



APPLIES TO ACADEMIC YEAR 2012/2013

## MAN 2418/2419/2420/2421 Innovation and Business Development

### Programme

Final Master of Management Program, Master of Management Program

### Responsible for the course

Peder Inge Furseth

### Department

Department of Innovation and Economic Organisation

### Term

According to study plan

### ECTS Credits

30

### Language of instruction

Norwegian

### Introduction

Innovation is to create something new and selling it on the market. The new is what we will base future national income on. This requires understanding of current and future markets. The objective of the programme is that participants shall become better able to manage business development of new products, processes, concepts and services, and thereby creating extra value for their own performance unit and company. The programme provides a thorough and concrete review of theory and practice about the innovation process, and how to apply this for companies and institutions in new, demanding, and changing environments.

The programme focuses on understanding current, future, and non-existing markets, and solving the varied and complex managerial challenges in the work of developing and realising new business areas and business models. Such areas include the use of new technology, new marketing channels, new organisational forms and communication media, and, not least, the development of new products, processes and services.

Business development is also about restructuring an activity in such a way that the development work will yield a sufficient financial return.

Each participant must develop a project paper that applies insights from the programme to the development or business development of an innovation that is expected to give increased profitability for one's own company, performance unit or for a customer/client.

### Learning outcome

#### Target group

The programme is primarily intended for managers and middle managers who are working with innovation projects or innovation processes in new or mature businesses. The program is relevant whether one focuses on incremental, radical, or disruptive innovations. The programme is also relevant for public sector employees working with innovation, and overseeing innovation trends at a national, regional or local level or who are involved in the development of public services to the general public.

### Prerequisites

Bachelor degree and at least four years' work experience. Please confirm your acceptance of our Student Regulations

### Compulsory reading

#### Books:

Andrew, James P., Harold L. Sirkin. 2006. Payback : reaping the rewards of innovation. Harvard Business School Press. Hele boken

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

Press. Kap 1. Zerox PARC: The achievements and limits of closed innovation, ss. 1-21  
Chesbrough, Henry. 2011. Open services innovation : rethinking your business to grow and compete in a new era. Jossey-Bass. 202 s  
Christensen, Clayton M., Michael E. Raynor. 2003. The innovator's solution : creating and sustaining successful growth. Harvard Business School Press. 200 s  
Goffin, Keith & Rick Mitchell. 2010. Innovation management : strategy and implementation using the pentathlon framework. 2nd ed. Palgrave Macmillan  
Govindarajan, Vijay, Chris Trimble. 2010. The other side of innovation : solving the execution challenge. Harvard Business Review Press. 180 s  
Osterwalder, Alexander and Yves Pigneur. 2010. Business model generation : a handbook for visionaries, game changers, and challengers. Wiley. Kan lese om boken på følgende nettside : <http://www.apeofsteel.com/1269/book-review-business-model-generation>

#### **Articles:**

Bettencourt, Lance A og Anthony W. Ulwick. 2008. The customer-centered innovation map. Harvard Business Review. Mai  
Easterby-Smith, Mark, et. al.. 2008. Absorptive capacity: A process perspective. Management learning. 39 (5). s. 483-501  
Four-five selected, new articles to be handed out in class - will be announced later  
Kanter, R. M.. 2006. Innovation: The classic traps. Harvard business review. 84 (11). p. 72-83  
Kim, W. Chan & Renée Mauborgne. 2004. 'Value innovation : the strategic logic of high growth. Harvard Business Review. Juli  
Todorova, G. & B. Durisin. 2007. Absorptive capacity: Valuing a reconceptualization. Academy of Management Review. 32 (3). 774-786

