

## **Graphic Design and Entrepreneurship: The Rise of the Design Entrepreneur**



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### **Resumen**

*Cualquier diseñador puede convertirse en un empresario sencillamente aplicando sus capacidades al pensamiento creativo, generando ideas y ayudando a sus clientes a que estas ideas lleguen al mercado a través de la creación y puesta en marcha de programas de comercialización de marcas. Sin embargo, tanto los estudiantes como los profesionales parecen adolecer de las cualidades que se requieren para los negocios o de la experiencia para trasladar sus ideas innovadoras a un negocio real y viable. Es cierto que el modelo del Design Thinking y la materia de Gestión del Diseño supone una integración entre negocio y diseño, pero la tendencia actual se centra en buscar el éxito a nivel organizacional, más que a nivel individual. Como consecuencia los diseñadores gráficos a menudo carecen tanto de una formación empresarial, como de las infraestructuras y recursos para pensar como un empresario. Si los diseñadores gráficos quieren lograr que sus ideas lleguen al mercado deben conocer qué hacer, cómo hacerlo y dónde pueden encontrar los mecanismos y recursos necesarios para lanzar y construir adecuadamente un negocio. Para que esto sea posible, los diseñadores gráficos deben pensar y actuar de una forma diferente a como lo haría un empresario tradicional.*

## **Palabras clave**

*Diseño gráfico – design thinking – design management - emprendimiento –  
diseño orientado a la empresa – formación en negocios – formación continua –  
estudiante de diseño*

## **Abstract**

*All graphic designers have the potential to become entrepreneurs simply by virtue of their ability to think creatively, generate ideas and help clients bring those ideas to market by creating and executing commercialized branding programs. However, both students and professionals alike appear simply to lack the business acumen or experience to translate their original ideas into viable business opportunities. While the system of Design Thinking and discipline of Design Management each supports the integration of business and design, the discourse tends to focus on success at the organizational level, rather than at the individual level. The result is that graphic designers often lack the business education, structure and resources to pursue entrepreneurial endeavors.*

*If graphic designers want to bring their own ideas to market, they need to know what to do, how to do it and where to find the network and resources necessary to launch and build sustainable businesses. In order for this to occur, graphic designers need to think and act more like traditional entrepreneurs. They need supplemental business education that is tailored to understanding the full life cycle of how to take a product or service from idea to market. They also need to understand the concept of risk and how much of it they are willing to take in order to pursue entrepreneurial ventures, as well as understand the*

*common traits of entrepreneurs and how to draw upon or develop similar traits in the context of their role as graphic designers. The acquisition of this business knowledge, coupled with graphic designers' innate ability to think creatively and innovatively, will be the driving force in helping graphic designers become successful Design Entrepreneurs.*

*It is this author's opinion that the combination of business education and design education is innovative because it creates a new type of entrepreneur: the Design Entrepreneur. Design entrepreneurs have the power to speak the languages of both business and design so that they can effectively (and profitably) take an idea from concept to market. According to Fixson and Read, "the ability to translate between two languages and being comfortable switching between two different thought worlds is an ideal skill with which to identify and make completely new connections (2012)." For these reasons, undergraduate graphic design programs must begin to incorporate into their programs business education that is tailored specifically to the needs of graphic designers.*

## **Key Words**

*Graphic design - design thinking - design management - entrepreneurship - design entrepreneur - business education - supplemental education - student designer*

## **1. Understanding the Relationship Between Entrepreneurialism, Design Thinking and Design Management**

Since the 1980's, design journals, trade publications and academic publications have reported on the increased awareness and importance of the relationship between design and business. The design profession has supported such recognition by creating trade organizations dedicated to the advancement of design/business principles, and by incorporating design/business topics into industry conferences, seminars and workshops. For example, the US-based Design Management Institute (DMI), an international membership organization, was founded with the intention of connecting design to business. Unlike many traditional design conferences, DMI's conference agendas include topics that support design as an economic factor for value creation. This integration has led to the creation and promulgation of the *Design Thinking* and *Design Management* movements, of which DMI and other organizations have served as leading proponents.

