

# ESG has the 'S' Factor\*

**\*The Rise of Socially-Driven Design.**

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### Introduction

Amidst all the media focus on climate and environmental concerns, it is easy to overlook another important facet in sustainability – the 'S' of ESG. Unlike the Environmental dimension, social impacts are often subjective, and identifying what to measure is a key first step in quantifying a firm's social impact on the community in which they operate. While social indicators such as diversity ratios, presence of human and labour rights policies, and workplace accident rates have been used by ESG data providers to quantify a company's social impact, many other possible indicators of a company's impact on the community still pass by under our radar due to a lack of awareness or understanding about how they can impact society.

One such unknown aspect that can greatly impact society is design. The design of a physical or virtual object or space is traditionally viewed as simply the aesthetic inclination of the designer. However, the design of objects and spaces defines how we interact and engage with our daily lives. At its heart, design is as much a social tool as it is an aesthetic one, where design choices that does not account for disabilities for instance is discriminatory and can be a source of lawsuits. More importantly beyond legal risks, we must be conscious about how we design our society to not only ensure that everyone in our community can participate equally, with comfort and dignity, but also to guide individuals towards more sustainable decisions for themselves and for society.

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### Design to empower

Tactile paving on roads, sound signals for traffic crossings, and written and spoken train announcements are just some examples of how accessibility considerations for people with visual and auditory impairments are incorporated into the design of everyday life. Accessible design is essential to ensure that everyone, regardless of physical or mental capabilities, can participate in the same activity or space. Beyond accessibility, universal or inclusive design is driven by the philosophy that objects and spaces should accommodate the needs and capabilities of every individual to provide all with 'dignity, comfort, and convenience, as well as the ability to be independent and participate equally in activities'<sup>1</sup>. Having a wheelchair ramp beside a staircase to enter a building is an example of accessible design, whereas an inclusive design would be that of a step-free entryway where all participants, regardless of disability or mobility, can enter freely, without restrictions or inconvenience, into the building. Accessible design is the minimum that we should do, while inclusive design is the ideal that we should strive for.

Inclusiveness has been well incorporated into various essential day-to-day activities such as transport mobility and leisure activities such as art. However, this inclusiveness has been historically overlooked in areas such as entertainment and tourism.



St Elmo Castle railing which describes the view in Braille. Copyright @thegallowboob twitter

Several months ago, a railing of St. Elmo Castle in Naples went viral on social media. This railing has braille inscription, allowing Braille readers to picture the view alongside the other tourists enjoying the view. The conscious decision to add braille inscriptions welcomes the visually impaired community to also marvel at the magnificent view before them, through words rather than sight. This is a good example of inclusive design, where the observation point is designed for users of all capabilities to enjoy the view independently and with comfort. While it is excellent that this railing received the affirmation of many, the fact that this picture went viral indicates a much wider problem – communities of people are still excluded from society in major or minor ways through a lack of inclusive design decisions.



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In the virtual space, the deaf community has previously missed out on many popular Netflix programs due to a lack of closed captioning provided. Closed captioning was only rolled out to all programs after a successful lawsuit by the United States National Association of the Deaf against Netflix in 2012, on the grounds of denying equal access to the deaf and hard-of-hearing community<sup>2</sup>. Tracking the number of lawsuits against a company on social grounds is a potential way in which we can quantify the social impacts of product design choices, and consequently hold companies accountable and influence them to make more socially inclusive design choices. On the social media front, Instagram only introduced alternative text support in 2018, eight years after the platform's launch, to describe pictures for people with visual impairments<sup>3</sup>. While Instagram now supports both automatic and custom alternative text, the latter is still not easily accessible when creating posts. This limits public knowledge and use of the feature, thereby reducing the accessibility and inclusiveness of the platform for the visually impaired community.

Importantly, inclusive design is not merely paramount to people with permanent disabilities. Individuals with temporary or situational disabilities likewise benefit from having inclusive and accessible spaces. For instance, step-free entryways also benefit those with temporary disabilities, such as individuals recovering from leg injuries, and families with infant prams. Another major beneficiary of inclusive design is the elderly population, many of whom are experiencing or will experience a decline in mobility, vision, hearing and even memory. As of 2019, the proportion of people at or over 65 stands at 9% of the global population<sup>4</sup>. This is projected to increase to 16% by 2050. Inclusive design such as providing handrails alongside stairs, having plenty of benches throughout the park or mall for resting, and having easily accessible public toilets are essential to allow this significant and continually growing proportion of society to continue engaging with their community and to age with dignity.



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#### **A darker look at the social implications of design**

Conscious and inclusive design can also be used to counteract against perpetrators of harmful situations such as domestic abuse. In the age of the Internet-of-Things (IoT), the increasing prevalence of devices connected to the internet enables perpetrators to more easily surveil and control their victims. While the IoT has largely been restricted to smartphones and laptops in the past, recent years have seen its expansion to devices that previously did not have internet connectivity, such as Google Nest or Amazon Echo speakers, fridges, doorbells, door locks, and even home lighting systems.

Product design primarily revolves around increasing users' convenience and ease of use. Social aspects of product design are often given less thought or, more often, are neglected by product designers entirely. Currently, IoT systems are designed on the assumption that all users in the same home trust each other, allowing each user to maximise the convenience of smart home devices. However, this assumption of trust can be problematic in cases of domestic abuse<sup>5</sup>. In 2019, domestic abuse charity Refuge reported that 72% of women accessing its services said they had been subjected to technology-facilitated abuse<sup>6</sup>.

