

Module title: *Innovation management and business idea development: Theory, methodology and practice*

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Course aim:

This course aims at giving a holistic perspective on innovation management and business idea development within the dynamic and competitive environments. New management paradigms such as open innovation and netocracy are demanding new skills and capabilities as well as new thinking and reviewing the old patterns.

This course puts emphasis on the business models and idea development as well as on the expansion of the presentation skills. During the course students work in groups on their business idea development within the business canvas' framework and then pitch their project in front of the audience.

Methodology:

The course "Innovation Management and Business Idea development: theory methodology and practice" is blending current theoretical knowledge on innovation management and creativity enhancement with practical tasks for the students. Substantial part of the course is devoted to mentoring and guiding student business idea development process. The course is intended to be interactive. Theoretical part is presented using conventional presentation tools as ppt and prezi and video materials as well as discussion with students. The course exploits lean start-up methodology, with the testing of student's proposed hypotheses on added values of their business ideas, lot of interactions with potential customers and creation of positive feedback loop. At the end of the course students have developed and tested their business idea and acquired skills of pitching.

Examples of video materials:

On brainstorming: <https://www.youtube.com/watch?v=cjeJ60zQ8-E>

<https://www.youtube.com/watch?v=0B69rnynnCA>

A short introduction to the business model canvas:

<http://www.youtube.com/watch?v=QoAOzMTLP5s>

Pitch tutorial video:

<http://www.youtube.com/watch?v=JyyPQmRBn0Q>

Detailed Course Structure

The sixteen 45-minute classes are structured in eight 90-minute sessions.

Session 1:

- Current advancement and development of Innovation theory (from Shumpeter to Chesborough)
- Open innovation
- Diffusion of innovations

Basic sources:

Andersen, E., S., *Joseph A. Schumpeter: A Theory of Social and Economic Evolution*. New York: Palgrave Macmillan, 2011
Chesbrough, H., *Open innovation: researching a new paradigm*. Oxford, 2006.
Bessant, J., *High-involvement Innovation*. Chichester: Wiley, 2003.

Session 2:

- Creativity theories
- Creativity in decision making (de Bono; TRIZ)

In this session students start working in groups on their business idea development, using different creative business idea generation techniques they were introduced in the theoretical part. They form a group in which they work during the course and produce rules and regulations of group work.

Basic sources:

De Bono, E. *Think! Before its too late*. Vermilion London, 2009.
Kijkuit Van Den Ende, *The Organizational Life of an Idea: Integrating Social Network, Creativity and Decision-Making Perspectives*, *Journal of Management Studies*, 2007.

Session 3-4:

- Business models
- Osterwalder's approach to business model development

During this part students already develop their business idea using Osterwalder's business model canvas as the framework. They try out different business models the most appropriate for their idea.

Basic sources:

Chesbrough, H., *Open Business Models*, Harvard Business School Press, 2013
Osterwalder, A., Pigneur, Y. *Business model generation*. John Wiley Publishers, 2010.

Session 4:

- Presenting ideas: how to make the message memorable and leading to action

In the practical part of this session students prepare one minute business pitch to potential investors. The course moderator evaluates and gives feedback on the pitching skills of presenters.

Basic sources:

Heat, C., Heat, D. Made to stick: why some ideas survive and others die. Random House, 2008

Session 5-6:

- Customer analysis and Hypothesis testing.

In this session students are required to make thorough customer analysis and define certain hypotheses on their product or service and customer preferences. Homework – hypothesis testing in the real life with making interviews, focus groups and surveys to get feedback from potential customers or users of the product or service.

Basic sources:

Ulwick, A., What customers want: using outcome-driven innovation to create breakthrough products and services. New York: McGraw-Hill, 2005

Ulwick, A., Turn Customer Input into Innovation, Harvard Business Review, January 2002

Ries, E., The Lean Start-up, Crown Business, 2011.

Session 7-8:

Continuation of students group work based on the knowledge acquired through the course. Finalization of the business idea and presentation to potential investors.

Course assessment:

At the end of the course students will have to write a short open ended exam on the theoretical issues covered through the course (around 3 questions, 45 minutes) this will give 15% from the grade.

Homework (at the end of Session 5-6) will contribute to 35% of the course grade.

Final pitch of the business idea will make 15% of the course grade.

The rest 35% of the course grade will come from the students work during the module.

Literature:

Ulwick, A. What customers want: using outcome-driven innovation to create breakthrough products and services. New York: McGraw-Hill, 2005

Heat, C., Heat, D. Made to stick: why some ideas survive and others die. Random House, 2008

Godin, S. Purple cow: transform your business by being remarkable. Penguin, 2002

Chesbrough, H. Open innovation: researching a new paradigm. Oxford, 2006.

Ostervalder, A., Pigneur, Y. Business model generation. John Wiley Publishers, 2010.

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