

# Open Business Models & Open Innovation

## An Experiential Learning Course with Real Companies and Case Studies

### Three Unit Course

<b>Course Number:</b>	UGBA 190T.1
<b>Course Title:</b>	Open Business Models & Open Innovation
<b>Instructor:</b>	Solomon Darwin
<b>E-mail Address:</b>	darwin@haas.berkeley.edu
<b>Meeting Location/Time:</b>	TTh 2:00PM-3:30PM in C330; Office Hours: 3:30PM- 5:30PM
<b>Prerequisites:</b>	None
<b>Class Format:</b>	Students work independently in groups; an interactive project-based class

#### **COURSE DISCRIPTION:**

This course presents an opportunity for those students who are passionate about employing their innovative and creative talents to learn the process of Open Innovation to address the business model challenges of real companies. To demonstrate the solid understanding of the process, concepts and strategies Students work with Senior Executives in groups of five to seven to formulate innovative solutions to address the issues the company is facing. This includes exploring new business models and prospective markets in light of the changing economic landscape, social trends, and emerging technological advances. The intent of the course is to create heterogeneous groups to leverage the diverse experiences, skill-sets, and tacit knowledge of individuals within each group to frame and solve problems.

The business model solutions proposed by student groups need to be viable and scalable. The senior executives from each of the respective firms will judge the final presentations at the end of semester. The instructor will serve as a mentor/consultant/facilitator to each group within the class. The sponsoring company executives will provide a mid-point review to provide feedback and guidance.

Professor Darwin's previous business model innovation projects involving students and senior executives includes: Intel, HP, McKesson, Nike, Best Buy, Shell, Dole, United Health, Johnson & Johnson, SAP, Lenovo, Mindray, Huawei, Mattel, Standard Chartered Bank, Cisco and Ericsson, DreamWorks, FedEx, Tyco, WTA, Optum, Fidelity Investments, Toyota, Nestle, IBM, Xerox, GE, Philips, and Apollo Hospitals. The executives derived excellent insights and ranked the projects very highly over the past several years.

#### **Course objectives:**

1. Learn Experientially – Prof. Darwin will serve as a facilitator and consultant during class on projects.
2. Utilize creative talents of students within the student groups to address challenges of real companies.
3. Understand Open Innovation & Business Model concepts.
4. Engage with Senior Executives – Prof. Darwin will make introductions to appropriate executives.
5. Reward cross learning across groups and individuals students (cross-pollination)
6. Focus on break-through disruptive vs. incremental solutions
7. Work collaboratively with other groups and external segments for sourcing ideas.
8. Present results to senior executives for evaluation – major part of the course grade.

**Course Layout: 1<sup>ST</sup> half of the course: Focus on providing tools for the business innovation project.**

- The seven building blocks of a business model
- Key metrics of business performance and innovative models
- Examples of Closed vs. Open Innovation models
- Lessons learned from case studies of successful and failed business models

**Course Layout: 2<sup>ND</sup> half of course: Focus on doing the group project in class time will be allocated to groups:**

- Working with the professor and senior executives to frame the problem
- Researching, and analyzing the firm's financials, its industry, and markets
- Soliciting external ideas through innovation platforms
- Exploring alternative models
- Recommending an innovative business model solution

**About the Instructor:**

Professor Darwin is the Executive Director for the Garwood Center of Corporate Innovation at Haas. He comes with broad leadership experience in corporate management & academia. He teaches this course internationally at several prominent universities in European and Asian as well as in the Executive Education program at Haas and abroad. He has been recognized by his peers and students for his innovative leadership, teaching, and curriculum development. At Haas, he moderates key annual International Conferences, Innovation Forums, and the Dean's Chief Innovation Officer Round Tables. His teaching experience spans over 16 years. Prior to joining the Haas School of Business Berkeley in 2005, he was an Associate Professor for 9 years at USC's Marshall School of Business in Los Angeles. He is also the Associate Director for the Program in Open Innovation and works closely with Professor Henry Chesbrough "the father of Open Innovation."

His progressive corporate leadership experience covers a span of 14 years as a Senior Finance Officer at Bank of America; Director of Finance at First Interstate Bank; Corporate Controller at Glendale Federal Bank and Senior Financial Analysts at Motorola.

During his spare time, Solomon also consults and trains senior executives. The list includes Google, Genentech, Hewlett Packard, Health Net, UCSF Medical Center and several other Silicon Valley companies and startups, as well as businesses in Mexico, China, India, Russia, and Europe. He has been active in several humanitarian projects and founded a school and hospital for the poor in India.

**Grading:**

Class Attendance	100
Class Participation	100
Mid-Term	300
Peer Evaluation	100
Final Project	400
<b>Total Points</b>	<b>= 1,000</b>

**Important Policies that will affect the grade:**

- Class participation for cross learning from each other is encouraged – side discussions during lecture time are not allowed. Cold calling will be utilized to track participation.
- No laptop policy: Lecture slides will be provided before the class and group sessions for taking notes.
- Attendance, attentiveness during class and being on time to class will help you greatly.
- Cell phones & Texting & Food is not allowed during class sessions.