

## Co-opetition as the new path to innovation? Negotiating strategic change through user-centred design approaches:

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*This essay analyses how consensus was reached in a co-opetitive setting by looking at two, consecutive but related projects spanning from 14 to 18 months in length. The projects took place in Paris, France, between 2009 and 2013, and involved key players from the banking and insurance industry. FiDJi, short for Finance, Design et Joie d'Innover, was meant to test a new innovation method based on a design thinking approach. FAIR, short for Finance, Assurance & Innovation Responsable, was conceived as a sequel to FiDJi but had the more ambitious goal to develop a new methodology that, while using a design thinking approach as a starting mode, would provide an independent set of guidelines with respect to sustainable, responsible innovation. Consequently, the dynamic of each project varied, as did the end goals. Both projects took design thinking as a starting point but while FiDJi produced a new innovation methodology based on a user-centred design approach, FAIR had the more ambitious goal to develop a set of guidelines and a method for responsible innovation specific to the banking and insurance industry.*

*The essay builds on a previous essay that analysed the dynamics proper to the FiDJi project in order to explore how anthropologists and designers are increasingly called upon to enable change (Peinado et al. 2011). It seeks to further expand on the role of anthropologists and designers as not merely enablers but enactors of change in multi-disciplinary, team based, co-opetitive contexts. Moving beyond an understanding of anthropologists and designers as providing discipline specific knowledge and skills to an understanding of their role as consultants, this essay will argue that as professionals anthropologists and designers need to be able to both contextualise their role and translate it so as to create value for their clients, users and themselves. This is consonant with repeated calls within the EPIC community to move beyond discipline specific definitions in order to understand the role we currently play and we could play in the future within industry-based contexts. We will argue that both anthropologists and designers are particularly apt at this since they can understand organisational contexts and provide insights into the nature of transformation.*

## INTRODUCTION

Innovation is often understood to be radical, technology-driven change. According to the OECD, however, innovation is both more modest and all encompassing. In addition to “the implementation of a new or significantly improved product (good or service),” it also comprises “a new marketing method, or a new organisational method in business practices, workplace organisation or external relations” (OECD 2005). Innovation is not only about tangible things but also about the processes enabling us to create them. Recent debates have focused on the increasingly complex nature of innovation and the importance of developing new approaches that place users at the core of the innovation process (Boland and Collopy 2004; Brown 2009; Roger 2009). In particular, Boland and Collopy write that management is facing a crisis and argue that: “exotic methods of financial analysis do not create value. Only inventing and delivering new products, processes, and services that serve human needs can do that” (Boland and Collopy 2004:7). This has placed both anthropologists and designers in key positions for enabling and enacting change within design-powered firms and beyond. Describing the anthropologist’s perspective, Chang and Lipson argue that: “practicing ethnographic research in industry finds us at a particular moment in time. We have seen qualitative research of our ‘persuasion’ establishing a foothold across corporations and across the world” (Chang and Lipson 2008:192). Anthropologists are “moving closer and closer to business development and strategy” (Ibid). Similarly, over the past decade, design has been identified and increasingly spoken about within business as “the next competitive advantage” (Martin 2009). Design emerges as a process based, iterative approach to innovation whereby firms “engage in the task of continuously redesigning their business” (Ibid:7). An understanding of what design is and how it functions is currently extending beyond traditional design-based firms to encompass business ventures at large. The design process, with its search for understanding, ideas and solutions, is being adopted at increasingly higher managerial levels as an answer to increasingly complex (and often wicked) problems.

While a concern with end users – who they are, how they think and act – is behind most of the recent interest in design-based and anthropology-powered approaches in business, user-based or “design thinking” methodologies constitute an entry point to address strategic issues over and above user-centric, qualitative research and design based solutions. Anthropology and design have a lot to offer through their systemic, holistic understanding of companies and the context they operate in over and above strictly user-based solutions. This calls for a recasting of these disciplines’ roles within business - especially with respect to the level at which they might operate. Increasingly, whether anthropology or design based or both, consultants in these fields are proposing their services as experts within innovation projects or outright lead innovation strategies. Reflecting on the changing role of design consultants today, Beckwith recently argued that:

Depending on whether the client hopes to strengthen customer relationships, refine a design, or achieve true innovation, design firms activities are sometimes barely distinguishable from those of some PR firms and communication and

marketing firms: strategic planning, for example, or brand identity strategies or creating experience for customers (Beckwith 2011:56).

As anthropological expertise emerges as a valuable asset within corporate contexts, anthropologists have to re-assess the role they play within business as well. For Schwarz et al,

A growing strategic demand from clients for ethnographic consultants is to engage with them more thoroughly and deeply during projects, rather than remaining purely external professionals who hand over insights and recommendations at the end of projects – as if from the protected laboratory (Schwarz et al. 2009:29).

Like designers, anthropologists today are crossing the boundaries of a strictly research based practice to engage in the role of strategy consultant. Schwarz et al argue that they can contribute to real change by operating with companies to enact change from within (Ibid). By doing so, they are extending the limits of ethnography to address more holistic problems within companies to provide strategic solutions.

