

East China Normal University

BUSI 41: Business Model Design and Innovation (Postgraduate)

Instructor: Feifei Yang

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Home University: East China Normal University

Semester: December 19, 2022 to January 7, 2023

Course Hour: Monday through Friday, 160 mins per teaching day;

Total Contact Hours: 64 contact hours

Credits: 4

Designated Textbook with ISBN:

Raphael Amit and Christoph Zott. 2020. Business Model Innovation Strategy: Transformational Concepts and Tools for Entrepreneurial Leaders. Wiley. ISBN-13: 978-1-119-68968-3

Course Prerequisite:

This course is offered for students with preliminary understanding of management.

Prerequisite course: Principles of Management

**Notes: The course might be moved to online delivery due to COVID-19 pandemic. Students will be notified once such decision is made.*

Course Overview

Business model innovation is at the center of value creation and has become the sources of the firms' competitive advantage. "Business Model Design and Innovation" provides students with an introduction to the basic concepts and frameworks of business model. It takes a practical approach to understanding, designing, analyzing, and implementing business models. It includes analyzing existing business models, developing a business model for a new startup venture, and testing business model building blocks. The course has a pragmatic orientation and is filled with examples and illustrations from around the world. Various case studies of firms with innovative business models will be introduced and analyzed. Students are also encouraged to analyze new trends of business model innovation, particularly in the digital age and in the post COVID-19 world.

In this course, students are cultivated with various business model design modes utilized to generate novel business models. Launching innovative projects are more than coming up with an idea. It is also about identifying and validating good opportunities and then creating, communicating, and capturing value from those opportunities over time. Therefore, this course will provide experiential learning opportunities for students to develop real skills in designing and validating business models. Students will work together in a team to design and implement an innovative business model based on what they learnt from the course. That is, students will "learn by doing". The course will include multiple design thinking workshops that present stepwise guide for designing and developing a business model.

The course is designed based on the following three parts:

- (1) The first part concerns the foundation and mindset for business model innovation;
- (2) The second part corresponds to the strategic design and evaluation of business model innovation;
- (3) The third part is about making business model innovation happen.

The course will be based on active participation, workshop exercise, and team projects.

Learning Outcomes

Upon completion of this course, students should be able to:

- Gain professional knowledge in business model and innovation management - learn core concepts in relation to business model innovation.
- Describe, compare, and critically examine different business model frameworks.
- Build a general understanding of the current state and trends in business model innovation.
- Analyze and critically evaluate business models used by real-world established firms.
- Carry out a startup creation project - construct and present a business model for an innovative and viable new venture.
- Master how to design a business model with a design-thinking approach.
- Be able to accurately describe changes in industry structures and situations of business model innovation in general – applied to the example of recent digital evolutions in particular.

Grading Scale and Notes

The following definitions will be used as a guide for the assignment of grades:

Number Grade	Letter Grade	Definitions
94-100	A	Extraordinary distinction, indicating a full mastery of course content and excellent work.
90-93	A-	
87-89	B+	Strong performance demonstrating a high level of attainment, indicating a good comprehension of the course material and the student's full engagement with the course requirements and activities.
84-86	B	
80-83	B-	
77-79	C+	Acceptable performance, demonstrating an adequate and satisfactory comprehension of the course material and the student has met the basic requirements for completing assignments and participating in class activities.
70-76	C	
60-69	D	A marginal performance in the required exercises demonstrating a minimal passing level of attainment.
0-59	F	An unacceptable performance. The F grade indicates that the student's performance has revealed almost no understanding of the course content.

Assessment Policy

Assessment	Final Grade
Attendance	5%
Participation	15%
Business Report	25%
Project Presentation	25%
Final Exam	30%

(1) Attendance (5%)

Important parts of your learning in this course will take place in the classroom. Therefore, attending classes is essential.

(2) Participation (15%)

Class participation provides an opportunity to develop communication skills - in presenting a point of view and in listening. Each student is expected to effectively participate in each class discussion comment, question, argue, and analyze. Merely coming to class and listening to the discussion of assigned cases is not sufficient; attendance is NOT participation. Students who do not participate may receive a zero for their participation mark.

(3) Business Report (25%)

2-3 students will form a team and work together to establish a start-up company and design the business model for the company. The team need to submit a business plan report (3000-word limit, 1.5 line spacing, Times New Roman; 12 font) regarding the company they establish with a focus on introducing its business model.

(4) Project Presentation (25%)

2-3 students will form a team and work together to establish a start-up company and design the business model for the company. The team will deliver 30-minute presentation at the end of the semester.

(5) Final Exam (30%)

One exam will be designed to test your knowledge gained from the course. It provides an incentive to review the lecture slides. The exam is close-book and lasts for 2 hours. The final exam will include 5 multiple choice questions and three essay questions covering material from lecture slides. Students should arrive on time - no extra time will be given to late students.



Course Schedule

Date	Lecture	Reading/Assignments/ Examination
Day 1	Why Do Business Models Matter? The “What, How, Who, and Why” Framework for Understanding Any Business Model	Reading List (a) Reading List (b) Textbook: Chapter 1
Day 2	Business Model Canvas	Reading List (b) pages 14-44
Day 3	How Business Models Create Value in New Ways – Case Studies and Theory	Textbook: Chapter 2
Day 4	Business Model Innovation – A Fundamentally New Source of Innovation	Textbook: Chapter 4
Day 5	Design Thinking Workshop	NA
Day 6	Strategic Design of Innovative Business Models – How to Bring Design Thinking and Creativity to Your Business Model	Textbook: Chapter 5
Day 7	How to Design a New Business Model – A Dynamic Design Method	Textbook: Chapter 6
Day 8	How to Design a New Business Model – Methods Championed by Startup Entrepreneurs	Textbook: Chapter 7
Day 9	Value Propositions – The NICE Framework for Measuring the Impact of the Business Model	Textbook: Chapter 8
Day 10	Business Plan Report Writing	NA
Day 11	Evaluating Existing Business Models and Designing New Ones – Your Essential Toolkit	Textbook: Chapter 9
Day 12	Implementing Business Model Innovation in Established Firms & New Ventures	Textbook: Chapter 10 & 11
Day 13	Business Model Innovation Strategy in the Digital Age – What Does It Mean for You?	Textbook: Chapter 12
Day 14	Group Presentation	NA
Day 15	Final Exam	Final Exam and Business Report Due



Reading List:

- (a) Wirtz, B. W., Pistoia, A., Ullrich, S., and Göttel, V. (2015). Business models: Origin, development and future research perspectives. *Long Range Planning*, 49(1), 36-54.
- (b) Alexander Osterwalder and Yves Pigneur. 2010. *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*. John Wiley and Sons. ISBN-10: 9780470876411
- (c) HBR'S 10 MUST READS on Business Model Innovation. 2019. Harvard Business Review Press. ISBN-13: 978-1-63369-687-7
- (d) Raphael Amit and Christoph Zott. 2020. *Business Model Innovation Strategy: Transformational Concepts and Tools for Entrepreneurial Leaders*. Wiley. ISBN-13: 978-1-119-68968-3