

Sample Syllabus for MBA or EMBA Full-Semester Course (In-person or Online) on “Business Model Innovation”

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Introduction

“Business Model Innovation” is an elective course in entrepreneurship that introduces a framework for developing a new business model. The framework will be brought to life through team projects provided by companies that have a strong need for improving their business model.

Please note:

- (1) This course is strongly project-focused; it will be conducted for the most part in workshop-style. You will work in teams of 4-5 team members, and **you will be expected to invest personally substantial time and effort**. If you are unsure whether you are prepared to do that **you should not elect the course**.
- (2) The course is distinct from other MBA courses that include project-based work in that (a) it is sharply focused on a business model problem (and not on a marketing, financing or classic strategy issue such as foreign market entry), (b) it runs over a three-month period, and (c) you will be working in close cooperation, and on an ongoing basis, with executives from the firm sponsoring your project. This will ensure regular feedback, information flows and knowledge sharing - in both directions, in order to create an excellent learning experience for all involved.

Learning Outcomes

- Learn the key concepts that enable you to analyze and design new business models, and apply them to real-world problems
- Identify and evaluate opportunities for creating and capturing value through the design of the business model
- Understand the value drivers of business models, and how they contribute to the firm’s value proposition
- Learn and apply techniques for generating and evaluating new business models
- Learn and apply design thinking to develop business model innovations
- Develop your ideas into full-fledged concepts that are ready for implementation
- Present these concepts to peers and senior managers

Competences

The course fosters valuable competencies for MBA students interested in consulting, general management and entrepreneurship. Top managers and entrepreneurs need to be able to design and implement value-creating business models to ensure the viability, success, and sustainability of their firms. Numerous recent studies indicate that these competences have indeed become crucial for managers to help them address potential disruptions in their respective industries, and to leverage new business opportunities that present themselves through new technologies, digitalization and shifts in customer preferences. Business model analysis and design are also quickly becoming essential ingredients of the senior consultant’s toolkit who aspires to provide premium advice and help to top managers and entrepreneurs. Accordingly, the course will provide you with the following skills:

- Adopt a holistic and systemic perspective of the firm, the stakeholders that are involved in its value-creating activities, and the ecosystem in which the firm is embedded
- Understand the firm’s business model as a level of analysis that is distinct from other levels (e.g., product, process, organization, or industry) and hence a unique differentiating factor
- Describe its key components and value drivers
- Understand the different steps in the business model design process
- Understand the drivers of the design process, and how they influence the business model design outcome
- Present your newly developed business model concept to senior managers and convince them about the merits of your ideas

Content

SESSION	TITLE AND CONTENT
1&2	The Power of New Business Models Introduction to the course, key concepts & projects
3&4	Facing the Issue Presentation of projects by corporate sponsors
5&6	Preparing to Address the Issue Teambuilding
7&8	Adopting a Business Model Mindset Promoting business model thinking & ideating new models
9&10	What Is Our Problem? Figuring out a useful problem statement for your project, and crafting a plan for the field work
11&12	What Have We Learned? Synthesizing insights from the field work
13&14	Ideating the New Model Brainstorming ideas for business model innovations & developing a first solution
15&16	Refining the New Model Designing a prototype and low-cost field experiment
17&18	Implementing the New Model Implementation challenges, and how to overcome them
19&20	Presenting the New Model Presenting the new business model designs and ideas for implementing them. Project sponsors provide feedback & evaluate solution.

Methodology

The course “Business Model Innovation” adopts an action-learning approach. Students will be equipped with domain-specific knowledge (content) as well as a design-oriented framework (process) regarding business model innovation. The assigned textbook for the course is “**Business Model Innovation Strategy**” (Amit and Zott, 2021).

Evaluation

Course evaluation will be based on individual class participation (40%), individual assignments (10%), group assignments (10%) and the group project (40%).