This essay addresses the role of anthropologists and designers as enablers as well as *enactors* of change within multidisciplinary, co-opetitive contexts. It argues that enabling and enacting change calls for the capacity to act as a mediator and developed negotiation skills as well as a good understanding of the context in which we evolve. This goes hand in hand with the ability to navigate troubled waters while indicating possible solutions to occurring or re-occurring problems through an advisory role. Indeed, this essay argues that anthropologists and designers can play a strategic role when and where allowed to integrate corporate lead projects as full players. By analysing two different case studies based on two projects, it will show how this might be possible. FiDji, for *Finance, Design et Joie d'Innover* and FAIR, for *Finance, Assurance & Innovation Responsable*, were experiments in user-centred design conducted by several bank and insurance companies through a co-opetitive approach between 2009 and 2013 in Paris, France. They were multi-disciplinary in character with co-opetitors working together with experts from business, design and anthropology as well as academics<sup>1</sup>. Each participant brought a different set of expectations and constraints to the table on both a personal and institutional level – each had an agenda to fulfil and a more or less clear vision of what he/she wanted to accomplish as well as complementary knowledge and skills with respect to other participants. As a result, the projects were not exempt from conflict due to differences inherent to each participant's needs, wants and perceptions of the end-goal to be achieved and how to achieve it. In both cases, the anthropologists and designers on the team were directly involved, from the very start, in the formulation of the brief, the identification of the problems to be addressed and the methods to be

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<sup>1</sup> FiDji brought together three banks (BNP-Paribas, Société Générale, Crédit Agricole), two insurance companies (Groupama, Générali) and a consulting company (Altran). FAIR comprised four banks (BNP-Paribas, Crédit Agricole, La Poste, BPCE), one insurance company (Humanis-Novalis) and a consulting company (Altran).

implemented. In the end, it would be fair to say, that they were considered stakeholders in the projects whose points of view and recommendations were highly valued.

The anthropologists and designers engaged in FiDJi and/or FAIR functioned as part of a multi-disciplinary team, which included the projects' sponsors as well as various consultants and academics from a variety of fields<sup>2</sup>. The projects were, from the start, collaborative, participatory endeavours. The variety of experts involved gave them a multi-dimensional nature and required the implementation of a highly collaborative approach. FiDJi members, as noted in a previous essay, were neophytes at user-centred design and grappled with the anxiety of having to test and assess a new methodology with unclear results (Peinado et al. 2010). Having weathered through FiDJi, FAIR members were mostly convinced supporters of a user-centred approach with only a few neophytes joining the adventure. By and large, they had more ambitious expectations to fulfil. The anthropologists and designers involved played the role of mediators, negotiators and often moderators within a charged context. When negotiating the projects' scopes and soliciting consensus, they were seconded by other key actors identified as leaders or facilitators within the group of co-opetitors. This was particularly true of FAIR, where co-opetitors had a clearer understanding of the processes to be enacted, were already convinced of the validity of the approach and as a result turned out to be quite engaged and supportive. Overall, a collaborative spirit fuelled by the understanding that all participants were part of a joint, exploratory adventure prevailed.

This essay argues that whether working as freelancers or as part of a team of experts, anthropologists and designers often navigate between conflicting interests and end goals. In co-opetitive settings such as the ones described here, they have an additional task, that of creating consensus within potentially divergent constituencies extending beyond the single organisation. However, unlike for more traditional settings, they are also part of the consensus building -- beyond being merely mediators, they are also full-blown actors due to the very nature of co-opetition. Concretely, for the projects analysed this meant that, at different points in time and over distinct issues, the anthropologists and designers were instrumental in defining the brief and the process engaged in alongside the projects' co-opetitors and the other participants. The co-opetitive endeavour was lived as an adventure where each actor, whether sponsor or not, had a truly participatory role. While this was to a given extent proper to the exploratory nature of the projects, it will be argued that the co-opetitive element made it easier to integrate all players fully as none could assume prevalence over the others.

Co-opetitive contexts emerge here as a new tactic to change corporate strategy through mutualistic efforts involving multiple actors. Below, we'll explore first the nature of co-opetitive approaches to then explain how FiDJi and FAIR used co-opetition as a strategic lever to push new innovation strategies. The essay will focus especially on FAIR's initial research phase to demonstrate how the anthropologists and designers on the team were instrumental in setting the project's scope through a collaborative approach. By pulling

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<sup>2</sup> At its apex, the project comprised eight co-opetitors -- with some institutions being represented by more than one member --, two academics, two anthropologists, three designers, a linguist, and two creativity experts.

resources, knowledge and skills, co-opetitors seek to sustain complex innovation initiatives that require both a certain level of resources and a shared understanding of the problems to be addressed. Sharing is not only about reducing costs, but also about mutually supporting each other in the exploration of new innovation methods in a traditional corporate context. Co-opetition thus emerges as a new strategic approach that aims at changing the organisation by moving beyond it to seek support among like-minded individuals in key positions within competing corporations. In traditional, change averse contexts, like the banking and insurance industry, it may represent a new means whereby to enact change. However, this essay argues that it also creates new opportunities for anthropologists and designers to drive change from the centre.

## DEFINING CO-OPETITION

New forms of cooperation have emerged over the past decade involving collaboration between competing organisations (Bengtsson et al. 2010:19). Increasingly, according to Bengtsson et al., the term “co-opetition” has been used to refer to collaborative practices that competitors engage in at different inter or intra-organisational levels with the understanding that co-opetition entails the parallel existence of a competitive relationship. However, a brief review of the literature on the subject reveals that the practice is not very well attested to or theorised. Rather, it is often “vaguely defined” (Ibid:20). In a recent essay, Bengtsson et al., argue that:

Co-opetition has often been studied on an inter-organizational level with a focus on mutual relationships between two or more organizations, where all organizations are involved simultaneously in cooperation and competition.... At the relational level, the drivers for co-opetition vary but tend to focus on structural conditions and the need to pool resources and competences for innovation, production, and distribution (Ibid:28-29).

