



SEASON 3

EPISODE 13

[INTRO]

[0:00:05.8] ANNOUNCER: Welcome back to Happy Porch Radio. The podcast for progressive agency owners and web professionals. Season three is focused on the growing number of agencies who are making the world a better place.

We explore what this even means, why is it different from any other agency and how can it be reconciled with the real-world challenges of running a profitable agency? Join your host, Barry O’Kane as he speaks to leaders of agencies who are driven by their values to positively impact the world around them.

[INTRODUCTION]

[0:00:43.6] BOK: Hi, welcome back to season three. Something that is constantly inspiring and humbling for me is how open and honest my guests are and how that honesty reveals a deep strength of conviction, as well as laying bare the challenges of running an agency that is successful in the traditional sense and also positively impacting the world around us. My guest this week is an outstanding example of that. Rob is a cofounder and principal of Artefact who are a 60-person design consultancy based in Seattle.

They describe themselves as a design and innovation consultancy with a purpose to create a world we all want to live in today and tomorrow. In our conversation, Rob shares how this positioning is an evolution both for him personally and for Artefact generally. One they are still in the process of. As we talk, Rob exemplifies the wider systems thinking that he describes Artefact employs. When he talks about the broader corporate context of the shift to doing good missions. As an example, he mentions a public memo from Larry Fink, CEO of Black Rock, calling in all companies both public and private to be more aware of serving a social purpose.

Check the notes for this episode on happyporchradio.com where you can find links to that memo and to Artefactgroup.com. Artefact's site is packed with really valuable content for anyone interested in socially impactful design. Including many of the topics we touch on today. But for now, let's meet Rob.

[INTERVIEW]

[0:02:14.7] ROB: Hi I'm Rob, I'm CEO and cofounder of Artefact, we're a 60-person design consulting company in Seattle. We work pretty much exclusively in the realm of product development on software and hardware and been around for about 12 and a half years and our work is mostly in the software digital experience realm. It's not at all to do with marketing, it's all to do with sort of product user experience, both physical and the software experience.

[0:02:46.0] BOK: Yeah, that's brilliant. What I'm really interested in, as you know, in this season of the podcast, what I'm really interested in is that underlying why and the purpose or the mission of Artefact? I'm talking a little bit about your own personal – like where did this come from you, from a personal point of view?

[0:03:02.0] ROB: Yeah, it's a great question. I think we're all familiar with the Simon Sinek and the start with why and so familiar with that framing and I think that's been part of the story of Artefact has a little bit been the quest for why. Why are we here, what are we doing that's different and pass on like other agencies or perhaps exactly like other agencies, I'm not sure if our story is typical or not.

When we formed the company, my partner Gavin and I basically had this idea that we wanted to create a world class design organization that was a great place to work. That was enough of a why when you're two people starting something and there's enough unknowns that it seemed to fuel us for many years. We were kind of wired up enough about that and gradually, those ideas became kind of encoded in not really values but sort of an ethos around why we were here and what we were doing.

We're trying to create a great place to work where we were doing important work at a level of competence and expertise that others would recognize and respect. I think over time, Gavin and

I, we were sort of obsessed with also a little bit with running a very flat organization and we had all sorts of bold ideas about how to run an agency in a very different way to keep it very flat and humanitarian and certain values started to emerge that were our own in terms of what we wanted the organization to be like.

We were so busy I think in this role of jointly running the company, we have a slightly unusual scenario where Gavin and I, our joint CEO's that we never revisited this question of why for many years. We were just busy doing just trying to make a great place to work, great talent, get great work and continue do – like many other organizations like us, I imagine striving, you know? Striving for success, striving for stability, striving for growth and to establish practices and methods and things that we felt were unique.

All that striving ended a couple of years ago, we sort of sat down and we finally got to a place where we were large enough I think to kind of go „What's the legacy here? Where are we going? Why are we doing what we're doing and what's most important to us?" That was the moment that has began, what will be a several year transition for us, going from a rather general purpose organization where we got a great reputation as a great user experience, design kind of consulting company.

We also do development, world-class development and taking that and adding to it the idea that we are essentially trying to do all of that work for good. We kind of characterized that in various different ways, one of them, that we recently started using is kind of a humanity centered design versus human centered design and happy to get into what that means.

[0:06:02.9] BOK: Yeah, that does sound really interesting. There's a lot of stuff on your site talking about – as we were talking earlier but principles of design and for social change and the hackathons that you do and things like that which I'd love to touch on as well.

Just before we go to that, what you're describing, that sort of transition, something that I've heard quite a lot in this season talking to different people who have gone to their own version of that. I've got two questions, one is, do you think that you needed to get to that point as you describe, where you kind of established, you built a reputation and a presence and a team and so on.