#### **Collection of articles:**

Afuah, Allan. 2003. Innovation Management. Oxford University Press. ss 13-46  
Akrich, M, M Callon and B Latour. 2002. The key to success in innovation. International Journal of Innovation Management. Vol 6(2). ss 187-225  
Amabile, Teresa M. Sept-okt 1998. How to kill creativity. Harvard Business Review, September-oktober 1998, side 77-87.. Harvard Business Review. ss 77-87  
Amabile, Teresa M. & Mukti Khaire. Okt 2008. Creativity and the role of the leader. Harvard Business Review. ss 101-109  
Amit, R and Zott. 2001. Value creation in e-business. Strategic Management Journal. Vol 22. ss 493-520  
Blaug, M. 2000. Entrepreneurship before and after Schumpeter. Oxford: The University Press. Kap 3 i R Swedberg, red. Entrepreneurship: The Social Science View  
Brandenburger, A M and H Stuart. 1996. Value based business strategy. Journal of Economics and Management Strategy. Vol 5(1). ss 5-24  
Chesbrough, Henry, Win Vanhaverbeke and Joel West. 2006. Open Innovation: Researching a New Paradigm. Oxford University Press. kap 1, 2, 10, 13 og 14  
Chesbrough, Henry. 2006. Open Business Models. Harvard Business School Press. Kap 5, ss 107-135 & kap 8, ss 187-216  
Drucker, P F. 1985. The discipline of Innovation. Harvard Business Review. ss 67-71  
Elliot, S. 2002. Electronic commerce: B2C strategies and models. Sussex: John Wiley. Kap 9 & 10  
Fjeldstad, Ø and . Andersen. 2003. Casting off the chains: Value shops and value networks. European Business Forum. (14). ss 47-53  
Furseth, Peder Inge. 2007. Innovasjonens hvem, hva og hvordan: Broen mellom idé og marked. Bergen, Fagbokforlaget. Side 199-222 i Tor Hernes og Anne Louise Koefoed: Innovasjonsprosesser: Om innovasjoners odysseé  
Gans, J and S Scott. 2002. The product market and the market for ideas: Commercialization strategies for technology entrepreneurs. Working paper Melbourne Business School, mimeo MIT Sloan School  
Hansen, Nohria and Tierney. 1999. What's your strategy for managing knowledge?. Harvard Business Review. March-Apr. ss 106-116  
Hofer and Håkansson. 2003. Tapping into the Silicon Clique. European Business Forum. (14). ss 54-60  
Huy, N and H Mintzberg. 2003. The rhythm of change. Sloan Management Review. (44). ss 79-84  
Johnson, Christensen & Kagermann. Des 2008. Reinventing your business model. Harvard Business Review. s 2-10  
Kao, John. Mar 2009. Tapping the World's Innovation Hot Spots. Harvard Business Review. Vol 87, issue 3. pp 109-114  
Kassicieh, S E (et. al.). 2002. Factors differentiating the commercialization of disruptive and sustainable technologies. IEEE Transactions on Engineering Management. Vol 49, no 4. ss 375-386

Kim & Mauborgne. 2005. Blue Ocean Strategy: From theory to practice. California Management Review. Vol 47, no 3. ss 105-121

Porter, M. 2001. Strategy and the Internet. Harvard Business Review. March. ss 62-78

Reve, T. & A. Sasson. 2012. Et kunnskapsbasert Norge. Oslo: Universitetsforlaget. Kap 17: Strategisk analyse av norsk næringsliv, side 311-342. Oslo: Universitetsforlaget

Schumpeter, J.A. 1943. The process of creative destruction. 2. utgave. London: George Allen and Unwin. Prolog og kap 7 i Capitalism, socialism, and democracy. ss 81- 86

Tushman, M and C A O'Reilly. 1996. The ambidextrous organization: Managing evolutionary and revolutionary change. California Management Review. 38(4). ss 8-30

Utterback, J M.. 1994. Mastering the Dynamics of Innovation: How companies can seize opportunities in the face of technological change. Harvard Business School Press, Boston MA. 2 kap

Van de Ven, A H et. al. 1999. The Innovation Journey. New York Oxford, Oxford University Press. Kap 4, ss. 95-124: 29 sider.

#### **Other:**

Di Muro, Fabrizio. 2009. Strategic Planning at Apple. Case fra Richard Ivey School of Business, # 9B09A026

Groysberg, Borin; David A. Thomas & Alison Berkeley Wagonfeld. 2009. Keeping Google "Googley". Harvard Business School Case #9-409-039.