Co-opetition emerges as a new structural field separate from though linked to competition on the one hand, and cooperation on the other hand (Yami et al. 2010). Indeed, it would seem that “co-opetition is neither an extension of competition theory nor an extension of cooperation theory. It is in fact a specific distinctive research object, which calls for theory, method and managerial practice” (Ibid:1).

Looking at co-opetition in business networks, Bengtsson and Kock found that companies successfully compete and cooperate simultaneously at different levels (Bengtsson and Kock 2000). Typically, co-opetitive relationships seem to emerge far from the customer base within areas that might not be visible to an actual or potential client. The examples cited by Bengtsson and Kock range from sharing R&D facilities and knowledge to setting up joint distribution or recycling systems. Co-opetitors pull resources there where cooperation seems most beneficial. In one particular instance, co-opetitors cooperate at the research stage working not simply together but jointly harnessing the support of academic institutions and publishing in academic journals (Ibid:419). The co-opetitive relationship ends at the moment that “development processes approach product related development” (Ibid). We

have here a split between cooperative practices among “individuals at the material developments department” and competitive ones where “marketing and product development” are concerned (Ibid). Paradoxically, this is a strategic move to increase the co-opetitors’ competitive value.

In this essay, co-opetition emerges as a strategy engaged by competing firms with respect to very specific projects aimed at introducing innovative methodologies. The firms engaged in the projects analysed are competitors from the banking and insurance sector pulling resources in order to develop new innovation insights and strategies. The end results of the projects described here are not marketable products or services, but methodologies and “demonstrators” aimed at showing the validity of the innovation methods being pursued. The co-opetiting organisations, or to be more explicit the specific divisions within organisations involved in either FiDji or FAIR, feel that pulling resources will better enable them to demonstrate the well-funded nature of their innovative approaches<sup>3</sup>. In so doing they are both pulling resources and sharing the risk inherent to such practices within their sector(s) of activity. They also hope to gain their respective firms to the new methods engaged in because of the shared, pulled nature of their efforts. This is particularly true of design thinking, user-centred approaches, but also of innovation approaches aimed at developing sustainable products or services often negatively perceived as hampering rather than fostering creativity.

Co-opetition emerges as a strategic move to pull resources with the understanding that such endeavours are circumscribed in purpose and time. For all the co-opetitors involved, this is an extension of and concomitant to concurrent efforts towards engaged conversations and knowledge sharing within the industry. All the co-opetitors engaged in FiDji and/or FAIR are also members of the Club Innovation Banque Finance Assurance created in December 2009 at the initiative of Altran France. However, the Club not only brings together Directors of Innovation from leading bank and insurance companies, but also academic leaders and experts in order to explore problems related to innovation in the bank and insurance sectors. To date, the Club has spearheaded the two projects analysed here and is engaged in a third project, Alter@ge, that is planned to start current September 2013. Considering “the innovation market to be astonishingly young in the banking and insurance sector”, the Club primarily seeks to alert the industry to new innovation methods that will enable them to be closer to their clients (Strauss nd). By pulling knowledge, expertise and resources, the Club members have selectively sought to test as well as develop methodologies that will enable them to address key issues in the banking and insurance industry: relatively stagnant offers; the lack of trust in the finance sector following the subprime scandals; distant relationship with clients; the changing social context (Ibid).

## **FiDji & FAIR: Two examples of co-opetition**

FiDji and FAIR were conceived as experiments to explore, adapt, develop and spread information about new innovation methodologies. As noted above, the two projects

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<sup>3</sup> Both FiDji and FAIR co-opetitors were typically Heads of Innovation and/or Marketing within their respective companies.

brought together competitors, academic experts, anthropologists and designers with the goal to apply a distinct user-centred design approach. FiDji's aim, as a first experiment in co-opetition, was to explore and test whether design thinking was an appropriate innovation approach for the banking and insurance industry. The project was extensively described and analysed in an earlier article (Peinado et al. 2011). The various participants in the project, including the sponsors, academic experts, anthropologists and designers,

were initially unsure as to what they had embarked upon. The fact that the project was fully considered as an endeavor in co-creativity entailed that no clear brief existed beyond the development of a new user-centered design methodology that would make the design process explicit. Learning about design and how it could potentially play a strategic role within the sponsors' various organizations was part of the process (Ibid:260).

These initial misgivings were finally dissipated when the project fully demonstrated the potential inherent to a design thinking methodology. Qualitative research coupled with an iterative, workshop based creative method lead to the identification of a number of issues and the development of a set of concepts deemed breakthrough for the industry. The incorporation of users' perspectives throughout the creative stages of the project, in addition to the inductive research phase, was particularly innovative in this context. In the end, many issues identified during the project's research and creativity stages were subsequently adapted and/or adopted in various communications, products and services by the various co-opetitors participating in the project – but also validated via wider attempts in the industry to address these issues.

FAIR capitalised on the FiDji experience. However, while it based itself on and improved the design thinking methodology established by FiDji, it simultaneously sought to develop a self-standing sustainable innovation approach to be used either in conjunction with user-centred or alongside more traditional innovation approaches. Consequently, from the beginning, the projects' various participants were confronted with a quandary: how to marry the user-centred, inductive approach proper to a design thinking methodology with a normative sustainable approach integrating a deductive scientific knowledge base. The co-opetitors who sponsored the project had chosen to focus on responsibility as the integrating problematic to be addressed. Over and above developing and testing a new methodology, FAIR was born of the co-opetitors concrete will to develop tools that would support responsible innovation within the bank and insurance sector. The notion of "responsibility" had emerged as a key issue in FiDji's qualitative research stage – the responsibility of bankers being a recurrent theme brought up by interviewees after the subprime scandal - but had been left out of the concept development process because deemed too ambitious to address within the scope of that project. FAIR picked up on this to explore the direct and indirect impacts of innovation so as to develop a real understanding of how to develop and implement truly responsible products and services within the bank and insurance sector from a sustainability perspective.