Before you could start this or clarify this part of the journey for Artefact, or is it something that an agency might be able to start earlier in the process?

[0:06:46.7] ROB: Yeah, I do think you could have done this earlier. I think one of like not really having the presence of thought and the maturity, I think personally, to really look at the bigger picture and so it took us to get to a certain level of success I think for us to have the confidence to step back and say, “Hang on a second, where is this headed, what is our responsibility in what’s happening out there in the world and why aren’t we taking certain things a lot more seriously?”

I think it took – but personally for me, like some success for us to have the confidence to do this, we’ve obviously felt emboldened I think that we had success to feel competent enough to embark on a more purpose driven mission. Now, I do think there are people I’ve met who are young, fired up and super confident and have mission and purpose driven in their MO is so clearly that there’s obviously a lot of examples of that in the world where they’re so purpose driven at some level that it’s sort of admirable and sort of intimidating at some level.

Yeah, my personal story has been, it actually took a lot of soul searching and a bit of self-discovery and introspection too to get to the place where you were – you no, it’s really about two things, it’s about equity, it’s about sustainability and the role of technology in the future in our lives.

That has been the kind of the way we’re moving.

[0:08:14.7] BOK: I very strongly empathize with the story you’re describing of the kind of a self-analyzing story of coming to this realization is a bit strong but to that part of – I always think of it as a journey. You also touched on like you described the confidence and the successes and so on, it’s part of that, I guess the skill, like having built up the experience and the skillset to really understand like to be able to have these in the design and the development, it’s like to really have that background to be able to have an impact with our skillset?

[0:08:44.6] ROB: Yeah, I think that's part of it. I think that's agency reality or consulting reality is constant, particularly if you're involved in technology, you can't suddenly change who you are anyway, there's a certain, just inevitability to the expertise we are being asked to provide is different one year to the next and we're in this kind of, we're right on the leading edge of new things and find ourselves kind of in privilege by that in that we are influential with our clients and how they adopt and think about these technologies.

Same time, we're constantly having to learn completely new things and new skillsets. I feel like we matured in our ability to be constantly adapting perhaps, we're like more comfortable with the idea that status quo is not something we want or have ever known really and that our ability to be a self-learning organization that's constantly adapting is something we feel now has directionality, where it always felt a little bit like we were on the receiving end of the turn of trends and tech and we were just sort of adapting.

Now we have sort of a kind of directional, north pole for how we see that technology and the kind of storyline with that, that we can do good with it.

[0:10:04.8] BOK: Yeah, that's really interesting, kind of having that focus to move from being reactive in terms of that skillset and experience and the technology, that's a really interesting point. Just going back to the second question I had about that or process is, do you see or do you think there could be a conflict between this kind of focus, as you describe it to do good in the world, and the commercial realities of running an agency?

[0:10:28.9] ROB: It's a great question and one that's never far away from the conversation. I think our belief is that we've done – over the last five years, Artefact was doing increasing amounts of work that we could describe, we used to call Artefact social impact work and that was sort of a – we divided our work into this two pools of work that was clearly had something to do with some social impact and was easy to align to some good outcome in the world and then work that wasn't necessarily so easy to adapt to any particular outcome.

It just seemed commercial and intense. There was always some sense that we were drifting inevitably towards – wanted to do more and more of the social impact work – when we talk

about social impact and doing good through design, we're not necessarily – I often find we're not using necessarily a shared definition of what's meant by that.

Our personal belief is that increasingly, the commercial world is waking up to the idea that part of corporate responsibility is to have positive social impact. This has been kind of a, to a skeptic, this sounds like me saying, equivocating on what social impact really is, but I actually think there's a more true narrative here and I was actually really excited by Larry Fink.

I don't know if you know who Larry Fink is but he's the CEO of Black Water. Two weeks ago, he wrote a letter to a thousand CEO's, urging them to move past the era of Wall Street being more corporate America essentially being focused, exclusively on shareholder returns and instead, to shift to thinking long term about social impact and social consequences of their actions.

Why is that important? Well, he manages his organization manages 5.7 trillion dollars worth corporate assets and retirement pensions and what not. He has an enormous voice on Wall Street. I think, I mean, there are quietly memos that have sort of shaped the world, I think this could be one of them and increasingly if you listen to the world economic forum and the conversation's going on and you know, nations with the sustainably development goals and things like that.

Corporations are waking up, private sectors are waking up to its responsibilities. Now, that's not true of I think still the majority of the Fortune 1,000, I think they're still a minority that are starting to think this way but there's a core there that do believe this and believe it emphatically that through the engineering of their – and through the execution of their products and services, they can think about doing good, think about positive outcomes, pull society and create shared value across many stake holders instead of just share holder out.