Harvard Business School Cases. Apple Inc. in 2010 Sept 2010, nr 710467); Google (Nov 2006, nr 9-806-105), og 'Innovation Diffusion - Rogers' Five Factors' (Mai 2005, nr 505075)

#### **Recommended reading**

##### **Books:**

Andersen, Svein S. 1997. Case-studier og generalisering : forskningsstrategi og design. Fagbokforlaget. 145 s

Chesbrough, Henry. 2006. Open business models : how to thrive in the new innovation landscape. Harvard Business School Press. Kap 1-4, 6-7.

Collins, Jim. 2001. Good to great : why some companies make the leap - and others don't. Random House Business Books. 239 s

Furseth, Peder Inge. 2010. Integrasjon av salgskanaler : serviceinnovasjon og strategi. Fagbokforlaget

Gustafsson, Anders, Michael D. Johnson. 2003. Competing in a service economy : how to create a competitive advantage through service development and innovation. Jossey-Bass. 200 s

Hargadon, Andrew. 2003. How breakthroughs happen : the suprising truth about how companies innovate. Harvard Business School Press. 150 s

Wit, Bob de and Ron Meyer. 2010. Strategy : process, content, context : an international perspective. 4th ed. South-Western Cengage Learning. Kap 1: Introduction

##### **Journals:**

Bessant, J, R Lamming, H Noke & W Phillips. 2005. Managing innovation beyond the steady state. Technovation 25. ss 1366-1376

Gehani, R R. 2007. Technology roadmapping for commercializing strategic innovations. Journal of technology management innovation. Vol 2(2). ss 31-45

Lyons, R K.; Chatman, J A & C K Joyce. 2007. Innovation in services: Corporate culture and investment banking. California management review. Vol 50(1). ss 174-191

Madanmohan, T R. 2005. Incremental technical innovations and their determinants. International journal of innovation management. Vol 9(4). ss 481-510

Mansury, M A & J H Love. 2008. Innovation, productivity and growth in US business services: A firm-level analysis. Technovation 28. ss 52-62

Oke, A. 2007. Innovation types and innovation management practices in services companies. International journal of operations and production management. Vol 27(6). ss 564-587

Phillips, W, H Noke, J Bessant. & R Lamming. 2006. Beyond the steady state: Managing discontinuous product and process innovation. International journal of innovation management. Vol 10(2). ss 175-196

Radnor, Z J & Noke. Hannah. 2006. Development of an audit tool for product innovation: The innovation compass. International journal of innovation management. Vol 10(1). ss 1-18

Schoen, J, T W Mason., W A Kline & R M Bunch. 2005. The innovation cycle: A new model and case study for the invention to innovation process. Engineering management journal. Vol 17(3). ss 3-10

Selden, L & I C MacMillan. 2006. Manage customer-centric innovation – systematically. Harvard Business Review. April. ss 108-116

Slater, S F & J J Mohr. 2006. Successful development and commercialization of technology innovation: Insights based on strategy type. Journal of product innovation management. Vol

23. ss 26-33

Wonglimpiyarat, J. 2005. Does complexity affect the speed of innovation?. Technovation 25. ss 865-882

**Other:**

Everett, Euris Larry og Ingrid Furseth. 2006. Masteroppgaven. Hvordan begynne – og fullføre. Oslo: Universitetsforlaget

Van der Have, R; M. Toivonen & T. Tuominen. 2005. Dimensions of service

**Course outline**

Course module 1: Introduction to the field of innovation.

Course module 2: Development of new products, processes and services.

Course module 3: Business development of innovations

Course module 4: Best practice and emerging trends in entrepreneurship and innovation in Silicon Valley

Course module 5: Implementation of an adjusted business model for one's own company or performance unit

**Computer-based tools**

None

**Learning process and workload**

The programme is structured as a process-oriented training that comprises 150 lecture hours distributed over four course modules of 25 hours each, and one module of 50 hours, all in one academic year (September-June). The modules are organised in the following three sub-programmes:

- 1) Theory, and preparation for overseas studies (modules 1, 2 and 3)
- 2) Studies overseas (San Francisco/Silicon Valley) (module 4)
- 3) Follow-up work and project reporting (module 5)

Throughout the course, the participants will be working on a business development project which will be submitted in the form of a project paper. Some of this work will take place in groups.