Similarly, a number of leading US and international educational institutions have recognized the relationship between design and business by establishing design management as a respected course of graduate study and research, including Brunel University (UK), De Montfort University (UK), Illinois Institute of Technology Institute of Design (US), KAIST (South Korea), Parsons School of Design (US), Pratt Institute (US). However, that level of commitment has not yet trickled down to undergraduate design programs in a consistent or widespread way. The lack of formal business and/or

entrepreneurial education places student designers at a distinct disadvantage; especially those who wish to pursue entrepreneurial endeavors.

## 1.1. Design Thinking

According to DMI, *Design Thinking* is a system that begins with an open approach to the people, the problem and the possibilities involved in creating innovative solutions. In practice it combines (i) empathy to enable deep understanding and reframing of a problem, (ii) creativity to generate insights and solutions, (iii) visualization and prototyping to document, connect and test ideas, and (v) rationality to analyze and assess solutions (The Design Management Institute, 2014). Within this system, graphic designers can choose to pursue a career as a design manager<sup>1</sup> or design entrepreneur (figure 1). The former

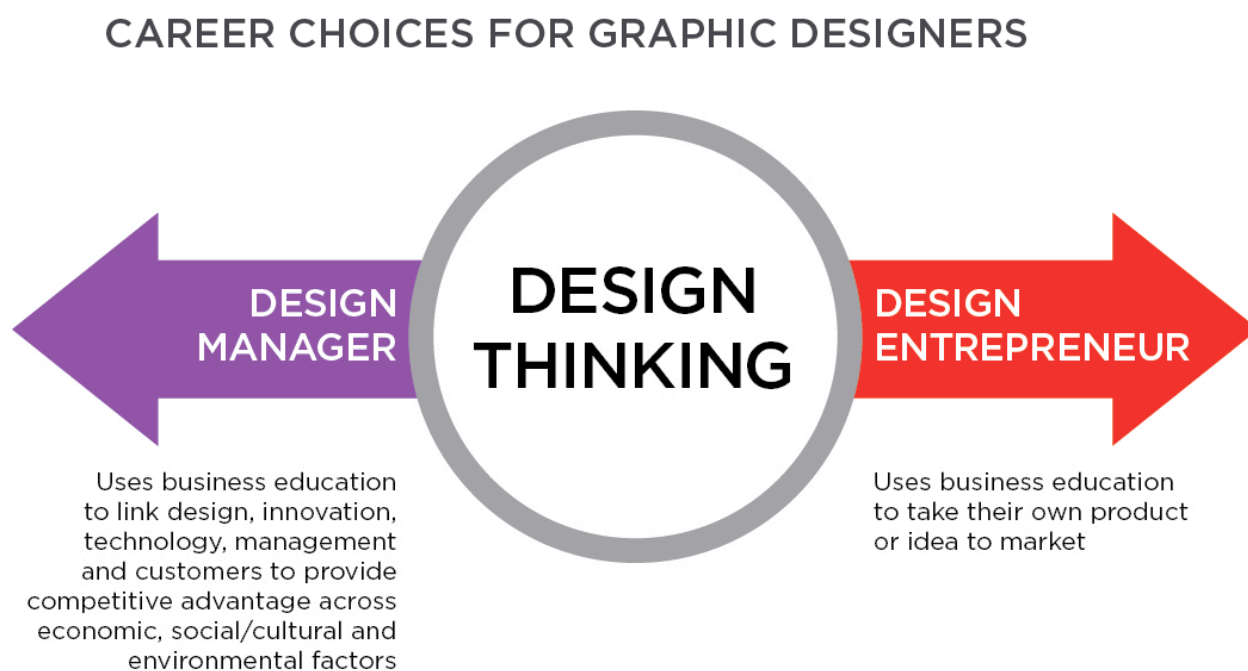


Figure 1. Graphic designers can use business education in the capacity of a design manager to creatively and effectively address the design needs of an organization, or as a design entrepreneur to start and manage a business and learn how to take their ideas to market.