## RESEARCHING RESPONSIBILITY

The question of trust between bank and insurance companies and their clients was one of the major axes identified in the qualitative research stage carried out in FiDJi. In the aftermath of the subprime scandals, unsurprisingly this was linked in people's minds to notions concerning the responsibility of banks with respect to the economy and society in general and their clients in particular. Insurance companies had also emerged as being "untrustworthy" from FiDJi's qualitative research stage. The insurance business was judged opaque and was little understood by clients who felt that insurance companies took one's money, were seldom really needed and often failed to pay up in times of distress. This raised the issue of the responsibility of insurance companies with respect to their clients. Given these findings, the projects' co-opetitors felt that the following were major issues that needed to be urgently dealt with: how to build (or rebuild) trust, develop responsible products and services, adopt a sustainable attitude overall. This was consonant with the co-opetitors' strong personal commitment to ethics in business and their desire to develop a set of tools that would enable their companies to innovate responsibly. However, it soon became clear that the co-opetitors, designers, anthropologists and academics involved in the project differed as to how to tackle and indeed conceptualise "responsibility" per se. Unsurprisingly, responsibility was not a neutral term – its definition or, indeed, declination, varied from individual to individual and across institutional contexts not to mention within institutions.

FAIR's initial brief was vague. It left to participants the task of defining the scope and end-goals of both the project as a whole and the initial research that would lead to the creative workshops' stage. An internal document stated:

FAIR's goal is to decline the meta-methodology developed during the FiDJi project so as to create a methodology adapted to a new problematic: responsibility in innovation within bank and insurance companies. This methodology should be applicable each time that questions related to responsibility are addressed in future innovative projects<sup>4</sup>.

Two definitions of responsibility were to be identified and incorporated: "a first, contextualised definition of responsibility" identifying a set of responsible innovation criteria for the bank and insurance industry, and of key importance "the results of the ethnographic phase" identifying how people perceive and judge the attitude of banks with respect to responsibility<sup>5</sup>. The first contextualised definition would lead to a set of objective criteria proper to sustainability appropriate for the bank and insurance industry. The second ethnographic based approach was meant to identify users' perceptions, experiences and needs so as to integrate the users' point of view in the overall innovation process and better adapt future products and services to their expectations. It was unclear how these divergent approaches would subsequently come together. The prestigious business school ESSEC was chosen to be the project's academic partner. A leading academic from ESSEC was to lead

<sup>4</sup> FAIR Internal Document : « Description de Livrables Attendus de FAIR »

<sup>5</sup> FAIR Internal Document : Synthèse Après Midi Café Inno-Philo



the team in charge of identifying responsible innovation criteria due to his research on sustainability in business. Two anthropologists, experts in user-centred design and who had been part of the original FiDj team, were asked to carry out the ethnographic research phase. Altran Prime, a design firm specialising in design management in industry and services, was given the responsibility of the design process. The overall project was under the leadership of ESSEC who managed logistical, administrative and especially financial matters.

The project's kick off occurred when all participants were convened to a Café Inno-Philo in the Fall 2011 to discuss the nature of responsibility and to further develop the project's scope and timetable. The event took place under the aegis of ESSEC on their campus at La Defense in Paris. For the occasion, everyone was asked to read a number of documents on responsibility ranging from philosophical to more practical, business oriented texts<sup>6</sup>. The event included a conference on responsible innovation that fuelled the discussion on the subject throughout the morning. In the afternoon, participants convened to identify FAIR's key ideas, dominant themes and linked problems as well as a timetable for the project's completion. The afternoon session served, among other things, to define the research stage: interviewees' profiles; set of relevant questions; "forbidden" or "unproductive" issues to be avoided during the research phase. The event was meant to progress from outlying a more general philosophical approach to responsibility to actually determine who is responsible with respect to whom and for what.

Concretely, through joint discussions and exercises, participants were able to identify the several issues to be addressed during the interviews as well as begin to determine interviewee profiles. In a truly co-creative attempt, all participants in the project, whether sponsors, designers, anthropologists or academics, participated in this effort. While for FiDJI interviewees were chosen taking in consideration different lifecycle situations, with the primary responsibility of this choice attributed to the anthropologists in the team, for FAIR participants set up lists of different sets of people who could, either because of their position and/or situation, have valuable insights on responsibility. They then went about identifying those they considered to be the most important profiles and the key questions to be asked. This was done in a collaborative, team spirit through a set of creative exercises. The anthropologists in the team were asked to take the exercises' results in consideration when setting up the potential interviewees' list and during the recruitment stage - and to develop a loose guideline for questions on the basis of the issues participants had identified together. At this stage, the designers' role was to enable creative solutions to emerge, while the anthropologists were more cautious about reframing emergent ideas according to concrete, possible actions. However, neither intervened in the creative process allowing for all participants, including themselves, to engage in open discussions. The only constraint was brought in towards the end of the day, in order to classify and order the various ideas in an effort to converge.