When we talk about doing good through design, we're taking a very big view of that, we tend to just look at the world with a very sort of broad lens like that. How is technology shaping our society, how can we use new technologies like block chain for example, to do social good and create ways to sort of avoid bias and inequity and whatnot.

That's a very broad lens through which we use. Now, we still do work with the Building Gates foundation and various clear, nonprofits for good on very clear organ missions but I want to sort of broaden the view here that by working with corporate America you couldn't possibly be aligned to doing any real socially substantive thing. Anyway, that's kind of a personal philosophies and debate going on here at all times.

[0:13:59.8] BOK: Do you find that as you kind of change the – I don't know, if it's been a big change of that conversation both internally and externally with clients, potential clients, changing the conversation or changing the way you're positioning slightly. Is that also changing the work more drastically as you're describing and looking at this part of you. Is that, for example, are you turning work away because it's not ticking this boxes or is it a more gradual transition?

[0:14:26.4] ROB: We're asking a very practical question instead of, "Well do we have enough of one kind to stop doing the other kind?" And the answer is no, we've officially – we wrote this article which got a fair bit of attention in a company called Humanity Centered Design and that was really the very first moment we publicly said, "We are changing the focus of the organization."

That's relatively reasoned, even though we've been working on it internally for much longer. And this year, we are going to sort of rebrand ourselves and pivot the direction out the organization towards a much clearer message around the kinds of clients we want to work with and the kinds of problems we want to help them solve.

We haven't actually publicly said anything to our clients or in our biz dev conversations, we are not currently – except when we feel it's totally appropriate, meaning, by chance. We have to be in the room with people who we know care.

We're not in a situation where we're heavily marketing or heavily pursuing work in a different sector or profile. Now, it turns out through luck it happened that most of our client base is actually fairly progressive and there's nothing in our portfolio that we would just kind of look at and just go "You know, we wouldn't have done that." Nothing in our current portfolio that we would look out through a different lens and say, "That clearly doesn't meet the strictest test of social good but it certainly, at worst, is gray or neutral."

We've managed to clearly know negative outcomes, we can see directly or indirectly from doing the work we're doing. I think we're in transition, I think that's the broader story, we're embarking on this journey boldly. I think we have business goals around what percentage in our portfolio over the next three years will be, one kind or another.

What we call sort of just strictly meeting some definition of socially aligned and how much isn't and that is a journey. I've heard others say that that journey is utterly confusing for their organizations and I believe it will be but it's survival, it's an evolution, it cannot be a revolution for us.

We're too big, as much as I'd like to boldly claim that we reinvented everything overnight, it's just not believable or real.

[0:16:47.8] BOK: Yeah, I couldn't agree more actually with my own personal experience and also what I'm hearing from other people in this season. It's interesting you're describing your current portfolios of working with clients are not drastically as far away from this sort of – as you say, evolution towards this guy who is driven or – I always struggle to find the right, sort of term to describe it with your internal conversation.

What sort of language – and how is the team viewing this transition?

[0:17:14.4] ROB: Internally, morale is – everybody's extremely excited about this, it's been a kind of evolutionary step as I kind of just tried to describe. Quite a lot of the people who work here are already fairly excited or aligned to this direction.

When we announced all of this, many months ago, I think there was sort of general excitement and a little bit of trepidation about how challenging this would be and as we've gotten into it more and more deeply, we just find people are really fired up and excited about where we're headed, motivated, three years ago, just doing great work, just seems such an empty motivation somehow.

Relatively speaking, I mean, now it feels like doing great work that really can have a positive outcome for some underserved constituency or solve some injustice in the world or bring financial equity to some forgotten group or corner of the world, that kind of stuff is just so powerful. I think there's been a little bit of a debate internally about whether good design and doing good design are actually different things at all.

I think we've all concluded that it certainly isn't the case that you can't do great old-school design in the context of solving really good problems to solve, you know? If that makes any sense.

[0:18:31.2] BOK: It does, yeah. I think that ties back to my take on what you described earlier, this kind of slow sea change and the more corporate world about – I hadn't heard about that Black Water memo which is very interesting. I think that is because it's connecting to a kind of – you know, it's just in many ways, if it's done properly, it's not such a radical change, it's a slow evolution and it's connecting to what really does motivate humans.

[0:18:56.1] ROB: Yeah, Black Water by the way and Black Rock are not – are completely different –

[0:18:59.1] BOK: Yeah. Not to be confused. Absolutely. I realize we're going to be running out of time with this conversation soon but what I would like to quickly touch on is some of the ways that this has changed the actual work or the way that you work? You mentioned before, I think you said humanity driven design, can you talk a little bit about that and –

[0:19:20.9] ROB: Yeah, certainly it's a good one. I mean, if you've been in an interaction or user experience community or you work with design thinking, you're familiar with these ideas of human centered design and going out to your constituency of users and really understanding their problems and having that basically guide your insights and your innovations and your focus of your design work.