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<sup>1</sup> Includes design department managers, brand managers, creative directors, design directors, heads of design, design strategists, design researchers and other similar positions.

implements *Design Thinking* at the organizational level, and leads to the practice of *Design Management*, while the latter implements *Design Thinking* in connection with his or her own entrepreneurial idea, thus leading to *Design Entrepreneurialism*.

## 1.2. Design Management

DMI advances the position that *Design Management* encompasses the ongoing processes, business decisions, and strategies that enable innovation and create effectively designed products, services, communications, environments, and brands that provide organizational success. DMI also posits that on a deeper level, design management seeks to link design, innovation, technology, management and customers to provide competitive advantage across the triple bottom line: economic, social/cultural, and environmental factors. It includes the use of design thinking—or using design processes to solve general business problems. There is sufficient evidence to support the link between design management and organizational success. According to Richardson and Roy (2004), expressing the relationship between design and business in terms of quantifiable terms such as ROI, retail channel and product roadmaps resulted in improved revenues and client satisfaction. However, the philosophical and substantive incongruence between undergraduate design and business programs often makes it difficult for students to develop the skills or knowledge base to make those connections as professional graphic designers. In response, O’Grady (2012) and others argue that an entrepreneurial-based approach to teaching business principals to student designers is necessary and required, not to produce more quasi-MBAs, but rather to bridge the gap between disciplines and prepare business savvy designers to assume a greater role in the companies with which they work.

## 2. Emergence of the Design Entrepreneur

### 2.1. Traits of graphic designers and entrepreneurs

First, let us examine the shared and different traits of graphic designers and entrepreneurs. In broad terms, graphic designers originate ideas and utilize design elements such as typography and imagery to create an identity that differentiates a product, service or entity from its competition. They then communicate that identity through a

#### TRAITS OF A DESIGN ENTREPRENEUR

GRAPHIC DESIGNERS	ENTREPRENEURS	DESIGN ENTREPRENEURS
Creative problem solvers	Creative problem solvers	Understand business objectives and innovate in new ways
Design risk takers	Economic risk takers	Understand the various degrees of risk and be willing to take more personal and economic risks
Focus on aesthetic and functional design elements	Focus on applicability, end users and financial viability	Be open to modify designs to create economic efficiencies, drive sustainable outcomes and create competitive advantages. Understand profitability is key to business success
Non-linear thinkers	Linear thinkers	Become more logical thinkers and pay attention to important business concepts and details
Limited network of design professionals	Expanded network of subject matter experts	Expand scope of network to specialists that can assist in launching and supporting a growing business
Passion for the idea	Passion for implementing and growing the idea	Find purpose in your idea and be prepared to work through to actualization

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Figure 2. Graphic designers and entrepreneurs are both creative problem solvers, yet each can be characterized by different traits. When graphic designers learn how to think more like entrepreneurs, they become better positioned to understand and actualize the basic concepts related to starting and growing a business.

cohesive branding strategy designed to raise awareness of the target and build loyalty among its end users. By contrast, entrepreneurs generate and execute creative business ideas. According to 20<sup>th</sup> century economist and political scientist Joseph Alois Schumpeter (1976), an entrepreneur is one who is willing and able to convert a new idea or invention into a successful innovation. For Frank H. Knight (2005) and Peter Drucker (1985), however, entrepreneurship is also about taking risk. Thus, it is the ability and willingness to take risk that distinguishes entrepreneurs from other professionals, including graphic designers. If graphic designers need to think and act more like entrepreneurs (figure 2), then what skills do they need to develop?

## **2.2. A similar trait between graphic designers and entrepreneurs**

The primary trait graphic designers and entrepreneurs possess is that they are both creative problem solvers. Studies show that both designers and innovative entrepreneurs are taught creative problem solving and both utilize it as practitioners. The pedagogic approach adopted in innovative entrepreneurship programs engages students directly in the highly unpredictable exercise of synthesizing new knowledge for the creation of new entities (Alvarez & Barney, 2007). Innovative entrepreneurs follow a design-like approach, called 'creative theory', in which new ideas do not exist and must be created. In managerially oriented studies and practice, the discovery theory, ideas already exist and are only waiting to be found. If entrepreneurs were taught creative theory, they would be on a par with the training and thinking of graphic designers.



