gathered from a range of sources. Informal discussions and observation where the researcher is a participant are usually main methods. Also, ethnographic research enables unstructured data collecting so that it does not need to follow a detailed plan. (Genzuk 2003.) This gave the needed space for collecting tacit data.

The themes and key questions for the discussions and interviews were formed through the findings of conducted literature review. It helped focusing the data collecting so that essential information was gathered. Literature review also steered setting guidelines for the information I needed from weekly meetings at the team and executive board level. This then helped observing Parcero critically, which played a significant role in forming the needed processes.

I started working at Parcero in August 2013. My initial role as a project manager has transformed during time from hands on production and task management to more overall business management through projects. My focus is now more on process and effectiveness management which adds to the necessity of this thesis. Also, because of this, my own perspective has changed and has made the writing process itself iterative. Although the material was gained at a fairly long period of time, my perspectives have affected the analyzing process which in contrast has effected on the structure of the thesis constantly.

Despite the changes my pre-theory was that there was no process management or existing processes before I started this thesis and therefore, the overall service delivery and creative work was not emphasized.

4.1 Thesis Data

The thesis's data was collected over eight months time. It started in September 2013 and the final interview was conducted in April 2014.

The ethnographic data collected in the case study can be divided in four sections

- 1) Observation, a diary, notes and memos from weekly production team, sales management and executive board meetings during eight months time. With these I was able to form base for the process development. The material gave needed information about the development of operation as well as current situations and goals. Also company's culture – the ways of working and attitudes – was revealed through observation.
- 2) Weekly training sessions with company's senior advisor. This gave me the opportunity to reflect my perspectives and learned outcomes with company's goals and strategy. Also questioning the chosen working methods kept the developing process ongoing.
- 3) Free discussions and interviews with company owners and the team. With the data I was able to gain a thorough understanding of how our organization's key personnel sees our product and services, culture, future and strategy. Also it gave me necessary information about how they see our production process and challenges.
- 4) Business strategy and business plan. These written plans form the base for section five in which I go through Parcero's business activity, competitors, strategy and services. They also gave me necessary information about the company goals through which the processes could be planned to align with strategy.

To facilitate the discussions I draw a visualization of production stages from sales to delivery. Based on the information found in project and design management literature, this served as a boundary object for communicating individual nature of every step, what happens in which stage, who are included and what kind of special features do different stages have.

For the interview I composed five different topics circulating process development and creative work based on the information found in service design and creativity management literature. I kept them loose in order not to control the situation too much so that unexpected outcomes and topics could occur.

The theories revolving design work with its iterative processes together with agile startup environment and my position as project manager, affected choosing methods for this thesis. It was challenging to gain knowledge and decide when sufficient amount of information was gathered. However by keeping discussions open and not steering the weekly meetings too much I was provided with a better subjective understanding instead of transcribing and analyzing strictly formulated individual interviews.

The last four sections of the thesis are primarily based on the knowledge I gathered through literature overview, observation, discussions and company business plans because of the individual nature of the organization's activities. Some references are used to guide the decision-making process but only to back up the mapped outcomes.

4.2 Possible Shortcomings

Because of the agile startup environment, rapid change of operational environment might affect the result accuracy. It is possible that by the time I am presenting my thesis, changes might have happened in the core of company's business activity such as expanding abroad or variety in services. This would mean process customization

and situation evaluation. However as mentioned before, the chosen processes are conducted so that there is room for modification.

The thesis's data was collected through my personal perspective on managing creative design work. Although the literature overview surrounding these topics together with knowledge based experience gave a good foundation for the thesis, there is a possibility that I may have interpreted my environment from a project managers point of view focusing on production and therefore the design work itself might have been overshadowed by effectiveness.

Also, making the decision of not to focus solely on the creative process might have an effect on implementing the developed processes. Processing the organization's service delivery might distract employees. Therefore special attention needs to be paid when implementing and going through the results.

5. PARCERO MARKETING PARTNERS OY: ORGANIZATION

“Parcero, a word used in Colombian Spanish, means a good, trusted friend. This is how we want to conduct business – treating our clients as our friends and helping them to achieve their goals”.

In part five I present Parcero's current state by mapping out organization's culture, competitors, strategy and business plan. It is essential to understand as thoroughly as possible what the company does, how and why in order to define and adapt correct processes and procedures that meet the need.

I evaluate Parcero from process management viewpoint seeking for problematic and challenging phases. The evaluation is based on my personal experience as a Parcero employee. Observation, interviews, discussions, notes and memos gave a solid base for evaluation. Conducted discussions, interview and collected data are listed in appendix.

It was challenging to grasp the organization culture and the skill set Parcero has, with the changes happening in the nature of work. Also the young age of the company and employees added to these challenges. Weekly production meeting memos gave necessary data for observing this development of both in-house and production operations.

Also, as a two year old company seeking fast growth internationally, Parcero can be referred as a startup but when comparing against other equally old startups, Parcero is further with business and sales. This unique feature of Parcero's current business situation contributed to the decision not to rely solely on individual interviews but to collect as much information with variety of methods as possible.

5.1 Overview

Parcero Marketing Partners Oy is a small to medium-sized, digital marketing agency that was founded in September 2012 by two economic school students. Within its first, fully functional year 2013 the company grew from having three to ten employees and generated 250 000 € of turnover. During 2014 it aims to double its revenue. Parcero pursues fast growth to become an international, multi-disciplinary organization by broadening to other business fields through partnership. In Finland Parcero aims to become the best company to provide digital and social media marketing services and solutions.

Parcero has offices in Turku and in Helsinki as well as a cooperator in Monterrey, Mexico. By the end of the year 2014 one office will be opened in Sweden and within the following two years two more offices will be set up in Asia and Russia. Company's headquarter will remain in Turku but the strong network offers opportunities to expand rapidly and stay close to clients.

The core of Parcero's expertise and business revolve around digital marketing services circling social media and web based solutions. Together with acumen of the

digitalized world and understanding of commercial business strategy the company is able to serve its clientele with solutions to boost revenue through sales and marketing. The work varies from shorter planning projects to longer lasting concept design and consulting because of customer needs. Solutions and value is thus created in thorough planning and efficient productions - ideation together with well planned execution.

At Parceró, planning and design is somewhat separate from production because half of the team works part-time. This can be seen both as an opportunity and a challenge. Separating planning from production demands efficient work on both sides – planning needs to be done carefully in order to be able to move it on to production fluently. Production team then, with limited amount of work-hours, needs to execute designed services effectively.

This feature makes service execution fluent and low-cost. It also enables keeping Parceró agile as an organization. On the other hand, having half of the team work part time demands effort from the managerial practices. It is a challenge to organize weekly work so that every member of the team is at least once a week present at the office in order to keep everybody up to project status. It also might at times disallow fast changes on the executions or services.

This challenges the current managerial practices, that focus on planning and minimizing risks where teams produce not just one end-product but actually break it into pieces so that the client is able to follow the progress. This also enables following and minimizing risks effectively through fluent process.