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<sup>6</sup> FAIR Internal Document: « Revue de Presse - Innovation Responsable. Dossier Préparatoire à la Réflexion du Café Inno-Philo animé par Xavier Pavie le 26 octobre 2011. »



**FIGURE 1. A Co-opetitor and Prime designer exchanging at the Café Inno**

Not all participants agreed with the workshop's results. While most enjoyed the exercise, as with creativity sessions in general some did not see the scope of the endeavour. While most of the co-opetitors, the designers and the anthropologists expected this, none actually anticipated some of the reactions that ensued and the divergent ideas regarding how the project should be carried on in subsequent meetings. With hindsight, most of the conflicts proper to this stage of the project were due to divergent expectations as to what the project was supposed to accomplish during the research phase. From a user-centred perspective, both the designers and the anthropologists considered that nobody could state a-priori what the results of the research would be – exploratory and open-ended in nature this could only lead to an understanding of people's ideas about responsibility once the interview and observation stage would be over with. From a management and sustainability based point of view, it was clear that some of the participants had clear ideas as to the responsibility criteria that should be taken in consideration within the projected methodology and found the user-centred approach at best skewed, at worst not pertinent in this context and generally speaking lacking in rigour when addressing research. Differences between “academic” and “professional” research approaches were conjured which made clear that the term “research” itself evoked different practices. For example, the academics were concerned that the anthropologists on the team were not submitting a literature review of the anthropological findings on both responsibility and innovation as a basis for the ethnographic research phase. This was consonant to a design thinking process where no fundamental, in depth research is required, but quite unusual still for some of the academics who felt very uncomfortable with what they felt was a lack of scientific rigour. These approaches were by no means incompatible, but the proponents of the various points of

view had to be brought to see their complementarity and agree to work together. If this would not happen, the project threatened implosion.

## Diffusing conflict through constructive problem solving

As with FiDji, the anthropologists and designers had to negotiate consensus throughout the various stages of the FAIR project. However, whilst in FiDji potential conflict stemmed primarily from the open-ended nature of the design thinking process per se, in FAIR the problems encountered were of a different nature. While everybody understood that the process itself would be open-ended, fuzzy and unclear as to its results, very early on it became clear that intense negotiations would have to be engaged regarding the nature and scope of the research to be carried out by the anthropologists on the team. Three major issues emerged following the Café Inno: the basis upon which the anthropologists were going to identify the interviewees' profiles, the set of questions they would ask and the theoretical framework they were going to apply to analyse the data. Theoretically motivated questions were of particular concern to the academics on the team. However, the anthropologists and the designers were able to argue that the research carried out in this context could not be equated to fundamental research. Neither the time framework nor the scope of the project allowed for this. As for the identification of interviewees' profiles and the questions to be asked, as noted above, this was a collective endeavour carried out during the afternoon of the Café Inno. The anthropologists initially based themselves on the profiles that had emerged during the afternoon of the Café Inno as possible people to interview. The aim was to interview a set of distinct individuals "in order to gather a variety of very different discourses and points of view" on responsibility<sup>7</sup>. In view of the discussions in the aftermath of the Café Inno, it was clear that these needed to be rethought.

An internal document provided a synthesis of the Café Inno debates and creative exercises, and defined the overall aims of the project. It specifically reminded all participants of the overall goal of the project as stipulated by the 7 stages of the meta-methodology developed through FiDji:

1. Express a general problematic (brief)
2. Understand the point of view of the user
3. Identify the problems to be solved
4. Organise the co-creation workshops
5. Choose the most interesting innovation paths
6. Materialise the results via a design approach
7. Measure the results<sup>8</sup>

The document reiterated that the goal of the ethnographic research was "to identify how people, in general, perceive or judge a bank's or an insurance's attitude responsible" (Ibid). This information was to be confronted to a "contextualised definition" of

<sup>7</sup> FAIR Internal Document : Synthèse Après Midi Café Inno-Philo

<sup>8</sup> Ibid.

responsibility to be independently developed by the ESSEC academics (Ibid). The synthesis itself contained a set of remarks that could serve as material for the development of a contextualised definition that would take in consideration innovation concerns proper to the bank and insurance industry and that had emerged during the afternoon exchanges. It became progressively apparent, that points 1 to 3 of the mega-methodology were difficult to implement because there was no consensus on the brief or on the profiles of the users to be interviewed. Tension within the team was quite high at this point. A solution had to be found as to how the project was to progress.

The project's double approach to responsibility, contextualised and ethnographic, was problematic from the start. Many discussions revolved around the primary goal of the qualitative research phase. This was to be interviewed based with observations in key sites if possible. Negotiations ensued following the Café Inno and in spite of what had been agreed then as to who should be interviewed and why – as well as to the validity of the research methodology and its scope. Some of the participants in the project argued that responsibility criteria should be assessed independently of what people think or want. Others argued that it was of primary importance to identify what it is that people judge responsible and what would they define as responsible actions on the part of a bank or insurance company. It was believed that, independently from any definition of responsibility, such an approach would help identify key concepts to be developed and tested via the FiDJi/FAIR methodology. Others still focused on innovation and called for an ethnography of innovation practices that would identify the functional context within which innovation experts function. “What is innovation, when should it be deemed responsible and what people understood as being responsible?” These were issues to be initially explored through parallel paths that would converge naturally in the creative workshops set up for that purpose. However, by early December 2011 it was clear that this would be extremely difficult if not impossible to achieve within the project's framework.