## 2.3. Dissimilar traits between graphic designers and entrepreneurs

There are several traits that designers need to develop to become successful entrepreneurs. Let us examine two of them.

### 2.3.1. *Non-linear vs. linear thinking*

In an academic teaching system that is still predominately knowledge-based (linear thinking), many non-design educational programs actually kill creativity (non-linear thinking); students are afraid of failure because they have been taught from a young age that there is a right and wrong answer (Trummer & Lleras, 2012). Design education differs in that students are taught to live with ambiguity and to navigate complexity, as well as to routinely combine creative and analytical thinking (2012). Even though these two paths of education are significantly different, design schools should capitalize and provide supplemental business education for their students along with opportunities to experience, apply and develop these skills in collaboration with other disciplines. By doing this, graphic designers will be able to combine the languages of business and design (design thinking) and formulate the most logical and creative ways to become successful design entrepreneurs.

### 2.3.2. *Limited vs. expanded networks*

Designers mostly look to other designers for inspiration. They attend and participate in design conferences and their network mainly includes colleagues and vendors within their discipline. Successful entrepreneurs, on the other hand, often have access to a

diverse network of experienced professionals in their circle who help them identify areas of growth, and who can illuminate a path through the dark patches (Lee, 2014). Further, many business professionals also tend to be “*connectors*”—that is, people in a community who know large numbers of people and who are in the habit of making introductions. Malcolm Gladwell attributes the social success of connectors to the fact that “their ability to span many different worlds is a function of something intrinsic to their personality, some combination of curiosity, self-confidence, sociability, and energy” (2000). Accordingly, the transition from graphic designer to successful entrepreneur also requires professionals to work in a more interdisciplinary way—to form partnerships with lawyers, accountants, other entrepreneurs, and specialists from a diverse set of backgrounds (Powell, 2012). When designers understand how to build expanded and diverse networks, it raises their visibility, promotes their business idea, links them to potential investors, finds them employees, and connects them to potential customers.

### ***3. What Graphic Designers Need to Learn From Entrepreneurs***

As O’Grady (2012) states, “If we want to make the most out of the innate qualities that make great designers and also help them learn business and management skills along the way, it makes sense to teach them as if they were budding entrepreneurs.” Accordingly, graphic designers must understand the basic concepts related to starting and growing a business.

### **3.1. Create a business plan**

Determining whether an idea is a realistic and feasible business option requires a well thought-out and organized business plan. Preparing a business plan requires entrepreneurs to separate the excitement and emotion from the new idea and articulate the vision, mission and viability of the new business. At its most basic level, the development of a business plan enables entrepreneurs to identify risks in order to avoid large, unforeseen mistakes; to estimate sales and expenses and generate revenue forecasts in order to understand the return on investment; and to understand customers and competition better through a detailed marketing plan. Moreover, and equally as important, a business plan helps the entrepreneur formulate and remain committed to the long-term goals of the product or service offering. Finally, this process, in addition to creating structure, allows entrepreneurs to understand the economic considerations associated with starting a business and plan for potential capital raising requirements. According to an October 2007 study by Babson College, start-ups with a business plan raised twice as much capital as those without a business plan within the first 12 months (Ronick, 2011).

### **3.2. Protect ideas**

Designers fear that their ideas may be stolen, but they cannot turn their vision into reality without the help of others. At some point, designers may need the assistance of an industry expert to evaluate their product or service or may need to collaborate with a manufacturer and distributor to produce and disseminate their product to customers.

Designers need to be instructed on legal ways to protect their ideas and intellectual property, for without this information, competitors could steal it, use it for themselves, and leave designers with little recourse.

### **3.3. Secure funding**

One of the biggest challenges for entrepreneurs is identifying and securing the funds to launch an idea and grow their business. Traditional design curricula fail to address the challenges and complexities associated with raising capital, whereas business students routinely explore this concept through dedicated courses (accounting, finance, entrepreneurship). Designers are most likely aware that they can save money on their own, ask family or friends or use crowdfunding platforms to raise funds, but they typically do not have the knowledge or resources in finding angel investors or venture capitalists that might be interested in their business ideas.