5.2 Strategy

With the intention to become the leading digital advertising agency nationally and to expand Parceró's business to emerging economies, company's mission and vision statements together with core values contribute to set goals. These statements are set up to steer the business. Their role is to give both stakeholders and employees

understanding of what Parcero does and why. Slight changes in operational environment will not affect business activity.

Mission statement: “We help our friends to find the opportunities of digitalized world and thus help them prosper. We create interesting concepts and experiences. We challenge traditional approaches with new ways of thinking”.

Vision statement: “The best social media company in Finland. On of the leading advertising agencies. Breaking national and industry borders. Network of highly skilled youthful talents”.

Core values: 1. Friendship 2. Sense of Community 3. Courage
4. Internationalism 5. Youthfulness

Parcero specializes in social media planning and concept development in the digitalized era. The company does marketing that combines efficient and measurable advertising, creative content and commercialism. Long-term customer satisfaction and relations together with end-user reactions are priorities in Parcero’s business.

In addition to the statements, the company has formulated goals concerning skills and expertise of team members. Intrapreneurship and hybrid know-how are on top of list when it comes to educating Parcero’s employees. Wide range of expertise and knowledge are seen as necessary features in order to reach set goals, to keep up with current hot topics and the changes happening in the field.

5.3 Products And Services

Parcero’s current business activity can be divided in two separate entities that abet each other. First is Parcero’s main activity in creative digital marketing – Parcero Digital. Second is Parcero’s restaurant and nightclub consulting with event production – Parcero Live. The core business in Parcero Digital is digital media

marketing. Planning marketing strategies, developing content marketing and executing paid advertisement in multiple channels are the key activities. Parceró Live is focused on event and festival production together with nightclub concept development.

Parceró Digital offers marketing strategy development and planning, content creation in different channels, community management and customer service, paid advertisement, application production, internet page execution, reporting, analyzing, consulting and training. With variable in-house skill set Parceró is able to produce a wide range of services. In addition, Parceró network enables video production, photography, visual design, artistic direction and copywriting.

Parceró Live does event production, restaurant and nightlife consulting, concept planning and development, artist and DJ booking, festival production, promotion and sales. In order to clarify Parceró's main business, Parceró Live will become its own company and stay as a part of Parceró group. This multi-disciplinary way of business offers clients unique marketing services and consulting and enables reaching their objectives in a challenging field.

In addition to the core business activities, tight cooperation with a Mexican design agency and a leading Finnish design company enables Parceró to offer its clients aesthetic design. Furthermore, design cooperation offers design expertise that enables Parceró to differentiate from its competitors.

Also, constant service and product development thrives Parceró's business. One of the areas the company will focus on in the near future are new technological innovations such as software as a service (SAAS).

5.4 Sales And Customer Relations

Parceró's sales has been conducted by the owners. It has based on a strong network and customer satisfaction. However discussions held at weekly sales management

meetings, showed that a sales person is required. With the organization developing and growing fast, it became evident that the owners should start focusing more on Parceró's services because of the strong marketing background they have. Through this the company is able to reach better quality with its services.

Based on the interview and discussions, sales in the creative field, and even more so Parceró, requires knowledge and deep understanding of the services. The discussions also showed that there were contradicting views on how sales should be executed. On one side sales is seen as something to make as much profit as possible. Sales should be somewhat aggressive pursuing constant business profit.

On the other hand, adding value for customers and through that to the company is characteristic for service design. In the current creative economy sales is something that should be considered more as nurturing customer relations and listening to customer needs than selling solutions without consulting. The more traditional way of aggressive selling overshadows customer needs with numbers. With design work and service orientated businesses, a sales person cannot decide the customer needs. That needs to come from cooperation between the client and the design team.

Adding company values to the topic shows that Parceró should concentrate more on adding value to the customer through quality. This can only be reached by taking care of the customer relations and growing the network based on knowledge and understanding. The sales representative or account manager should therefore have a background in marketing or equivalent in order to build trust with the customers.

5.5 Competition

Parceró's closest competitors are small to medium-sized social media agencies such as Dingle, Satumaa, Genero, ZipiPop Freud, KWD Digital, SoMeCo, Vapa Media. In a bigger scale also Isobar can be seen as a competitor. These organizations compete in content creation, marketing strategies, consulting and training and community management.

Surprisingly also more traditional advertising agencies such as Satumaa, Zeeland and variety of mid-sized agencies form competition. This might be because advertising agencies are regenerating their services towards more digitalized features. The competition in this field forms from design expertise, visual design and creative campaigns.

Parcero's unique combination of services however, differentiates the company from more traditional advertising agencies and purely social media orientated digital agencies. The challenge is though to convince customers of the quality of the service combination. Also, the young age might keep the company from reaching bigger clients yet because of the lack of references.

5.6 Culture

Parcero's organizational culture is still somewhat as agile as the startup nature of the company. However the defined core values give guidelines for mapping out what are the attitudes and goals that characterize Parcero's actions.

Friendship and sense of community as values can be seen in the daily office work. When asked, team members told that they were happy to come to work and that they prefer working at the office because of the atmosphere, although Parcero offers the opportunity to work where one wants.

Courage gives room for mistakes. At Parcero, every team member's ideation and creativity is valued in practice. This means that employees are encouraged to give their input and ideas through responsibility of their own areas of expertise and job descriptions. The presumption is that there are no bad ideas and ideas should be developed and tested. Also there is room for error. Mistakes are handled as something to learn from instead of staying stuck with them.

Internationalism comes from cooperation and network. During the recruiting

process, international cooperators and plans to expand abroad are exhibited. This is an important part of keeping it visible from the start. Parcero only recruits people who have the willingness and readiness to work with multi-disciplinary projects in international context.

Youthfulness is in the way Parcero acts through its employees. As a young startup by young owners the company focuses on finding young skills and therefore recruits people who are at the beginning of their professional careers. Also, young team members are an asset for acumen of digital services.

Because personnel is formed by a variety of young skills who are at the start of their professional careers the company has low to none hierarchy. However roles and responsibilities are set clear so that the work conducted would be as fluent as possible.

6. MANAGING THE CREATIVE CHAOS

Above I have mapped out Parcero as an organization – what the company does and why, its core values and its future objectives. In this part I will go through the changes that happened in process development and business activities during the eight months time of collecting the information for the thesis. This will offer deeper insight in how Parcero works at the moment. It is also necessary to understand the development in order to justify the chosen processes. The following is based on a diary, notes and memos from meetings.

In short, from fall 2013 to spring 2014 company's services, employee roles, management and in-house working processes have developed rapidly. There are still some challenges in sales and customer relations but the over all company scope is taking its place. It is key to understand Parcero's service categories and the ever changing company structure in order to develop and adapt the right kind of approach for process management.

6.1 Starting Point

As mentioned prior to this chapter I started working at Parcero in August 2013. At that time the company had three owners and three employees, myself included. There were no existing processes and the services and products were still under development. My initial role was to organize the workflow and to coordinate daily office work together with starting to take care of customer relations. Also, I started to focus on design at the center of production and as a way of thinking because of the service orientated work conducted at Parcero.