While misunderstandings of this type are not uncommon, in both FiDJi's and FAIR's case the co-opetitive nature of the projects and the fact that no co-opetitor could prevail over the others to have his/her point of view imposed complicated the situation. Consensus had to be reached in order for the projects to progress successfully. For FiDJi, the designers on the team had to individually meet with all co-opetitors in order to ascertain that the demonstrator they were developing met their expectations. “The problem the designers faced” in FiDJi,

was linked to the richness of the research data. Nothing in the methodology being applied allowed for a data selection stage or process. In most projects, this happens naturally as clients choose from the data what they want to focus on. Here, the project's sponsors lacked a unified view given their backgrounds as well as their multiple company affiliations. Hence, at this particular stage of the design process, the designers felt that they had to ask sponsors to take a stance and clearly define what their expectations were (Peinado, Jarvin and Damoiseil 2011:271).

For FAIR, consensus was more difficult to achieve. The co-opetitive nature of the project, and the assumption that all participants whether sponsors or consultants had equal say as to its plan, complicated the decision making process. All participants had to review the initial project brief and reformulate it. This is where the anthropologists and designers in the team became not simply enablers but enactors of change by engaging in a fully participatory decision making process.

An intermediate meeting was called on December 2nd to solve the problem. It brought together two co-opetitors on the team with the ESSEC academics, Altran Prime designers and the two anthropologists. Intense exchanges went on informally between the different participants before the meeting. The meeting itself was meant “to bring together all the necessary conditions so that the project could progress towards its goals by mobilising everybody’s know how, ‘collaborative’ spirit and trust”<sup>9</sup>. A power point presentation visualising how FiDJI’s meta-methodology was to be adapted to FAIR and delineating the different approaches proposed by the various participants introduced the main problematic. The presentation also addressed governance issues and the responsibility of each participant within the project. This was to be shared, with each participant contributing according to his/her expertise. During the preliminary exchanges leading up to the meeting, the anthropologists on the team had sought to clarify the project’s end-goal. Their definition was integrated in the document and stated that

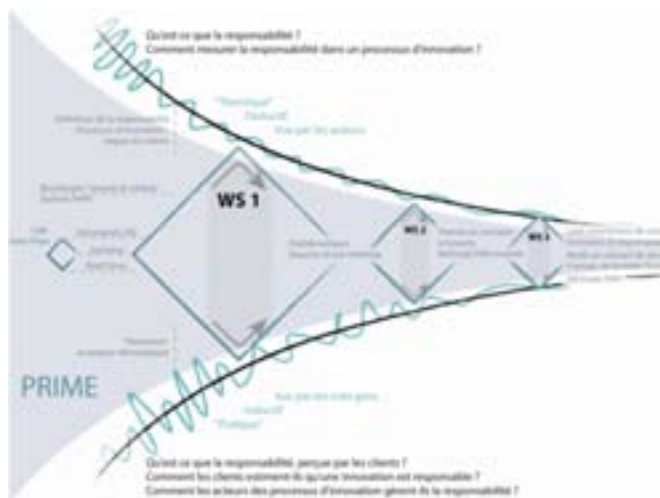
On June 30th, 2012, we will have established a grid that will enable actors from the bank and insurance sector to evaluate their innovation’s responsibility and we will have identified a set of pertinent means whereby to communicate about these innovations – with the final objective of regaining the public’s confidence<sup>10</sup>.

This was a starting point for open discussions. Three partly conflicting conceptions of the FAIR process were confronted in the hope that we could all arrive at an agreement as to how they could converge. As expected, these corresponded to different understandings of the research phase, what the anthropologists, academics and designers would be expected to contribute, and how this would articulate with the remaining phases axed on creative workshops. They also related to different ideas as to what a user-centric approach might be – with some participants seeing the research as user driven as opposed to user centred. A major question revolved around whether end users should at all be consulted. At the end of the meeting, the anthropologists were able to retain the user-centred research approach as their primary method and thus explore end users’ perceptions of responsibility, but with the understanding that they would enlarge their problematic to include responsible innovation as a research subject. As noted above, no specific theoretical framework was retained or literature review required of them. This was a result of negotiations carried out with the academic members of the team who agreed to provide the theoretical background proper to responsible innovation as well as focus on identifying objective criteria proper to sustainability applicable to the bank and insurance context. The designers solved the final

<sup>9</sup> Internal Document : Préparation de la Réunion du 2 Décembre.

<sup>10</sup> Ibid:6.

problem of how to bring together the two approaches. They visualised the overall process as a set of workshops that, starting with a very wide and diffuse approach taking in consideration both the theoretical, deductive view of responsibility and its practical, inductive perceptions identified in the ethnographic research phase, would eventually lead to a specific responsible innovation approach at the end. The methodology itself would emerge overtime through the design process.



**Figure 2. Visualisation of the FAIR Process with the WS 1 convergence stage bringing together the theoretical deductive and practice based inductive approaches to responsibility.**

## Defining the “real” user

Prior to the December 2nd meeting, the anthropologists had identified 21 profiles “on the basis of the individuals spontaneously cited at the end of the Café Inno”<sup>11</sup>. These had been classified according to the choices made during the afternoon creative exercises and placed into three different categories -- with the greater number of interviewees corresponding to the “real people” category, and a lesser number equally spread between people coming from non-profit or institutional organisations, and bank and insurance professionals. As noted above, it was at this point that the academics found that the research was lacking in depth because it did not incorporate questions related to innovation and responsibility – questions that had been deliberately left out during the Café Inno creative exercises’ phase. They also considered the focus of the research as totally skewed towards

<sup>11</sup> Internal Document : Projet FAIR –Éléments du Cadrage du Projet Ethnographique.

