



Shanghai Jiao Tong University

BU012 Business Model Design Innovation

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| Instructor Information | <p>Haigang Li Home Institution: Shanghai Jiao Tong University Email: lihg@sjtu.edu.cn Office Hours: Determined by Instructor</p> | | |
| Term | December 17, 2020 - January 8, 2021 | Credits | 4 units |
| Class Hours | Sunday through Thursday, 135 mins per teaching day | | |
| Discussion Sessions | 2 hours each week, conducted by teaching assistant(s) | | |
| Total Contact Hours | 64 contact hours (1 contact hour = 45 mins, 2880 mins in total) | | |
| Required Texts (with ISBN) | <p>Instruction is conducted on the basis of the chapters from the textbooks listed as follows:</p> <ul style="list-style-type: none"> • Colin Carnall & Rune Todnem By: Managing Change in Organizations Sixth edition, Pearson Education Limited 2014, ISBN: 978-0-273-73641-7 • Allan Afuah: Business Model Innovation: Concepts, Analysis, and Cases, First published 2014 by Routledge, ISBN: 978-0-415-81739-4. <p>Additionally, a list of extensive reading materials will be provided before the start of the course.</p> | | |
| Prerequisite | N/A | | |
| <p>The course might be moved to online delivery due to COVID-19 pandemic. The anticipated date is November 6, 2020.</p> | | | |



Course Overview

This course will cover essential aspects of the application of new business models in the context of changes and business development. Innovation, fast pace of change and globalization are challenging the exiting ways in which organizations operate. Indeed the increasing complexity of the environments calls for new modes of doing business: organizations are often required to pursue opposing and yet interlinked goals, namely exploration and exploitation, localization and globalization, stability and flexibility, autonomy and control, financial profitability and positive social impact. Therefore, in order to remain competitive organizations need to devise new business model. This has consequences both at the organizing level and at the individual level.

Indeed when undergoing business model innovation design organizational actors might need to be prepared to embrace the vulnerability of stepping into the unknown, engage in collaborative practices and foster creativity. Through the use of case analysis and experiential learning this course will explore the organizational changes, the tools, techniques and theories that are necessary for successfully identifying, evaluating and implementing business opportunities.

Learning Outcomes

On completion of this subject students should

1. Be in-depth knowledge of the recent knowledge and practices in the field of business model innovation;
2. Understand how technology and innovative trends are disrupting existing industries (e.g., the sharing economy, fin-tech and digitalization, social entrepreneurship);
3. Understand how to design, adapt and innovate business models;
4. Be in-depth knowledge of the recent research and practices adopted to foster creativity and innovation;
5. Understand how organizations can tap into collaborative practices to enhance the creativity and innovation needed to carry out business model design innovation.

Grading Policy

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| Exam, Short Essay, Presentation | 40% |
| Attendance and Participation | 20% |
| Final Exam, Long Essay, Presentation | 40% |

Grading Scale is as follows

| Number grade | Letter grade | GPA |
|--------------|--------------|-----|
| 90-100 | A | 4.0 |
| 85-89 | A- | 3.7 |
| 80-84 | B+ | 3.3 |
| 75-79 | B | 3.0 |
| 70-74 | B- | 2.7 |
| 67-69 | C+ | 2.3 |
| 65-66 | C | 2.0 |
| 62-64 | C- | 1.7 |
| 60-61 | D | 1.0 |
| ≤59 | F (Failure) | 0 |



Class Schedule

| Date | Lecture | Readings |
|--------|---|---|
| Day 1 | Organization Change and Innovation | The rise and fall of Yukos |
| Day 2 | Organizational Strategies for Change | Learning your way to improved performance: British Petroleum |
| Day 3 | Change Management Techniques | The consequence of underestimating stakeholder power during change: The avinor case |
| Day 4 | Introduction to Business Model Innovations | Boston Consulting Group (BCG) matrix: Planning a product portfolio or multiple strategic business units |
| Day 5 | Appraising the Profitability Potential of Business Model Innovations | |
| Day 6 | The Long Tail and Business Model Innovation | |
| Day 7 | <ul style="list-style-type: none"> • Crowdsourcing and Open Innovation • Social Media and Business Models | The 4Ps: How to design your marketing mix. What the model looks like and how it works? |
| Day 8 | <ul style="list-style-type: none"> • Less-is-More Innovations • Disruptive Technologies | |
| Day 9 | Essay, Presentation or exam | |
| Day 10 | Capabilities: The Core of Business Models | SWOT analysis: Analyzing growth opportunities at product, team or business level |
| Day 11 | <ul style="list-style-type: none"> • Value Creation and Capture During Innovation • First-Mover Advantages/Disadvantages and Strategic Consequences | |
| Day 12 | <ul style="list-style-type: none"> • Managing Organizational Change <ul style="list-style-type: none"> • Drive Change • Define a Plan of Action | Value chain: Identifying product or service value during the manufacturing process |
| Day 13 | <ul style="list-style-type: none"> • Define Structures and Goals <ul style="list-style-type: none"> • Build Capabilities | |



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| Day 14 | Implementing Business Model Innovations | Stage gate new product development Planning the development and launch of new products and services |
| Day 15 | Globalization and Business Model Innovation | |
| Day 16 | Implementing Business Model Innovations | |
| Day 17 | Globalization and Business Model Innovation | |
| Day 18 | Essay, Presentation or exam | |