At the beginning there were lacks in information flow, areas of responsibilities, customer briefs, no creative briefs were conducted and much of the necessary information concerning the work expected to be done, was behind the company's CEO who was also in charge of design. The first thing was to clarify roles – marketing strategy planning, graphic and service design, copywriting, customer relations and production. Second was to start focusing on the information flow. For these dilemmas an artistic director was hired and both weekly team and management meetings were started.

At the end of 2013 a senior advisor started working in the company focusing on business management and helping Parcero to reach a wider network in order to start expanding both nationally and internationally. This offered Parcero the opportunity to start developing the core of the business and focusing on its services. Different scenarios concerning multiple branches of business were explored. These try outs led to focused service offer and assisted in clarifying employees roles through their fields of expertise.

By spring 2014, Parcero has developed its business plan, strategy and future goals. The company has grown from six to eleven employees in total and the future plans for the 2014 include hiring two to three employees more. Weekly meetings have developed from management and team meetings to executive board meetings. The

team is responsible for having their own content design and statistic meetings in order to keep service quality high. In addition, the executive board has started to focus on sales management which is seen as a necessary act to reach future objectives.

6.2 Towards Which Direction

Based on customer feedback, the development in roles, business activities and information flow have improved the quality of the company's services. Customer satisfaction is essential for reaching set business goals. Quality enables growth through strengthening and increasing the network which leads to expanding the business.

As stated in the section of literature review, design demands multi-disciplinary team work which is problem solving by nature. This means that in order to reach even higher customer satisfaction, design and its features should be emphasized even more. In fact, design and problem solving should be put at the center of business activities. Whereas until now, design has played a part in Parceró's service and strategy planning, in the future planning and execution will revolve design.

Parceró's rapid change in operational environment, business activities and services require fluent information flow for the team to keep up with the changes. Also it is essential to maintain open discussion and atmosphere in order to have every member of the organization aware of the direction the company is heading for. Strategy and business goals should be implemented through projects so that they are present in daily work.

In the future, Parceró will focus on information flow both in-house and to the customers. In addition design as a mindset and a way of working will be emphasized and focused on even more to reach better customer satisfaction.

7. PROCESSES

In previous parts I have presented current managerial theories and literature revolving the topics of design and creativity management. I have also presented Parcero and viewed critically its functions using focused discussions, interviews, memos, notes, observation and the official business plan with strategy. This all helped forming a theoretical background for the following chapter. As a result of executed analyzes I have found several key points to take under consideration when forming the following processes.

As the literature review states, from the strategic point of view, it was important from the start to align project management with creative design work in order to reach efficient service delivery. At the same time creative design work demands time, space and iteration in order to reach best outcomes. This became evident also during the discussions and interviews – there was a strong will to organize the workflow so that production would be efficient but not overshadowing quality.

For this, the service delivery process was conducted. It was left loose so, that there is room for adjusting and for future changes, but firm, so that it exhibits different stages and the holistic view of the work done at Parcero. Based on the memos and discussions from the executive board meetings, there are some key points to follow for the process development.

- 1) Executing projects that reflect company's main service categories and values. It is essential to meet the client needs with competence. Therefore selling the skill set the company has, leads to future growth and aids in implementation of the business strategy.
- 2) Recognizing the features of creative design work conducted at the company. Giving the needed recognition for the special features, such as iteration, re-visiting ideas, questioning, allows design to happen to its full potential. This then leads to quality outcomes which in turn culminate in customer satisfaction and higher business result.

Building on the knowledge gained through the information, I present Parceró's service delivery process with its special features to answer my thesis's challenges:

What kind of processes does Parceró Marketing Partners Oy need for the product and service delivery?

What kind of special features of work conducted at Parceró Marketing Partners Oy should be taken under consideration when conducting the processes?

First, I present the overall service delivery process that describes how different stages of the process are intertwined. This establishes what stage of production happens in which phase and why. It also strengthens strategy implementation because it offers a visible description for the team of what the company does and how.

Second, I unravel the process into stages and furthermore describe different elements and features that need to be taken under consideration in these specific steps. I also map processes happening inside different stages and describe what happens in each step to make it more clear for the team to form a proper understanding when implementing the process. Well described process also helps to make changes when needed because different steps are evident.

Third, I view the challenging features and problematic phases critically to figure out what kind of customization the process might need in the future. As mentioned before, it is typical for the agile startup environment to have rapid operational changes and therefore the processes should have some room for adjusting.

Finally I go through possible needed development for the future based on the material collected, mapped out challenges and business strategy in order to discover possible future requirements.

7.1 Parcero's Service Delivery Process

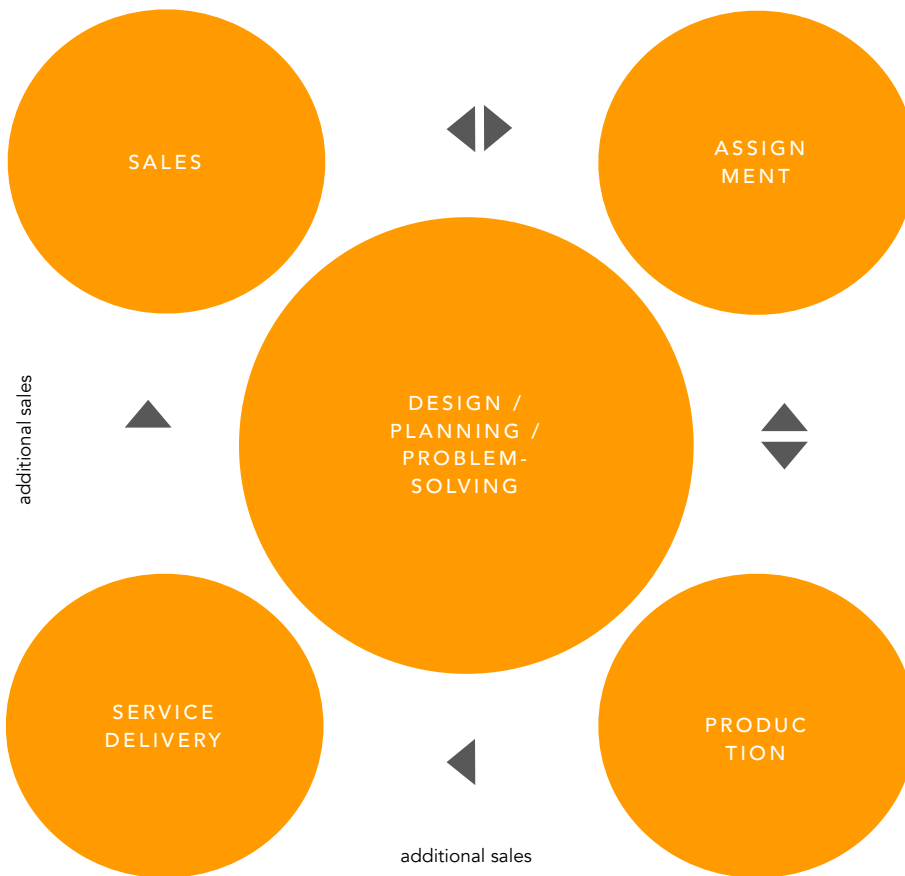


Fig. 1 Parcero's Service Delivery Process

The process flowchart is an outcome of discussions, observation and the theoretical framework conducted for this thesis. The theories exhibited that design, as a creative activity, requires iteration, open communication, testing and retesting. It also demands for clear roles and proper guidelines. The conducted interviews and discussions, based on the theoretical findings, supported these features because at Parcero, individual creativity is at the center of creative design work. The process was then conducted so, that it captures the incremental and iterative nature of

design work and combines it with the appropriate managerial approach for the whole service delivery process from sales to delivery. The special features of Parcero's ways of working were taken under consideration so that the flowchart presents the production stages and the ways they interact.

