SUBMISSION REPORT

/Diagonal

The Service Design Award
Diagonal / Fimlab Laboratories / Finland

1. OVERVIEW

Diagonal has worked together with Fimlab Laboratories since 2012 on improving the customer experience and the service culture of one of the largest laboratory chains in Finland. Fimlab Laboratories is one of the leading laboratory companies in providing laboratory services, education and research across the central Finland. Altogether Fimlab Laboratories consist of nearly 100 branches and the total number of employees is close to 750 people. Fimlab is a limited corporation owned by the public health care districts and by approximately 50 municipalities in Central Finland. In practice this means that the public hospitals and health care centers can easily buy the various laboratory services Fimlab offers.

The co-operation between Diagonal and Fimlab Laboratories started when the chain was looking to improve and standardize the customer experience and brand outlook of the laboratories. Initially the management team was considering seeking better customer experience by focusing mainly on the interior design of the branches. However as Diagonal got the opportunity to introduce the engaging methods and process service design offers, Fimlab decided to try the new kind of process in a pilot project. Since then Diagonal has renewed the service scape and interior of five Fimlab laboratories across the Central Finland, and the collaboration has been expanded to designing a new service product for the laboratories as well as creating a new training model for implementing the customer experience concept to the daily work life of the personnel. During the years of partnership the cooperation has advanced to be more and more strategically pivotal to the business development of Fimlab Laboratories.

2. PROCESS

Based on the Bate and Roberts model (2006)¹ Diagonal's components on improving the holistic customer experience within the health care sector have been focused on *performance* "how well it fits the purpose", *experience* "how does the service feels or is experienced" and *process* "how safe, well engineered and reliable it is"

The user insight for the development Fimlab Laboratories have been gathered with various methods:

- In-depth customer interviews
- In-depth employee interviews
- · Observation on the laboratories

¹ Bate, P., & Robert, G. (2006). Experience-based design: from redesigning the system around the patient to co-designing services with the patient. *Quality & Safety in Health Care*, *15*(5), 307–310. doi:10.1136/qshc.2005.016527

Co-design workshops

Concept testing has been carried out through:

- Prototyping with various service samples and full-size cardboard mock-ups
- · Co-design workshops

Laboratory Experience and Service Scape Design

The pilot case was carried out in a Fimlab branch located in Virrat, a small town in Central Finland, and the new laboratory designed by Diagonal was opened in the spring 2013. The management team was very satisfied with the results of the engaging and inspiring co-operation. They were especially pleased on how service design approach allowed the employees and the customer to be an active part of the entire design process. Including the pilot project Diagonal has renewed the laboratories in five towns in Central Finland: Virrat, Ylöjärvi, Äänekoski, Tampere and Jyväskylä.

During the customer experience concept design, Diagonal team spent 3 days at Virrat health care center interviewing the various customers groups of the laboratory. It became clear that people are often a bit nervous and confused when entering a laboratory. Often the guidance and directions are complicated and customers are uncertain of what is expected from them.

Diagonal also conducted several employee interviews in each renewed branch of the chain. The key point of the multiple interviews was to understand the local differences and details each branch has. Due to the employee interviews Diagonal team has been known within the personnel of the chain and many of the employees have been keen to share their perspective and know-how with the service designers. To gather feedback, Diagonal has also interviewed the personnel after a new branch with a new customer experience concept has been designed and implemented.

To define the customer journeys and touchpoints, Diagonal team observed the behavior of the customers and employees in the current service. Also Diagonal team members have acted as customers of Fimlab Laboratories and have ordered own blood tests and other laboratory services. In the concept creation phase co-design workshops have been carried out with the employees, and strategic workshops with the management team.

During the design of the new customer experience concept in 2012-2013, Diagonal tested the new concept in a cardboard laboratory. Diagonal built a full-size laboratory setting out of cardboard constructions and invited the personnel of Fimlab to test and develop the new service process, interior solutions and the guiding and the signs. The modified cardboard prototype was up and running for two days and supported the gathering of insights in multiple ways. Service samples of the instructions and guidance for the laboratory customers were also created and tested in the cardboard laboratory.

HyväSydän Laboratory Service for Good Heart Health

Besides of the new laboratories, Diagonal designed a completely new and unique laboratory service product focused on improving the health of middle-aged men and to support them to easily keep track of their health. The HyväSydän laboratory service focuses on heart health, as it is one of the main long-term health risks and concerns of the target group.

To gather insight for creating the new service product, Diagonal team had in-depth interviews with the target group: middle-age men who are not very keen on keeping track of their health. To interview this normally hard-to-reach target group, Diagonal service designer spent a day in a popular public sauna facility in Helsinki. The sauna is common for men aged 45-65 and often the atmosphere is relatively relaxed. The insight gathered during the "sauna interviews" helped greatly to improve the laboratory service product designed for the specific target group.

