



Participatory Design of Business Models

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ABSTRACT

The recent focus on user-driven innovation and open innovation signals a shift of concerns beyond the new product or service it self. The very model of how to make business is at play in most innovation projects today, in particular with the advent of Internet commerce. There are already examples of participatory design methods being applied to open up the process of business modeling to a wider circle of actors than those marketing managers that typically devise new business schemes. Traditional manufacturing companies with conventional product sales are challenged to consider alternative business models. Public organizations are under increasing pressure to consider themselves a business, with all that this entails in terms of new terminology.

To allow people without formal business education to take part in business model discussions means moving beyond text and spreadsheets. Designers can play a crucial role here. But participatory design of business models could sound like a contradiction in terms: Do the designers side with the exploiting rather than the exploited?

This workshop invites participants to bring experience from projects where business issues were part of the participatory negotiation, and to hone their position on the larger question of the role of PD in innovation.

Author Keywords

Business, innovation, facilitation.

ACM Classification Keywords

H.1.2

BUSINESS INNOVATION

Companies are increasingly dependent on other actors outside the organization to create business. Where Porter's concept of the *value chain* focused on the internal organisation of activities that lead to business (Porter 1996), later management research has focused on interactions in the *value network* between the company and its suppliers, customers etc. (e.g. Allee 2000). One of the ways in which business innovation may come about, is when new partners are invited into the value network, or if partners within the network take on new roles.

Osterwalder's process of business model innovation

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banks on participation of a range of stakeholders, and his *business model canvas* has become immensely popular in the business world (Osterwalder & Pigneur 2009). There are other suggestions to engage a variety of participants in developing business, Figure 1: Mapping the value flows between actors as coloured line graphs on flipcharts (den Ouden & Valkenburg 2011); describing business processes using acrylic flowchart symbols (Lübbe 2011); mapping the company's key relationships with bric-a-brac materials (Buur & Mitchell 2011); exploring stakeholder relations using theatrie staging techniques (Ankenbrand 2011); and developing business model alternatives using interactive sculptures (Mitchell & Buur 2010). All these approaches are proposed as collaborative: They aim to engage groups of people in innovating business issues within the field elsewhere coined 'Participatory Innovation' (Buur & Matthews 2008).

To bank on physical objects as *boundary objects* (Star 1989) or *things-to-think-with* (Brandt 2005) to support collaboration between disparate groups of participants has been very successful in the Participatory Design community and there are similar examples in business circles also (Lego Serious Play, Gauntlett 2007). In effect the same basic theories come into play with these new applications of participatory techniques, and our field has a lot to offer. Is business model innovation a worthy arena for Participatory Design?

HALF-DAY WORKSHOP

This workshop intends to initiate the discussion of the role of Participatory Design in business innovation based on demonstrations of practical techniques and participants' own stories of business related participatory design activities. Participants are invited to bring examples and illustrations from their own practice – and to suggest their positions on the larger questions of whether Participatory Design from a philosophical standpoint should or shouldn't get mixed up with the business side of commercial (product) development.

The workshop addresses researchers, practitioners and educators, who have encountered business issues in Participatory Design projects, who have themselves experimented with participatory business innovation techniques, or who have an opinion on which stance Participatory Design ought to take here.



Examples of new, participatory design ways of engaging with business issues: Coloured arrows & post-its, acrylic shapes, metal bric-a-brac, drama staging, interactive sculptures.

POSITION PAPERS

Participants are accepted based on position papers. Please submit a 2-4 page proposal in the PDC 2012 format to the organizer no later than June 1st, 2012. One can imagine several formats of position papers:

Methods descriptions that present a participatory method for initiating business discussions

Case descriptions that describe the circumstances of a particular participatory project and the role of business development.

Theoretical contributions that discuss a PD position in relation to business innovation.

Position papers will be circulated among the workshop participants ahead of the conference.

WORKSHOP PROGRAMME

1. Welcome and introductions.
2. Brief presentation of participants' position papers.
3. Demonstration of PD business modelling methods.
4. Discussion of the grander issues of PD and business.
5. Summary and future research directions.

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