### **3.4. Understand the manufacturing cycle**

How does a designer bring a tangible product to market? How do they make the proper connections to produce the product and distribute it to customers? There are infinite resources in the product development field, but graphic designers often lack the information to identify or secure those resources. It would be beneficial for designers to learn from entrepreneurs how to effectively and efficiently navigate their way from ideation to commercialization of a new product, and to build a resource library of business resources.

### **3.5. Start and manage a business**

There are many different aspects related to starting and operating a business: how to write business and marketing plans, financial management (how to read financial statements and acquire credit), operations (how to hire and fire employees), and production (how to source and manufacture product). Understanding how to run the day-to-day operations of a business is essential to long-term planning strategies and success.

## ***4. Recommended Approaches For Developing Entrepreneur Skills in Graphic Designers***

Graphic designers need business education and resources to become entrepreneurs. It is easier to learn a set of linear thinking skills than to learn how to think creatively. The only question that remains is when should a graphic designer be taught these skills?

An investigation of design instructors' opinions about the appropriate time to expose design students to the complex issues involved in the relationship between design and business indicate that such studies should be limited to master-level students (O'Grady, 2012). It would be more advantageous for students to introduce these studies earlier in their education since anecdotal evidence shows that undergraduates want to take their ideas to market before they know how to do so. It is true that an MBA or a Masters in design management would give one the information needed to launch a successful idea, but some ideas are timely or too good to delay; and, it is important to note that some

students or professionals do not have the time or the funds to attain an advanced degree. What follows are options to support the needs of the budding design entrepreneur in an undergraduate design program or as a collateral certificate.

## 4.1. Ideas for supplementary business education for design entrepreneurs

### 4.1.1. *Design Entrepreneurship certification program*

- For senior-level students and professionals
- Four week intensive modular courses taught on weekends or online instructing graphic designers on how to launch their design ideas and to build and sustain successful businesses (Heller, 2013)
  - Courses should be taught in the following areas (figure 3): design entrepreneurship (brand building, marketing, business plan development, sales and marketing projections), financial management (funding, credit, accounting), legal (incorporation, intellectual property, contracts), operations (advisory board, staffing), and production (sourcing, costing, distribution)
  - Course should be embedded into a student's concrete project. Blending business and design approaches with experimental learning will allow much deeper connections compared with simple lecture-style learning (Trummer & Lleras, 2012)