In the concept design phase, prototyping workshops were carried out with the customers. Diagonal created different types of service, which were tested in two different focus groups with the target customers. In the first workshop the customers had an active role in constructing the contents of the service samples, while the second workshop focused more on testing the nearly-finished product and finalizing the design to reach the best possible customer experience.

Staff Training Model

During spring 2015 Diagonal trained a group of Fimlab's mid-level management on service design methods and on how to successfully implement the new customer experience concept in the laboratories. Diagonal created a new *staff training model* on implementing the customer experience concept to the daily work life of the personnel. With the help of the new training model, the mid-level management team can map the strengths and capabilities of their personnel and engage them to be an active part of the concept implementation. The aim of the new training model was to make the implementation of the customer experience concept engaging and to avoid the more traditional top-down process where a management team tells the employees what to do.

The project was carried out mainly through participatory workshops with the mid-level management team. To support the success of the new training model, Diagonal identified the individual aims of each customer touchpoints together with the personnel. Diagonal also designed a service blueprint of the customer experience and defined Fimlab's central principles that support the excellent customer service of the personnel.

3. BENEFITS

Benefits for the customers

- *Improved customer experience*. The renewed service focuses more on the quality of the customer service, more comfortable interior design and more clear guidance and signs.
- Positive emotions. Smooth laboratory experience with better design have decreased the confusion, fear and uncertainty related to laboratory experience.
- Participation. Through service design, the customers have been offered multiple opportunities to participate in the development of Fimlab services.

Benefits for the organization

- Savings on the real estate expenses. The new interior concept Diagonal created focused on better interior design solutions with significantly less square meters.
- Active role for employees in service development. Employee wellbeing has increased as the
 personnel have been offered more chances to actively participate in the development of Fimlab
 services. Throughout the co-operation, the employees have been active and interested in the
 service design methods and process Diagonal has introduced.
- Ease of working flow. The renewed service improves and speeds up also the internal processes of the personnel, as the customers are less confused and/or frightened.
- Improved work ergonomics. The interior design concept and the new interior solutions have also
 put focus on the back office spaces and only ergonomic furniture has been chosen for the
 employees.
- New respect and pride for working in the customer interface. Change in the mindset is one of the major benefits of this co-operation. Previously in the laboratory chain, the back office analytics was seen as the most respected part of the work. However now as the management has systematically put focus on the customer service work, the personnel has also started to understand the value of it. Previously the personnel preferred working with the analytics and samples, but the co-operation managed to support the change in the mindset where the positive customer experience is seen as the key success for the chain. The employees are said to be proud of the forerunner position Fimlab Laboratories has managed to achieve.
- Easily scalable and repeatable service model. The customer experience concept is flexible and adjustable to the requirements of the chain's different kinds of locations and spaces.

Impact on the competition market:

Being a forerunner. The strong and transparent focus on service design and customer
experience development of Fimlab has made other laboratory chains in Finland to show
interest in utilizing design thinking. In the health care sector of Finland, Fimlab Laboratories is
often introduced as the case example of what can be achieved and what is required with
systematic focus on improving the customer experience.

4. EFFECTS

Cause and Effect

- Better customer experience through clarity and comfort. In the initial interviews the customers
 often reported having felt fear and confusion when visiting the laboratory. The clear guidance
 through the test-taking process and the comforting interior have reduced these negative
 feelings.
- Working culture change through participation. Prior to the project, the work in serving the
 customers was not valued by the laboratory employees. The active participation in the design
 process has effectively changed their mindset, thus supporting the continuous improvement
 and keeping up the quality of the customer service.
- Improved employee experience through managing the emotions of the customers. Prior to the
 project the laboratory employees had to often spend extra time comforting and guiding the
 scared and confused customers. The improved customer experience reduces these negative
 feelings, and thus improves and speeds up the processes of the personnel as well.
- Cost efficiency through customer experience design. All the five renewed Fimlab branches have been able to save real estate costs, as the renewed laboratories offer better service with less square meters. Diagonal was able to optimize the use of space while improving the customer experience by using customer journey designs as the base for the interior design of the laboratory spaces.
- Introduction of service design in a major organization serving the public. During the three-year
 partnership Diagonal has introduced and spread service design methods to the laboratory
 chain. Through active co-creation with the client and positive experiences on various service
 design projects, service design has reached a more and more strategically significant role
 within the Fimlab laboratories organization.

The Scale of Effect

Altogether five Fimlab laboratories have been renewed according to the new customer experience concept. In most of the locations Fimlab is the only laboratory service provider for the people of the municipality. Thus the amount of people whose life the design improves is significantly large in the scale of Finland (total population of 5,3 million):

- Virrat population of 7,111 people
- Lielahti, a suburb in the city of Tampere population of 223,238 people
- Ylöjärvi population of 32,260 people
- Äänekoski population of 18,879 people
- Jyväskylä population of 137,780 people