“real” people and not enough focused on innovation professionals. While this was markedly different to what had initially been agreed upon, it raised the issue of who the final user of the intended methodology was to be and hence the relevance of addressing the point of view of bank and insurance clients in general as opposed to innovation professionals in particular. The initial 21 interviewees’ profiles were revised, amended and added to. The meeting made possible to

reformulate the project’s tracks in order to introduce several points that had not been retained during the Caffé Inno. The question related to innovation, implicit in the project, was not to appear in the interview guide. The meeting lead us to reintroduce it, by clarifying it in the process, and made us question the interviewees’ profiles agreed upon during the Café Inno<sup>12</sup>.

The interview questions were also revised in order to incorporate the new problematic to be investigated. People were asked to comment on what is responsibility, how does it manifest itself (or not) in real life situations, and how do people engage responsibly in everyday personal as well as professional contexts. The anthropologists sought to identify the definitions of responsibility corresponding to different spatiotemporal scales: individual, family, and social versus short, medium and long term. They specifically sought to discover the various realms associated with responsibility in general, while specific questions addressed responsibility with respect to the bank and insurance sector in particular. Finally, the question of what constitutes responsible behaviour within the bank and insurance sector was to be asked of bank and insurance personnel with specific questions addressing the issue of responsible innovation. In the end, interviewees fell under three categories: the first set comprised “real people” facing different types of difficulties proper to responsible or ethical situations; a second set comprised individuals holding what they were identified as jobs that put them in positions of responsibility with respect to others; a third set was devoted to actors from the bank and insurance industry with different levels of responsibility to whom were added several experts in innovation. Altogether, 23 individuals were interviewed. Unfortunately, no observations of innovation teams could be carried out because of logistic and time constraints. A request to this end had been formulated, but access to innovation teams turned out to be very complicated to put in place.

With hindsight, the project had two different types of users – people in general and the innovation professionals within bank and insurance companies. This quandary was never fully identified in the project’s initial stages and, if addressed, would have probably lead to a finer tuning of the ethnographic phase that would have taken in consideration the double character of the project’s “end-user”. Most user-centred approaches still focus on actual “clients” or consumers overlooking the multiple, internal actors involved in management and business contexts. In a recent work entitled *Intersections*, Milan Guenther develops a design-based approach that takes in consideration a business’s multiple stakeholders (Guenther 2013). More specifically, it addresses the difficulties businesses face today when operating in evermore flexible and changing contexts. Guenther argues that design lead

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<sup>12</sup> Ibid.

approaches can help identify and solve problems related to businesses' ecosystems including "the agility of people involved in their activities" (Ibid:23). FAIR could have adopted such a perspective by addressing the functional context in which innovation activities occur. Instead, the project's co-opetitors and consultants choose to take a different road and to address primarily customers' aspirations and needs rather than those of innovation teams. As noted above, this was in part due to the difficulty, as a co-opetitive project, to harness the internal, business specific support needed to do such research, but also to a narrow application of the user-centred approach developed via FiDji.

## Responsibility Defined

The qualitative research stage identified several issues. No absolute definition of responsibility emerged from the study, but only relative, ephemeral and abstract depictions. People spoke of their personal attitude, in terms of lived experiences and values, while they considered responsibility as a "must-do" when addressing the role it should play in business. In addition, nobody had asked him/herself the question of whether he/she was a responsible individual or engaged in responsible actions. Only when asked specifically, did people reflect about whether they act responsibly or not. However, responsibility emerged as a given: everybody is responsible or wants to be perceived as such. For bankers and insurers, acting in their professional capacity, it was a fact that responsibility was integral to their company's DNA.

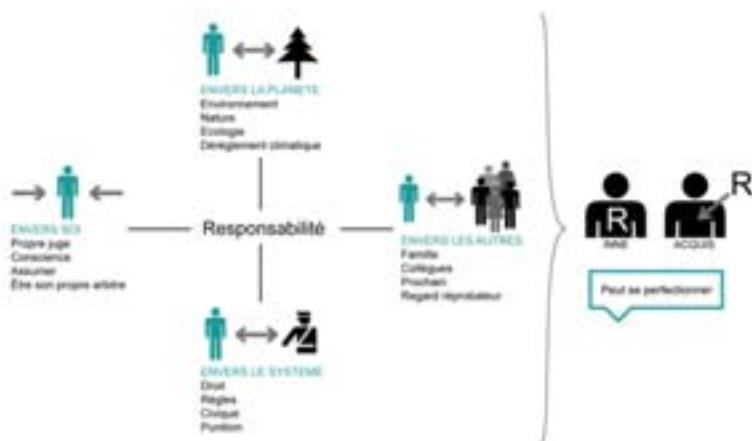


Figure 3. General perceptions of responsibility

Responsibility was differentially perceived when towards oneself, others, the planet as a whole or a social system in particular. A distance effect operated at this level: one feels and



acts responsibly to a different extent with respect to issues closer to oneself than issues that are more abstract and upon which one feels one has a more diffuse impact. People saw responsibility as either innate and/or acquired – one is born responsible, learns to be responsible via various situations, may become increasingly responsible throughout one's life. Often, at different life stages and situations corresponded a heightened (or different) sense of responsibility due to one's engagements.



**Figure 4. Responsibility from the “real people” perspective**

Bank and insurance experts, in addition to subscribing on a personal basis to similar understandings of responsibility, commented on the role they played within their respective companies and the extent to which they saw their contribution as responsible. They commented on their responsibility beyond what is required by the company, the responsibility to the different stakeholders, including employees and clients, and finally responsibility with respect to the planet. In spite of the limited number of experts interviewed, these were unanimous in stating that they had very few means to measure whether innovative products and services were responsible. Such questions often emerged from personal commitments and were not, in a general way, integrated in checklists or “do and don’t” considerations not to mention long-term innovation processes. The bank and insurance sector emerged from the qualitative research phase as lacking concrete tools to judge its own performance in the area of responsible innovation, even if all companies had CSR departments and definitely sought to adapt at the very least environmentally safe practices with respect to a number of behaviours.