Smartphones and smartwatches allow perpetrators to track and monitor where the victim/survivor is going, their online activity, and can also be used to contact their friends, family or workplace without their consent. Smart doorbells allow perpetrators to surveil visitors to the home, while smart lighting or home thermostat systems can be used to make their victims feel as if they are losing control over their home or even sanity<sup>7</sup>. Examples of design issues in IoT systems that perpetuate domestic abuse include:

Issue	How this perpetuates abuse
Unequal account holder rights between account owners and guests.	Perpetrators who are account owners could grant and revoke access at will, view video or audio captured through the device and can monitor the activity log of their victims.
Non-transparency around account privileges.	Victims/survivors on lower authorisation levels (e.g. Guest accounts) might not be aware that their activity data can be monitored by account owners.
Lack of connection reminders and authorisation approvals for accounts and devices connected.	Perpetrators might still have or can gain access to IoT devices to control various aspects of the victim's/survivor's life without the victim's/survivor's knowledge.

Well-conceived system design can increase the control a victim or survivor has over their home, activity data, and privacy, allowing them to recognise the amount of surveillance or control a perpetrator has over them and subsequently take steps to reduce the reach of the perpetrator into their lives.

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### Choice architecture

In addition to empowerment potential, design also has other social consequences. In particular, design can be used to influence thought processes and decision-making to guide individuals to make more sustainable choices. This domain of design can be termed as choice architecture, a term coined by Thaler and Sunstein to refer to the practice of influencing choice by "organising the context in which people make decisions"<sup>8</sup>. Nudge, the book in which the term was coined, further popularised the nudge theory, a form of choice architecture that "alters people's behaviour in a predictable way without forbidding any options or significantly changing their economic incentives"<sup>8</sup>.

In the introductory chapter of *Nudge*, Thaler and Sunstein introduced a case study exploring how food placement in school cafeterias influences the choices kids make. The case study hypothesises that the decision to place desserts (in contrast to fruits and vegetables) at the start or end of the food line, in a separate line, or at varying heights such as eye level, can vastly influence its consumption. Indeed, research studies have shown that serving fruits and vegetables in isolation<sup>9</sup> or serving vegetables for the entrée or starchy side and offering fruit before dessert<sup>10</sup> increased the respective food consumption in schoolkids. Social design, in terms of the placement of the same food choices before consumers, can thus influence one's food selection and consumption. This has implications for public health as such decisions introduce and solidify healthy eating habits in young children, greatly impacting the dietary consumption of an entire school population. Over time, these decisions could potentially reduce the amount of public healthcare spending, which could then be reallocated to other important social issues such as primary education or reducing homelessness.

Design can also be used to influence public health through colour schemes, specifically, the colours used on cigarette packaging. A survey of a thousand smokers has found that Pantone 448C, or opaque couché, is the most visually offensive colour, with respondents associating it with 'death', 'dirty' and 'tar'<sup>11</sup>.



Pantone 448C or opaque couché

In 2012, the Australian government mandated by law that all outer cigarette packaging must be in the colour of Pantone 448C<sup>12</sup>. It is estimated that this is directly responsible for reducing the number of Australians smoking by 118,000. Such studies lend support to the notion that simple design choices such as packaging colour can have profound social consequences, creating a push for companies and governments to do better. In the United Kingdom<sup>13</sup> and France<sup>14</sup>, similar legislation has also mandated the use of Pantone 448C as the colour of external cigarette packaging.



**Simple design choices such as packaging colour can have profound social consequences, creating a push for companies and governments to do better.**



Choice architecture also occurs when recording consent. A familiar example is that of opt-in or opt-out consent to receiving marketing emails and newsletters when purchasing items online. Deciding which type of consent, opt-in or opt-out consent, is used as the default can have significant impacts on societal outcomes. Under the [EU](#) General Data Protection Regulation (GDPR), consent is required to be a positive opt-in<sup>15</sup>. This means that default consent methods such as pre-ticked boxes are banned as this does not indicate explicit consent from individuals. Opt-in consent thus allows regulators to better safeguard consumer data privacy.

In other situations, however, having opt-out consent as the default can be more advantageous in increasing public health outcomes as a society. Under Singapore's Human Organ Transplant Act (HOTA), all Singapore Citizens and Permanent Residents 21 years old and above and of sound mental capacity are automatically assumed to have consented to organ donation after death unless they have opted out<sup>16</sup>. Similarly, England recently passed the Max and Kiera's law (May 2021), where all adults are considered to have consented to organ donation after death unless they have opted out or are in an excluded group<sup>17</sup>. In 2019, a review of several studies found that compared to an opt-in policy, an opt-out policy increases the rate of deceased organ donation and deceased organ transplantation by as much as 76% over a period of 5 to 14 years and 83% over a period of 11 to 13 years respectively, resulting in numerous more lives saved<sup>18</sup>. Nonetheless, it is important to bear in mind that the choice architecture of opt-out consent on its own merely expands the pool of potential donors, allowing more lives to be saved through increased organ donation after death. Opt-out consent still allows individuals the freedom of choice in exercising their faith and beliefs with regards to their body after death.

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## Conclusion

Compared to social initiatives that advance socio-economic mobility, such as being an equal opportunities employer or providing paid parental leave, the impacts of inclusive design are much more subtle. Nonetheless, inclusive design exerts powerful influences on our health as well as mental and social well-being and we should be aware of our design choices. That being said, awareness is only the first step in the journey. Through being aware, we can then start to identify relevant indicators to measure and track progress, be it through tracking the number of discrimination lawsuits filed or the number of victims of technology-facilitated abuse. Only when these indicators are measured can they be used by data providers such as ESG Book in our scoring methodology to highlight, evaluate and compare companies' impact on the social dimensions that might be overlooked currently.

In our journey towards a more sustainable society, let us consciously employ inclusive design in our physical and virtual spaces to ensure that the vulnerable members of our community are not left behind. Inclusive design should not be an afterthought, or an action item to check off after losing a lawsuit or when new regulations come into force.

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