The base for it was formed from six production stages that were mapped out during two planning afternoons during spring 2014 and talked about during the free discussions and executive board meetings. These stages are 1) sales 2) assignment 3) planning and designing 4) production and execution 5) service delivery 6) additional sales. During the planning afternoons and discussions it was commonly agreed on that these stages capture Parcero's nature of production but there were contradicting views on how the stages affect the process or even more so, how do they form a process.

Although the stages are listed in a linear way, in practice they are in interaction with each other so that planning, problem-seeking and challenge-solving are at the center of all the activities. This gives design its needed space in order to reach best quality for the services and steers the business activities based on customer value. Also, the circulating process captures the evolving and ever changing nature of service sales. In addition a circulating process emphasizes different stages equally, expressing the iterative nature of design work and its business management.

Depending on the type of the project or customer, one can recognize in which stage of the process the service delivery is at, but at the same time the process does not have a clear start or end. This enables longer customer relations because once a service is ordered and the process starts the chart aids the company in account management as well. The chart shows when additional sales should be done and therefore helps the company to develop longer lasting customer relations. Additional sales can be either addable features to existing services or new sales when a need for new services are identified.

7.1.1 Design & The Creative Process

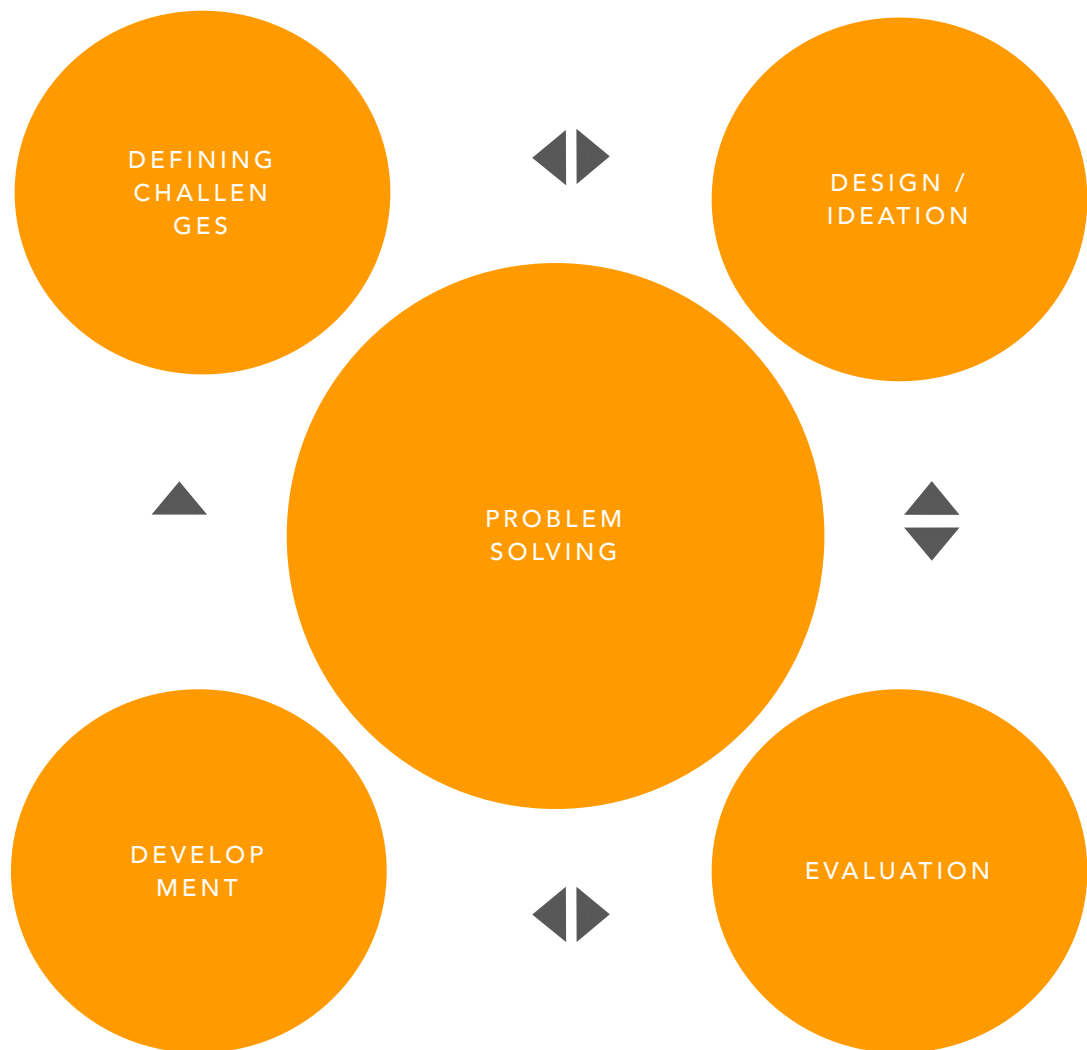


Fig. 2 Parceró's Design & The Creative Process

Since design as an activity with its problem-solving features is put at the center of Parceró's service delivery, it is therefore the first stage to go through. Both design management and service design theories emphasize on discovering the needs of the customer and defining the problem or challenge. Understanding the needs is essential for designing concepts and solutions. After follows development based on customer feedback. This enables detailed design and evaluation, possible further development, which then leads to production.

It became clear during the weekly team and executive board meetings, that the planning and designing stage should be emphasized more. Since service design requires getting to know the client in order to find solutions for their challenges, the only way was to focus on that part so that the process would start smoothly and help reaching good services. This in turn would help the production team in execution which would lead to effective processes and better outcomes. For this to happen the team meetings showed that the project plans needed more clarification. The only way to answer that requirement was to concentrate on open communication during sales and design.

Customer and design briefs are the most essential parts of fluent design. Before the actual planning can start, the design team needs to have full knowledge of the customer's organization. The customer is in charge of the client brief. The brief offers information about the project background and opportunities, the organization, its brand values, methods of operation and its existing and target customers, a review of the organization's competitors and their unique selling points, information about the proposed strategy and plan for action, project objectives, scope of work, expected outcomes and specifications, an outline of how the project's success will be measured, the project's stages, phases and milestones and a list of fees, expenses and production costs. (Best 2006, 92.)

With the client brief, the person in charge of projects can conduct the design brief which is the creative response to the client brief. It reflects the knowledge, skills and experience of the design team as well as the strategic objectives and business viability of the project. The design brief starts by consultations with the client representative together with other specialists depending on the nature of the project. The brief itself includes more detailed information of how the client and the design consultancy will work together. This helps the design team to find lacks and other needs and also to show their skill and expertise. (Best 2006, 94.)