## A DESIGN ENTREPRENEURSHIP CERTIFICATION PROGRAM

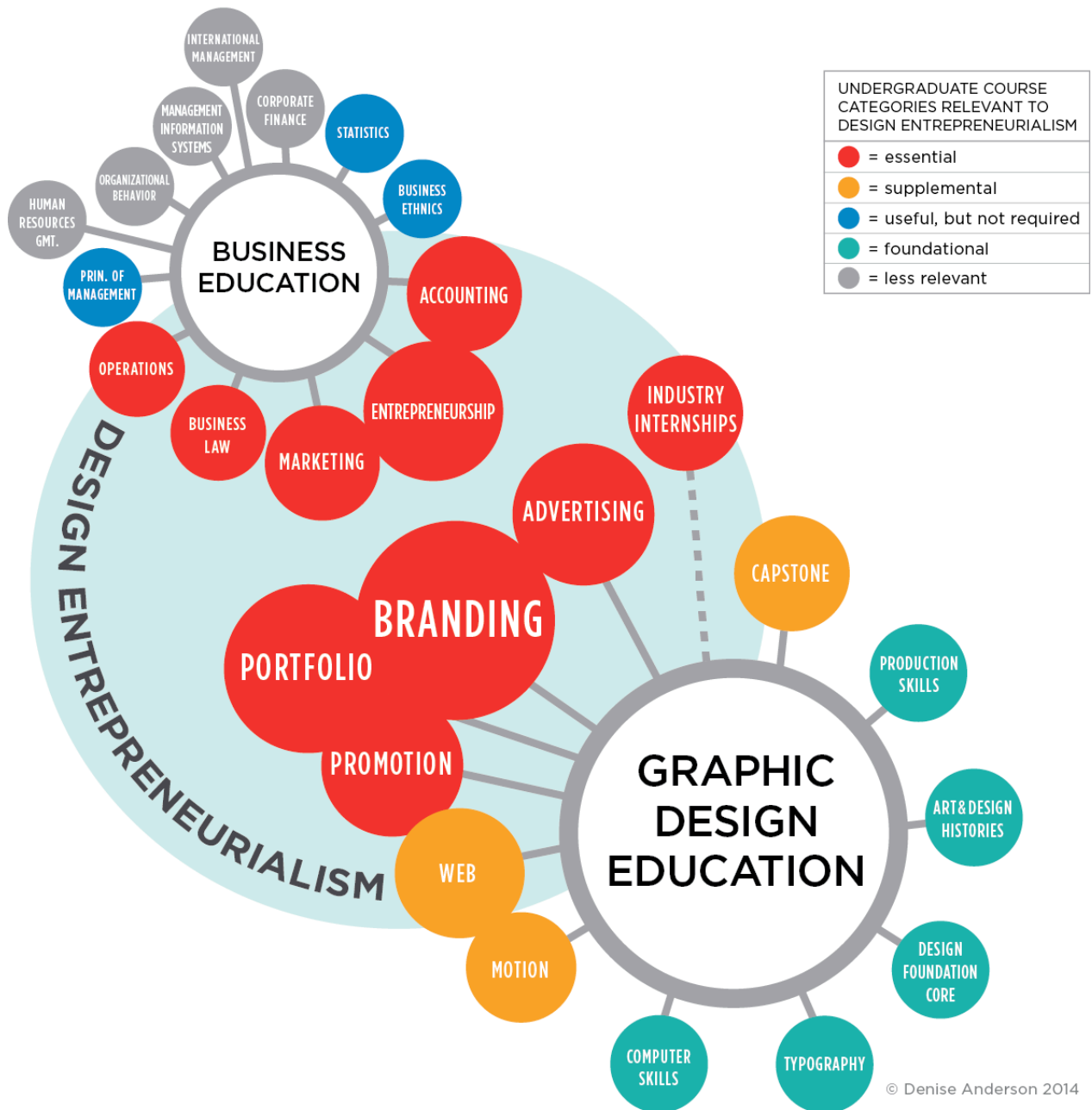


Figure 3. Senior-level design students and design professionals who want to take their ideas to market need supplemental business education to develop the competencies required to build sustainable and successful ventures.

### 4.1.2. Cross-department collaboration within colleges and universities

- Collaboration of design functions—graphic designers need to work with industrial and interior designers to refine their product designs and space layouts

- Create a Design Collaboration course to instruct graphic designers on the workings of other design functions, and identify ways for them to collaborate on projects as a team
- Formulate a Design Entrepreneur club to understand the needs of the design entrepreneur and to advise students on bringing their ideas to market
- Pool resources with specialty design functions and create a central repository for accessing them
- Partner with the business management department to tailor business and entrepreneurship courses for designers
- Create an Entrepreneur Center that collaborates with graphic designers and all majors (business, technology, science)

#### ***4.1.3. Design entrepreneur internship and mentor programs***

- Create formal full semester or summer internship programs with alumni and trusted business partners
- Solicit start-ups and small businesses principals to mentor designers
- Develop connections in the business community

#### ***4.1.4. Country sponsored design councils***

- Advocate for and advance country sponsored organizations that provide business support to designers
  - Solicit funding from business vendors to pay for the development and upkeep of content on the website



- Several countries have organizations that provide business resources for designers, including the following:
  - Metropolitan Design Center (Argentina): <http://www.cmd.gov.ar>
  - Design Council (U.K.): <https://www.designcouncil.org.uk>
  - Design Business Association (U.K.): <http://www.dba.org.uk>
  - Design and Craft Council of Ireland: <http://www.dccoi.ie>
  - [German Design Council](http://www.german-design-council.de): <http://www.german-design-council.de>
  - [Internationales Design Zentrum Berlin \(Germany\)](http://www.idz.de/de/sites/): <http://www.idz.de/de/sites/>
  - [Graphic Artists Guild \(U.S.A.\)](https://graphicartistsguild.org): <https://graphicartistsguild.org>