Developing that empathy and intuition for users is a little gray. We subscribe to that, that's how we do what we do. The broader perspective we're trying to bring to that a little bit is how do you also align those personal individual needs with some kind of societal benefit and this ends up

being a real trick. So if you can not only satisfy a client's need to have a successful product or a successful service and make money and fulfill whatever social mission they've embarked upon in their brand, you can also do great design for customers. Reconciling those two things is often quite difficult and then can you also bring the societal questions to the table?

If you for example, take this product and imagine a 100 million people using it instead of 50, does that change the way you think about its impact in the world? Who is benefiting from it, who is not benefiting from it and are you okay with the impacts in adverted, direct or otherwise that it might be having? So put this into some context. If you take a company like Uber, which I'll pick on for a second, is an organization where I do believe is actually committed to change.

But the Uber a year ago, we were seeing some really questionable practices in the way they incentivize drivers, the way the employees were treated in the organization. Their values exhibited through their CEO just didn't seem especially socially thoughtful and they just seemed to be the company, as so many Silicon Valley companies are, just sort of relentlessly focused on growth at all cost. This idea of running fast and breaking things, being a good quality that we are okay with.

I think that mood and tone has shifted to where these companies need to be more thoughtful about the ethical implications, the societal implications on what they are doing and it's not that hard to design an Uber that's – or to rethink or reimagine an Uber that can have some really social benefits. Lyft, one of their competitors is actually a much better and an exemplar of that. Well be it still – I don't believe they're operating quite the same to the same level that one would prefer.

So, bringing the humanity centered thing is very much a very holistic view. Can you align the user goals, business goals, and the societal interest all in one go? So that's we have a bunch of techniques that we are developing in house to try and do just that.

[0:22:16.2] BOK: This actually is incredibly powerful, you also mentioned this sort of indirect or taking into account the indirect implications or impact of the work of that process and the sales of product or the work that you are doing. I think that sounds really cool.

[0:22:29.0] ROB: Yeah, I think that challenge is to try to think in the systems instead of just products and really try to get better at understanding how things are impacted by other things and these things I am describing, you know most companies want to sound like they are already experts at doing all of this stuff. As I said, we are constantly adapting our skillset to what we think the market needs and will benefit from and we can sell as an organization.

And I am sure that evolution process will just continue to accelerate. I think we are all just a little bit shocked at how quickly we're having to kind of adapt and learn new skills and tricks as designers, being so close to this sort of innovation and technology world.

[0:23:15.5] BOK: And I like what you said earlier as well about that being a kind of – sort of embracing that and using that as a strength. It's never a status quo and it doesn't exist and rather than pretending that it does to just embrace that and use that as a real platform for moving forward. So to Segway into it just one final question and I guess you touched on that last bit, what is the next stage? What is the future of Artefact on this journey?

[0:23:37.0] ROB: Yeah, so over the next year, we are repositioning ourselves into the market. It's going through a brand evolution story, where pretty much everything is and a lot of our methods I think are probably just experimenting right now. People have lots of new methods right now I think. So we take it a few months at a time, a quarter at a time, and sort of set ourselves objectives for what we want to achieve. I think the challenge for us is to – we already have a reasonably strong reputation.

A sort of very thoughtful, socially aware organization and I think the goal is to clarify and solidify that. It's so clear to a potential customer that what you would hire us to do, which has been I think just in the conversation about how you run your agencies, we've been very generalist in the past. We put out a very general sort of appeal and a very general sort of message about our capability and we're just in the process of tightening that up and to be very focused on, how do you create shared value as an organization?

How do you use design to benefit humanity and particularly with all the array of new technologies that offer such peril and potential going forward.



[0:24:48.1] BOK: Wonderful and I find what you are doing really inspiring and so I am absolutely convinced that that impact will be huge from what you are talking about in the journey you are talking about. I'll very much be cheering from the sidelines here and I'm sure listeners will too.

[0:25:00.3] ROB: Thank you very much Barry. It was a real pleasure talking to you.

[0:25:02.4] BOK: Thank you so much.

[0:25:03.3] ROB: Cheerio.

[END OF INTERVIEW]

[0:25:10.2] BOK: You can get all the links and notes from this episode on happyporchradio.com where you can also find out how to send us questions, feedback and get involved in the conversation about this series. If you enjoy the show, please share with anyone else who might enjoy it too. Thanks for listening.

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