At the same time the person in charge of projects identifies the client contact, stakeholders, team members and sub-agencies. In addition, agreeing on roles,

responsibilities and the communication channels happens at this point. (Best 2006, 94.)

Parcero's way of finding solutions for customer's challenges is somewhat equivalent to the theoretical processes presented earlier. It starts with mapping out and learning to know the client and its dilemmas. Then ideation and strategic planning starts. It is essential to have open communication with the client during this time in order to have feedback to be able to develop services. This part of the service delivery is iterative and all about going back, testing and re-testing ideas. Design also needs freedom but clear guidelines through briefs. Therefore, at Parcero, the design process presents the steps to take to reach goals, but has been left open so that there is room for the design team to choose the best processes inside the steps, for conducting design work.

At Parcero, the design team is separate from the production team. Sometimes there is overlapping but more so design is done during sales and assignment. This depends on at which point and how sales is done. It might be that sales is triggered by Parcero in which case the design and planning happens before contacting the client. In this scenario designing and planning is limited so that it enables client contact and sales but is executed thoroughly only when a deal is made.

On another scenario, the initiative comes from the client in which case the design and planning happens after proper brief during the assignment. Production then happens according to the accepted plans. Once designing is ready and the production starts, the planning is present in all the production stages.

These methods are an outcome of the collected data. The executive board memos show that it was commonly agreed on that the production team will be kept separate until it is time to hire more fulltime employees. Therefore, as expressed during the team meetings, the planning process itself allows iteration so that production team can be provided with a decent project plan that supports and helps execution.

7.1.2 Sales And Account Management

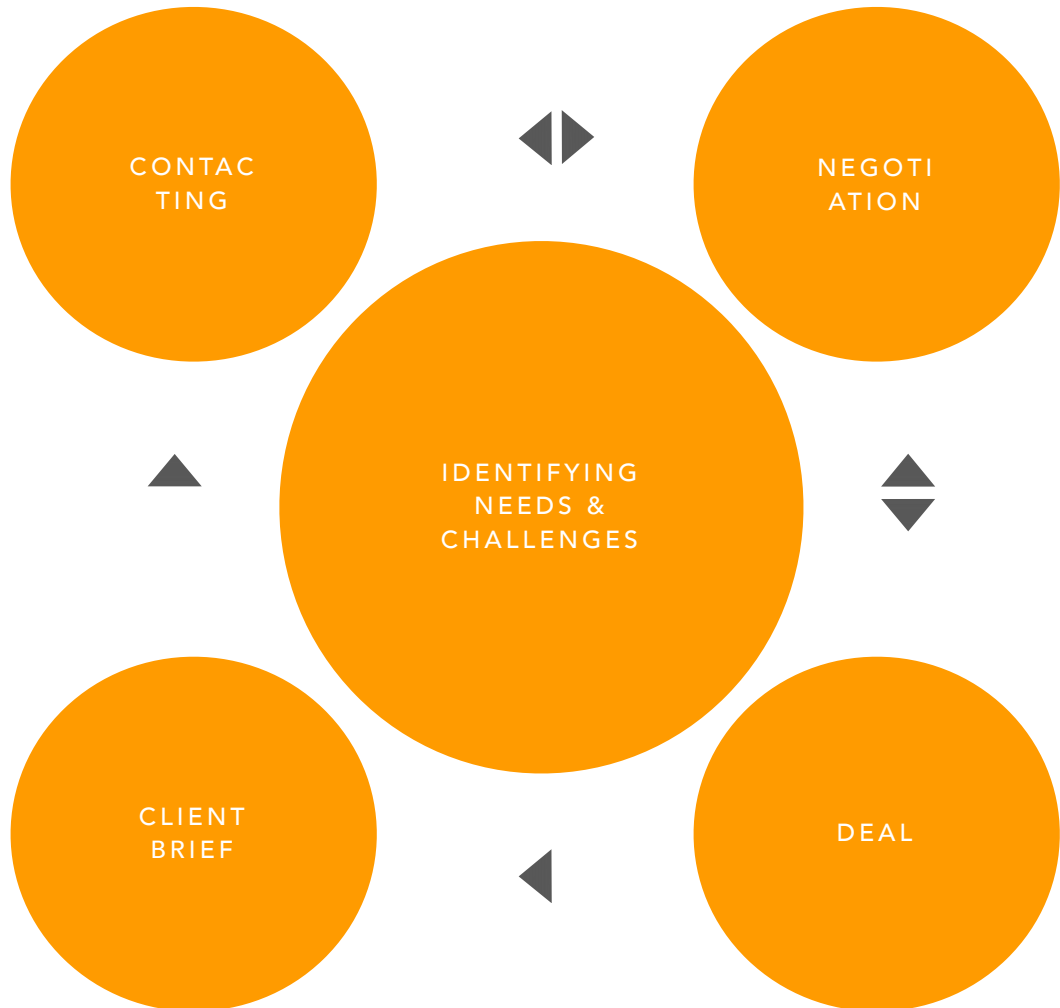


Fig. 3 Parceró's Sales Process

Sales management meeting memos and training sessions with the senior advisor show that, for to reach bigger sales, customer needs must be identified. As stated earlier, Parceró's sales process revolves around identifying customer's challenges and needs. Whether the initiative comes from the customer or Parceró, occurred challenges act as triggers. It is therefore essential to understand the nature of service sales which differs from more traditional "cold-call" sales.

When new sales is about to start, it was decided during the sales management meetings, that it is the sales representative who contacts the client. She/he is also responsible of negotiation, closing the deal and giving briefs and discussing with the persons in charge of design and projects. This helps forming the required, articulated information needed before moving on the facts for the planning and production team.

In some cases Parcero's design representative might be involved already in the negotiation part. It was stated, that to launch a longer customership, the possible client should gain a thorough understanding of what Parcero could offer.

With the existing, longer customer relations it is also the sales representative who is in charge of making contact. In this case it is more about account management and taking care of the clients. The demand for additional sales however can be triggered by any employee when one notices additional needs in the services offered to the client.

The sales process then starts with client contact by the sales representative. After negotiation together with design manager or solo, closing the deal is essential. This stage as well is iterative. There might be demand for discussing with project or design manager in order to reach customer satisfaction through clear and open negotiations. Next follows briefing the person in charge of design and projects. After closing the deal and briefing, the customer case then moves on to assignment, planning and production.

The sales management meetings as well as production meetings with the team stated that right now, there is not enough information for smooth execution. Although sales and account management is good, the information flow between stages is a challenge. It was therefore commonly decided that these suggested steps and features will be added to the process.