## ***5. The Creation of the Design Entrepreneur***

Most graphic designers who wish to become design entrepreneurs do not need to enroll in lengthy, graduate-level programs. Rather, many of them only need to acquire basic business knowledge and skills to launch a new idea and to succeed in an entrepreneurial endeavor. Design students should begin acquiring this knowledge base and skill set at the undergraduate level. Since many undergraduate design programs lack the integration of a formal design and business program, design professors and design students alike must actively work to create these opportunities within their existing programs, and identify outside resources to support the acquisition of that knowledge and skill set.

In addition to developing substantive knowledge in the areas of business and entrepreneurialism, there are unique qualities about graphic designers that tend to increase the likelihood of entrepreneurship success.

5.1. Creative and imaginative, designers use their critical thinking skills to solve complex problems. Once designers understand the scope of a problem, they can nimbly come up with ideas, sketch their designs, and quickly prototype solutions.

5.2. Empathetic, designers target their ideas to meet the current and anticipated needs of a market and its customers. They are able to explore insights from many different perspectives and recognize patterns of behavior that point to universal human needs (Heller, 2013).

5.3. Intuitive, designers' ideas take shape instinctively. Intuition is the ability to understand something immediately without the need for conscious reasoning. It is a deep insight that connects seemingly unrelated knowledge to create an idea. It is based on the interaction between a person's thoughts and a socio-cultural context (Breitenbery, 2009).

5.4. Tenaciously inquisitive, designers are curious about the world around them. When researching for a project, they try to get into the minds of their target customers to understand the "why" of what makes them emotionally react and connect to a brand. For a designer, curiosity is the jet fuel for inspiration (Harrison, 2014).

5.5. Brand their ideas. Designers add value to products, services and entities by creating applications (logos, websites, packaging, mobile apps) to breakthrough and differentiate them from the competitors. It is well-established marketing principal that consumers are willing to pay more for a branded product than they would for one that is unbranded.

5.6. Engage in storytelling and evoke emotions when presenting and selling their ideas. Designers clarify messages and make ideas imaginable through the use of visuals in the form of infographic diagrams and animation videos.

Promote their branded ideas through the development of integrated<sup>2</sup> (Wikipedia) and interactive<sup>3</sup> (Wikipedia) advertising campaigns. This includes, but is not limited to, online and print applications in the areas of identity, advertising, social media, and direct mail. The outcome of these promotional efforts is to attract customers, convert leads into sales and sales into revenues, all the while building brand equity.

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<sup>2</sup> *Integrated advertising is the application of consistent brand messaging across both traditional and non-traditional marketing channels and using different promotional methods to reinforce each other.*

<sup>3</sup> *Interactive advertising is the application of consistent brand messaging across both traditional and non-traditional marketing channels and using different promotional methods to reinforce each other.*

## ***Conclusions***

A graphic designer's learned skill set, coupled with their unique traits and qualities, provides a strong basis for becoming a design entrepreneur. If graphic designers are formally trained in a supplementary business curriculum focused on taking an idea from the drawing board to the marketplace, they will acquire the competencies to build a sustainable and successful business, and their graphic design practice would be more competitive in general. The challenge, though, is that design entrepreneurs must find a way to do all of this without losing that essential spark of creativity that makes them unique business people.

In closing, graphic designers who want to bring their ideas to market, should be taught business education at the senior level of their undergraduate design program, since some students are already attempting to launch their ideas at this stage. Graphic designers that have at least some business education will be able to utilize both knowledge bases to make new connections and holistic decisions, which will ultimately increase the chance of success of their business. What should not be compromised in the process is the designer's innate traits of imagination and intuition, as they represent competitive advantages that can aid in finding fresh solutions to business challenges and enable a business idea to flourish in ways that traditional thinkers cannot envision, thereby paving the way for true innovation to unfold.

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