Detailed Course Outline

Module 1: The Business Model: A Fundamental Strategic Issue

Session 1&2 The Power of New Business Models

These first two sessions lay the conceptual groundwork for the course and are mandatory for everyone who want to take the course. They will address such fundamental questions as: What is a business model? Why is it strategically important? What is business model innovation, and what is it not?

Readings: Amit & Zott (2021) *Business Model Innovation Strategy*, Chapters 1 & 2

Session 3&4 Facing the Issue

In this class our project sponsors will pitch their projects to you, and you get the opportunity to engage in Q&A with them.

Assignment (individual, after class): Consider the business model projects that have been presented to you: Which one would you like to lead as a “project champion” (i.e. team leader), and why? What makes you a good choice for the position? What you can contribute to your favorite project? Submit a pitch (max. 1 page) along with your CV and upload your application package.

Session 5&6 Preparing to Address the Issue

We will start this session by forming teams around the projects. We will also learn how to graphically depict a business model as an activity system, and assess its impact on firm performance and competitive advantage.

Assignment (team, after class): Within one week, meet with the sponsoring company (in person or on Skype) for a face-to-face meeting to get introduced more deeply to your business model project. Submit a brief one-page report with the main insights from your meeting.

Readings: Amit & Zott (2021), Chapters 8 & 9

Session 7&8 Adopting a Business Model Mindset

Developing new, powerful new business models requires a shift in mindset from focusing on products and processes to thinking more broadly and holistically, and adopting a system-level perspective. We will practice this shift by brainstorming new business models for an established firm based on a technique that has been developed specifically for inspiring new business model designs.

Readings: Amit & Zott (2021), Chapters 3 & 4

Martin, Rindova & Greenbaum (2015) Unlocking the hidden value of concepts: A cognitive approach to business model innovation. *Strategic Entrepreneurship Journal*.

Module 2: Designing A New Model: The Process

Session 9&10 What Is Our Problem?

This session will introduce you to the basic concepts underlying the business model design process. It will explain what is design thinking, how it differs from traditional approaches to innovation, and what are the different steps in the design process. We will highlight the importance of observation for formulating the problem that one should be solving in a design project. The purpose of the session is to get ready for the month-long field work that will follow.

Readings: Amit & Zott (2021), Chapters 5, 6 & 7

Brown (2016), The next big thing in design.
<https://medium.com/ideo-stories/the-next-big-thing-in-design-513522543a6f#.m2balvja5>

Martin (2002), Getting personal: Developing yourself as a design thinker. *The Design of Business*, Chapter 7. *Harvard Business School Press*

Assignment (team, after class): Within the next three weeks, you are supposed to conduct field work. Please submit a weekly report of your activities and insights to facilitate communication with your project sponsor and the course instructor. This will ensure that you get proper feedback and input for your work.

Session 11&12 What Have We Learned?

Today, individual team members will share with each other their insights from the fieldwork that has been carried out during the previous month. We will address the following questions: What are the main insights and themes that have emerged from the fieldwork? How do they help us to refine the original business model design problem? Is there a need for additional observation? The goal of this workshop-type session is to arrive at a laser-sharp (re-)definition of your problem.

Module 3: Crafting the New Business Model

Session 13 & 14 Ideating the New Model

In this session, teams will report on the results from their search for new business model designs. The goal is to get feedback from others that will help to refine the solution and strengthen the analysis.

Reading: Amit & Zott (2021), Chapter 9

Session 15 & 16 Refining the New Model

This session will introduce you to relevant methods and criteria for evaluating various business model designs. Your team will be asked to evaluate its solutions and refine it. We will also discuss techniques for prototyping the business model, and ideas for designing a low-cost experiment to test the prototype.

Reading: Brown & Martin (2015), Design for action. *Harvard Business Review*

Session 17 & 18 Implementing the New Model

In this session we will discuss implementation challenges for business model innovation in new as well as established firms, and ways to overcome them.

Readings: Amit & Zott (2021), Chapters 10 & 11

Session 19 & 20 Presenting the New Model & Course Wrap-up

Reading: Amit & Zott (2021), Chapter 12