Figure 5. Responsibility from the actors' perspective

## FROM THE RESEARCH TO THE WORKSHOP PHASE

Responsibility emerged from the ethnographic research phase as a complex field where, as was expected, different variables and dynamics interact both at the individual and at the group level. On the one hand responsibility is something everyone aspires to. On the other hand, it represents an on-going necessity with which individuals engage through concrete practices. However, what is responsible for one might not be for the other. The term is relative rather than absolute. Consequently, the results begged the question of how to implement responsible innovation practices in the bank and insurance sector. When asked how a bank or an insurance company could act responsibly, interviewees answered: “by doing their job correctly”. At a very basic level, for interviewees this implied that bank and insurance companies had to (1) understand their clients’ individual situation and respect them; (2) help them develop saving habits and (3) educate them with respect to money; (4) communicate clearly and (5) stop the marketing jargon; (6) engage their agents locally at the community level and, finally, (7) remunerate clients with a record of good practice.

These findings provided a transition to the project’s workshop phase where the ethnographic data was to be gradually integrated with the objective set of criteria developed by the ESSEC academic team. A future essay will analyse in detail FAIR’s subsequent phases, as space does not allow us to develop them in detail. Unfortunately, only a brief overview of the overall process can be given here. Four workshops followed the project’s research phase. Workshop 1 sought to bring together the user-centred, inductive approach with the theoretical, deductive set of criteria identified by the academics. Workshops 2 and 3 focused on identifying and developing innovative concepts through a traditional user-centred approach, while integrating an increasingly complex grid delineating objective criteria for responsible innovation. Two different sets of users were involved in the workshops:

“real people” and bank and insurance innovation professionals. In the last workshop the project’s various participants tested the innovative concepts that had emerged from the previous workshops, against a final version of the responsible innovation grid. The process was not exempt from strife, but each participant found his/her place within the multi-disciplinary context that characterised the project throughout. Even down to the very last day, each and everyone participated in the creative process, the refining stages, and contributed to the final outcome. Even though the tensions within the team were never again as high as in the beginning phase, the process entailed on-going mediation and negotiation in order to ensure that the final deliverables would be up to everyone’s expectations. In the end, the project gave birth to a making of and a demonstrator in the form of two videos. A bilingual publication in English and French is being finalised and should be up for sale starting October 2013, explaining and outlining each step of FAIR responsible innovation methodology.

## CONCLUSION

Innovation and uncertainty are intimately tied together. Enabling change implies embracing uncertainty in order to innovate. However, innovation itself implies enacting, that is bringing about real and lasting change. FAIR was not an easy project to weather through. In many respects this is because it was a very ambitious project as it aimed, through a user-centred approach, to develop a new methodology for responsible innovation. In and of itself, this was (and still is) a very innovative endeavour within the bank and insurance sector. As a result, the stakes were from the beginning quite high, while the research phase was unclear, the process ambiguous and the context complicated to say the least. Each participant had to find his/her place and develop an understanding of the project as a whole as well as its assumed goal. The anthropologists and the designers on the team actively contributed to defining the project’s overall process and end-goal in close collaboration with the project’s co-opetitors and other participants. As explained in the essay, this was not without tensions. As Barab and all argue about critical design contexts, “issues of ownership, voice and intentionality become problematic when the ethnographer is not simply writing about a culture of another but actually advocates a change agenda” (Barab et al. 2004:256). The anthropologists and the designers involved in FAIR were not simply providing support but actually co-constructing the project with its various actors – by contributing actively to setting the scope and developing the deliverables. Their position was not neutral. In contexts where anthropologists and designers are designing for change, they are no longer positioned “outside” the organisation. Rather, “the role of change agent positions (them) inside the organisation” (Ibid:257). This implies “active membership” (Ibid).

This essay argues that co-opetitive, experimental projects like FiDji and FAIR allow anthropologists and designers to develop strategic insights and lead innovation. This is because these co-opetitive contexts allow for highly collaborative, consensus driven multi-disciplinary settings where participants, including anthropologists and designers, can equally interact as stakeholders. Such settings enable anthropologists and designers to use their skills as mediators and negotiators, develop an understanding of group dynamics and cultivate strategic insights into how to enact change. In FAIR, this became quite clear when

the initial research phase had to be re-defined and negotiated by creating consensus among all the project's participants. Beyond identifying interviewees' profiles or setting the questions' guidelines, the anthropologists and designers defended a user-centric approach that strategically placed users' voices on responsibility at the same level as the theoretically defined, objective criteria of responsibility. This was not to say that users always "know best". Rather, it simply lead anthropologists and designers to point to the fact that users need to be taken in consideration when developing new products, services or processes – and that users are not necessarily who we think they are. In the end, as FAIR progressed, it became clear that there were multiple stakeholders with respect to the methodology being developed. The end users were not only the bank and insurance companies' clients. They were not only the innovation professionals within those bank and insurance companies. They were also the co-opetitors among us, who needed to demonstrate to their colleagues within their respective firms that the methodologies they had developed through FiDji and FAIR are effective. As a result, FiDji and FAIR responded to multiple needs, wants and perspectives, which had to be taken in consideration via strategic design consideration in order to successfully accomplish what they had set out to do in a co-opetitive manner.

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