7.1.3 Assignment, Production And Execution

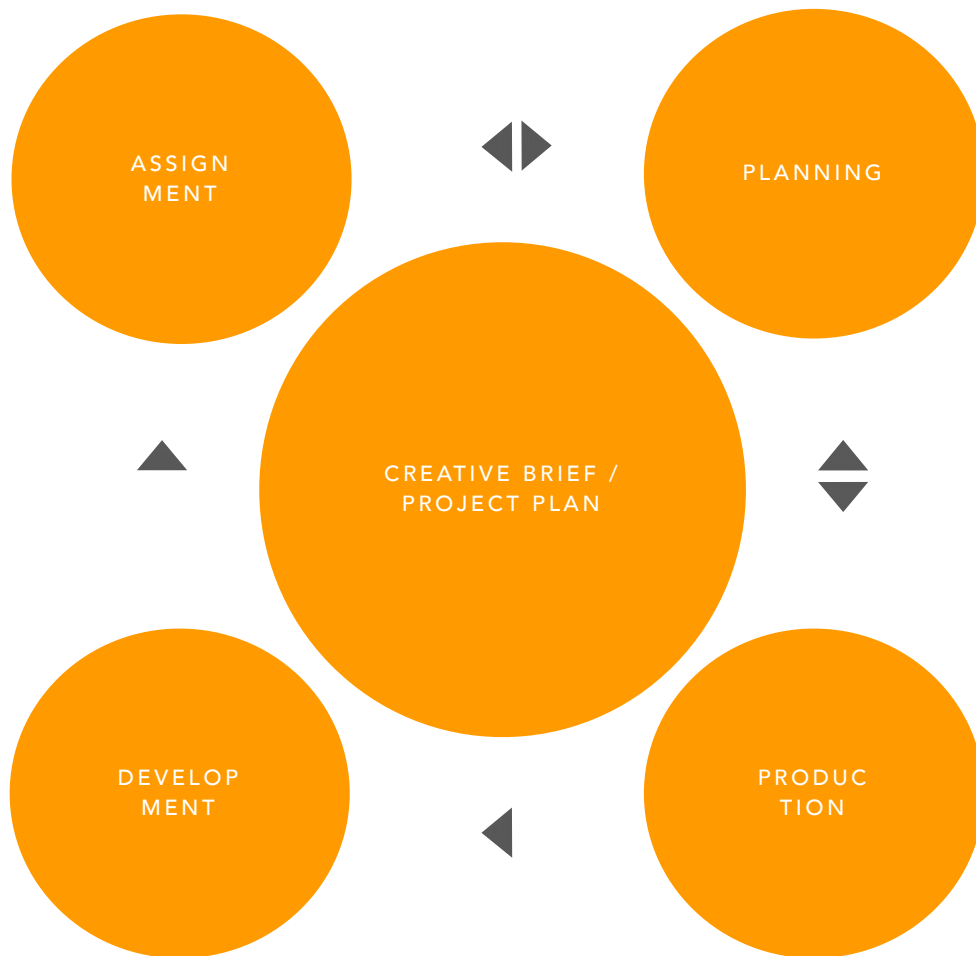


Fig. 4 Parcero's Assignment, Production And Execution Process

As presented earlier and as discussed repeatedly during the team meetings, this part of the service delivery process is fragile because it demands fluent information flow already during the sales process but especially during the stages from brief to assignment. Without a proper brief the production and execution will remain weak and there is a risk for bad service quality if the production team does not have a thorough understanding of what, why, how and with what timeframe they are suppose to work. Assignment therefore plays a big role in the middle of sales and production.

Production evolves around project plans. With proper assignment, planning in the production level can start. This means that the production team is ready to carry out the given design plan as they see is the best way. Freedom to choose their own ways to work, attributes to quality because employees are expected to overcome possible shortcomings in their own ways. This was also shown at the literature review. Intrinsic motivation builds up by certain amount of challenge and organizational support. The theory was supported at team meetings. It became clear that the team members enjoy the given freedom with responsibilities.

It was therefore decided, during executive board meetings, that specific level of planning and execution can be relied on production team member's personal problem-solving skills together with team work. During execution, constant development and challenge identification is expected. When one sees need for improvement it is expected to be carried out and solved inside the team. Therefore production and execution stage is also iterative and demands for flexible procedures in order to carry out quality services. It is important to emphasize team work and individual responsibilities to deliver quality outcomes. With Parcero's services such as content creation and advertising, it is the production team's outcome that represents the work to the customer.

7.1.4 Service Delivery And Additional Sales

After design, planning and production, it is time to deliver the executed services or products to the client. It is also the time to consider additional or further sales. Depending on the nature of customership there are a couple of alternatives at this stage.

In case of shorter projects where production is more straight forward, for example internet sites, delivery happens when the site is ready and published. The sales management meeting memos showed, that in these cases, additional sales should be done before the delivery, during production. It was discussed that, sales is more

fluently done, if a team member notices lacks in customer's marketing strategy during production and execution. These stages happen at the surface of service execution and is therefore the main moment to identify future development possibilities. An alternative option can then be offered by the account manager based on Parcero's point of view. Additional sales however consists of individual features instead of wider packages. It is easier for the client to comprehend the offering when done so.

It is also possible to start negotiations after delivery. In this case, clients challenges are familiarized and the sales consists of comprehensive marketing services. Selling holistic services to existing clients at this point, asks for pervasive understanding of clients challenges. Negotiations then start fresh in order to adapt the right kind of approach and objectives for the subsequent service delivery.

Some of the Parcero's customerships are more consultative by nature. In these cases service delivery deals are set longer lasting from the start to enable a thorough development for the clients marketing. During longer deals, the delivery part is taken down into pieces during specific time spans. Services are developed and delivered during the whole contract period. Additional sales then happens along the development. Normally these deals are planned and designed at the very beginning of negotiations and therefore the original deal demands additional features along the way.

At times it is also possible that the existing customership offers opportunities for new customers through their network. The wished outcome is achieved when the company's process allows iteration between delivery stages so that the services are best quality and customer satisfaction is fulfilled. This is also clearly expressed in Parcero's business plan and future goals. The demand for a stronger network is desirable and highly wished for. Therefore, in the future, additional sales will be emphasized on in order to reach longer lasting customer relations.

8. CHALLENGES IN STAGES

Forming processes that at the same time present the holistic service delivery through business management and allow iterations and flexibility for design, demand focusing on possible shortcomings at different stages. Every stage has its own challenges but considering how service design emphasizes on finding solutions for client's challenges, the most critical stages are found at the beginning of the process – sales and design. If these stages fail to seize and execute the needed features, production and delivery cannot reach set goals.

Also, the collected data exhibits that constant development for the process and its stages is required for to reach future growth. The development can only happen when viewing the stages critically, to find out possible lacks and needs.

8.1 Design Process And Production

Design itself forms a challenge by being put at the center of Parcero's service delivery. As seen at the literature overview and stated at the process flowchart, special features concern the design process. In order for design to reach its full potential, individual intrinsic motivation needs to be taken under consideration. This requires open dialogue and communication between the design team, management and the client for the team to understand purposes and goals. It helps individuals see the meaning behind their work and through that feed motivation. Management should also pay attention when forming a design team so that no inner friction occurs.

Another challenge concerning planning and design is the amount of time and boundaries given for the team. Designing services requires enough time and space for iteration, questioning and development. It also needs clearly set guidelines and expectations but so that there is not too much restrictions and still enough information.

In case some of these elements are not fulfilled, there is a risk that the outcomes will stay somewhat superficial. This then affects the production stage because the design team's output does not support or add to project plan that steers the production team's work. This leads to uncertainties at the production level which again decreases intrinsic motivation and spins to poor results.

Because Parceró is still a startup, the amount of work in comparison with the given working hours is extensive. The discussions and weekly meeting memos show that there is some overload in the amount of work. This has a big impact on creativity since it requires flexibility and time. The amount of work then hinders the quality of services.

Also, implementing design-thinking as a primary way of working puts challenges on managerial practices. For design to steer the work, all of the employees need to fully understand the idea behind it. It is therefore something that needs to be visible in every way possible in order to be present at daily assignments as well as a mindset. During the discussions it was presented that the organization as a whole does not have a sufficient know-how of design thinking. It was therefore decided, that the special features of design-thinking need to be familiarized at the managerial level in order to succeed in implementing the mindset so that it can become a starting point for Parceró's work.

8.2 Sales, Assignment And Delivery

The data gathered from client meeting and sales management meeting memos show, that the stage from sales to assignment demands special focus on briefs and information flow. Whether it is triggered by new or additional sales, information between these stages is essential. The customer needs to be fully aware of what they are buying and the team, design or production, needs to fully understand what they are suppose to deliver. Therefore, at this stage, it was repeatedly discussed, that the role of briefs need to be highlighted. The sales representative and the project

manager are responsible of collecting and forming sufficient amount of information before moving the project on to assignment.

From assignment to production smooth transition culminates in clear project plan with sufficient amount of information and guidelines. If the team at this point does not get clear and enough information about how, why, who, what, with what budget, with what kind of timeframe and milestones, the execution of the designed services will stay shallow. Lack of information also causes uncertainties which could lead into stress and decrease intrinsic motivation which again will fall into quality of services.

With delivery then, everything depends on how the prior stages have gone. If the service delivery process starts to fail from the beginning little is to be done at the delivery stage anymore. Although the sales management and the production meetings state, that the emphasize should be at the start of every project, the team however, needs to take responsibility of the quality they are producing as well. In case of finding lacks or something to improve on, it is expected out of the team to intervene before the delivery. This is why it is also important to keep the client involved in the project from the start so that unexpected challenges could be minimized.

Additional sales, although seen as a feature in the process instead of individual step, is essential for the business. It is also something that can be easily forgotten or ignored if the management does not emphasize this part of the process enough. In addition of increasing revenue it also affects service quality and therefore the client experience. At Parcero it is everyone's responsibility to notify the sales when there is something the customer might need. This as well as the other stages, evolves customer's challenge-solving. The memos from team meetings show, that there was some uncertainties concerning sales inside the production team and it was required that management should offer tools and set guidelines for the execution of additional sales so that team is aware of how to execute additional sales. It cannot be expected that everyone would be natural at sales and therefore additional sales

should be made as a natural part of the process instead of pushing it too much in order to avoid distress.

All together information about the client, open communication, project plan, set roles and goals are critical elements in the process and play key roles in well executed service delivery. All of these elements are essential in every stage. If one fails it is highly possible that the whole delivery system might tumble. In order to avoid this, the entire office needs to be aware of the process stages, what happens in which part, so that possible shortcomings can be tackled down in early stages.

8.3 Possible Shortcomings

When critically evaluating the conducted process against the challenges in different service delivery stages, it is clear that there are some risks that need to be acknowledged before implementation and future improvements.

First, as mentioned earlier, design-thinking was added at the center of Parcero's functions during winter 2014. As a fairly new approach in Parcero's business this has put challenges both on process management and designing itself. The ambiguous but at the same time holistic nature of design has proven to be difficult to grasp for the people responsible of design. The lack of knowledge considering design tools hinders the implementation. Also the idea of multi-disciplinary work and organizing the workflow so that there is room for design to take place has been demanding.

Considering the challenges of clearly set guidelines but loose enough boundaries that design needs, without first organizing and enabling the basic elements, design itself cannot happen to its full potential. This puts risks on failing the service delivery process. If the design, as a priority and mindset, is not functioning properly, it exposes the whole process for failing. This then leads to poor performance and furthermore unsatisfied customers.

Second dilemma is separating design and planning from production. Although I recognize some overlapping at these stages, primarily at Parcero, production has been kept separate from design. As stated several times during this thesis, design needs multi-disciplinary teams in order to reach the best outcome. However, half of Parcero's entire team is build up by part-time workers. Because of the limited hours, the part-time employees do not work at the stage of design. Nevertheless, design does show at their work tasks so that in case of improvement the team is expected to carry out necessary procedures as discussed above. They also conduct content creation and have the freedom to plan the content, for example copywriting, within given frames.

This puts stress on the information flow and emphasizes the meaning of briefs and set roles. The transition from planning to execution needs therefore special attention because a risk for misunderstanding is relevant and might cause failing with quality.

At the conducted Parcero's planning afternoon, separating the two stages was one of the main topics. On the other hand a part-time team keeps the company agile and able to compete with prices. Then again, incremental amount of work demands more working hours. Pace for reaction is also affected when the workforce is out of reach. However, the executive board decided to maintain the current structure until further notice.

8.4 Future Development

The analyzes of the collected data show that in the future, the described challenges in stages and possible shortcomings demand for special attention to be payed on implementing design-thinking and focusing on production and execution. Also Parcero's business plan and strategy require some room for the process customization.

For design to work as an indicator for both the overall service delivery process and the nature of work, the idea, theories and tools for using design-thinking need proper implementation. The first step has already been taken by mapping out the process with its features. Knowledge-sharing afternoons are also planned for distributing information. In addition, an employee with knowledge of design tools, needs to be hired at some point.

Transitioning a project from planning to production can be aided with mapping out set of key questions for a brief so that sales and design are aligning with the project plan before moved on to production team. This requires fluent communication between these stages and it should be set so that the sales representative and project manager have enough time to go through briefs before exposing the plans to the team.

If in the future Parceró starts to employ full-time workers the separation between planning and production might need to be questioned. This would require changes into the existing service delivery stages by evaluating the special features that take place in different stages.

Parceró's plans expanding abroad require the process to adjust to the needs of ever-growing network. Although cooperation internationally is already familiar to the company and the existing process is sufficient for now, in the future some adjusting needs to be done. Depending on international office's focus points, the design and sales stages might demand process customization.

However, I feel confident enough to say that the overall service delivery process planned for Parceró is quite fit. Although there are challenges and some future scenarios might cause adjusting, the holistic process gives room for changes. It is mapped out so that it gives a clear enough image to recognize different phases and feature of the service delivery but leaves room for changing special features such as adding personnel or expanding abroad.

8.5 Summary

Above I have presented Parceró's service delivery process with its production stages from sales to delivery and additional sales. I have also critically viewed on different stages and the special features of each step. I have recognized possible shortcomings and analyzed possible future scenario's effects on the process.

Design at Parceró is set as a mindset and put to the center of business activities. However it is still at early stages and needs to be focused on. Special tools for service design are needed and the team will be educated in order to reach quality services.

Sales and assignment require fluent information flow in order to be able to provide the team with necessary information about project and customer scopes. Also communication between sales representative and project manager will be emphasized. This, for its part, will assist in keeping the services delivered, good quality. Production for now will be to some extent separate from design and planning. Focus will be on execution and keeping customer satisfaction high.

For Parceró, this process flowchart comes in need and based on the discussions, it will play a big role steering the business in the future.

9. DISCUSSION

In this thesis, I have presented interlinked steps to answer the question of *what kind of processes does Parcero Marketing Partners Oy need for the product and service delivery as well as what kind of special features of work conducted at Parcero Marketing Partners Oy should be taken under consideration when conducting the processes.*

For to find out reasonable outcomes I first formed a theoretical background revolving service design, design thinking and different managerial approaches. Then utilized the gathered information to form base for the case study using interviews, free discussions, observation and a wide amount of memos and notes.

Based on these findings I provided Parcero's service delivery process with its stages, features, challenges and possible shortcomings. My intention has been to clarify the company's production process from sales to delivery so that the outcome would add to Parcero's business activities hence reach set business goals.

It was a challenge to outline a proper structure for the process – what to leave out and how deep to go, with how specific details. One could unravel the stages with the most specific steps and attributes but that would then rule out possibilities and room for change – which was highly demanded and exhibited during the eight months of development.

The process flowchart conducted, reflects the company's business plan and strategy by presenting interlinked production stages. These stages have been commonly agreed on and based on discussions and observation, the mapped out flowchart encapsulates Parcero's production process. It also embodies the challenge-seeking nature of design by setting it to the center of the process so that it is present at every stage of the process as well as at the core of business activities.

However, as the theoretical background shows, and what also became clear during process development and analyzing the data, the design process itself is still fragile. Considering that Parcero is still at startup phase, mapping out its service categories and growing rapidly at the same time, the space and time creative design work needs, is difficult to offer.

From project management viewpoint, effectiveness suffers when a certain part of the production consumes more time than planned. If the entity is not functional, it is challenging to give certain phases more room than others. Therefore design both as an activity and a way of thinking requires more attention in the future.

Also, the distinction between designing and production is something to focus on because as stated, there is a risk for disfunction in the information flow during assignment, when moving from planning to execution. If the design team, including the sales representative and the project manager do not focus enough on communication, the production team then fails to execute client orders properly.

At Parcero, the weekly team meetings showed that there was a need for more clear briefs and project plans. Also, the roles and responsibilities required clarification. The process adheres these requirements by emphasizing briefing and mapping out what information is relevant at which stages. Sufficient information for a project plan needs to be offered already as early as possible, at the sales stage so that assignment then is easy to carry out without friction.

In general the theoretical framework offered insight for the characteristics of creative design work and what to consider when managing it. It was presented that designing is a creative activity, which is challenge-seeking and problem-solving by nature and therefore demands for iterative processes to enable testing, re-testing, communication, questioning and planning.

It was also shown that the intrinsic motivation is the primary force for creative work. For it to happen, management needs to pay attention for giving freedom and encouraging problem-solving as well as staying alert when forming teams. As service design requires multi-disciplinary team work to succeed, creativity is then best carried out in heterogeneous teams where idea sharing is natural. Teams should be built so that there is diversity in background and perspectives. Various intellectual approaches and different expertise accumulate into new intellectual and creative thinking styles which then enable good design outcomes.

From management, this all requires incremental processes, adjusting and flexible procedures so that the organization enables creativity and design instead of hindering the possible positive outcomes with linear processes and strict guidelines.

9.1 Further Research

Since this thesis was conducted specifically for Parcero to form adjustable processes for its business, there is a strong context dependency. However, as mentioned already at the introduction, I find this topic to be interesting and something that needs further research in other contexts. Further research could be carried out in a wider context by including various service design oriented organizations with similar backgrounds to find out what kind of lacks and needs occur during service delivery processes. This would then offer opportunities to develop a more holistic process that could be used in various contexts.

Another extremely interesting topic would be to research service delivery process management in international context. For example, Parcero cooperates with a Mexican design agency with a strong background in service design. Our company's role in this co-operation is to give digital assets to the co-company's projects and vice versa, they help Parcero with design. How to combine and manage these two with different service categories but similar characteristics so that the outcome will be the most beneficial for the client as well as both companies, is an interesting challenge.

I also find that the ever growing capabilities of networking in business enables new kinds of business models and activities that should be utilized for future growth. Especially in the creative sector international cooperation is already normal but I state that the possibilities have not yet been examined enough, nevertheless seized to its potential.

All in all, it would be both interesting and necessary to conduct further research on creative design work process management and how to boost efficiency through process management in creative businesses especially in international context.

10. CONCLUSION

In this thesis, I have presented steps to answer the management challenge of *what kind of processes does Parcero need for the service delivery*. I have used several methods, such as interviews, free discussions and collected a wide amount of memos from various meetings, to discover Parcero's ways of working, special features, lacks and needs in its functions as well as need for improvement.

Based on the gathered knowledge of Parcero as an organization – its key activities, special features and the conducted workflow, literature review and process management from a producer's point of view, I have provided Parcero its service delivery process flowchart. It includes production stages 1) sales 2) assignment 3) planning and designing 4) production and execution 5) service delivery 6) additional sales and the description of how these stages both interlink as well as cooperate.

My intention has been to formulate a serviceable and executable output that can be implemented in practice and to aid the company towards efficiency hence reach set business goals and future growth. I expect this output to improve Parcero's business activities and the daily workflow in a way that is natural for the company in terms of its procedures and policies, while encouraging constant development and learning.

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APPENDIX

Discussions, memos from weekly meetings both at the team and executive board level, interviews and planning afternoons took place between September 2013 - April 2014.

Diary and note	Sep 2013 – April 2014
Weekly Team Meeting memos	Sep 2013 – April 2014
Sales Management Meeting memos	Jan 2014 – April 2014
Executive Board Meeting memos	Jan 2014 – April 2014
Project Kick-Offs & Project Plans	Sep 2013 – April 2014
Client Meeting memos and notes	Dec 2013 – April 2014
1 Client Debrief	Feb 2014 – March 2014
Weekly Training Session memos	Feb 2014 – April 2014
Parcero Planning Afternoon memo	25 th of Feb 2014
Parcero Planning Afternoon memo	4 th of April 2014
Parcero's Business Plan & Strategy	Dec 2013 -
Free Discussion memos	Oct 2013 – April 2014
Semi-structured Interview	14 th of April

Interview structure and themes

1. Basic knowledge

- a) The company's activity in managing design work and processes
- b) The role of the interviewee in managing processes

2. Managing creative design work

- a) Methodologies and processes
- b) Principles and focus

3. Business Management versus Creativity Management

- a) Aligning with strategy – how is this carried out?
- b) Dilemma or an opportunity
- c) Who is responsible for business management

4. Chosen processes

- a) Naming of the processes – several or just one
- a) Which stage of service delivery is the hardest and why
- b) How are these stages emphasized

5. Implementation and development

- a) How are the processes implemented
- b) Are everybody aware the processes used
- c) How are the processes developed