The tutorials offered will differ somewhat between the various Master Programs. There will be personal tutorials and tutorials given in class. Generally the students may expect consulting tutorials rather than evaluation tutorials. The total tutorials offered are estimated to two hours per student in an ordinary Master programme. For students taking this programme as their final Master programme, the tutorials offered are estimated to a total of six hours.

**Examination**

The students are evaluated through a term paper, 18 credits, and an individual written exam, 12 credits. Both evaluations must be passed to obtain a certificate for the programme. The term paper may be written individually or in groups of up to three people.

For students taking this programme as their final Master of Management Program, the following applies:

The students are evaluated through a term paper, 24 credits, and a written individual exam, 6 credits. The term paper may be written individually or in groups of up to two people. Both evaluations must be passed to obtain a certificate for the programme.

**Examination code(s)**

MAN 24181 – term paper, counts 100% for the grade achieved in the MAN 2418 course, 18 credits.

MAN 24191 - 5 hours' written exam, counts 100% for the grade achieved in the MAN 2419 course, 12 credits.

Both courses / exams must be passed to obtain a certificate for the programme.

For students taking this programme as their final Master of Management Program, the following applies:

MAN 24201 - Term paper, 24 credits; counts 100% for the grade achieved in the MAN 2420 course.

MAN 24211 - 5 hours individual written exam, 6 credits; counts 100% for the grade achieved in the MAN 2421 course.

Both courses / exams must be passed to obtain a certificate for the programme.

**Examination support materials**

No aids permitted

**Re-sit examination**

When the next ordinary exam is conducted

**Additional information****The programme structure and framework**

The programme is structured as a process-oriented course that comprises 150 lecture hours distributed over six course modules of 25-30 hours each, all in one academic year. The modules are organised in the following three sub-programmes:

- 1) Theory and preparation for overseas studies (modules 1, 2 and 3)
- 2) Studies overseas (San Francisco, Berkeley & Silicon Valley) (module 4)
- 3) Follow-up work and project reporting (module 5)

Throughout the course, the participants will be working on a business development project which will be submitted in the form of a project paper. Some of this work will take place in groups.

**Part 1: Preparation and theory**

Preparation for the overseas studies (in California) consists of three ordinary course modules of 25 hours' teaching each. About 80 per cent of the literature will be covered in lectures during modules 1-3. There will be a subject-matter progression through the first three modules. Module 1 will be an introduction to the disciplines of entrepreneurship and innovation theory. Module 2, which focuses on the development of new products, processes and services, represents the core topics of the course. The third module, which has business development as its main topic, also emphasises more elaborative literature that helps problematise key approaches, concepts and issues.

During this period the participants must have carried out an active sifting of the literature and have applied parts of it to their work on the project paper, and they must prepare for their studies in California by selecting relevant companies to be visited, so that the necessary appointments can be made. They must also clarify their expectations and ambitions for their overseas studies by preparing questions and investigations based on whatever might be most relevant for their own project work as well as for their understanding of the wider contexts in which the work of innovation, business development and value creation takes place in California.

The participants must develop their project paper through presentations and discussion in smaller groups during the course modules, and through improvements made as they encounter new relevant literature during the programme.

The participants must undertake a simple self-evaluation which focuses on charting their leadership qualities and skills. Tasks, responsibilities and challenges will be determined on the basis of this throughout the course, which involves carrying out and being trained in management-related activities.

**Part 2: Studies overseas:**

The programme has a key focus on studies/investigations taking place in a location where there is much to learn and where BI has established an extensive professional and practical collaboration on implementing the course with local partners. In module 4 the participants will come into close contact with one of the world's most innovative environments, study this at close quarters and apply insights derived from it in their project paper. These two modules will take place in San Francisco, Silicon Valley and Berkeley in northern California, and will take place in the course of one week.

Our Academic Director at the Department of Innovation and Economic Organisation has built up a company network and contact network with partners in this region, e.g. with researchers at Haas School of Business at the University of California at Berkeley and Leavey School of Business at the Santa Clara University. We also collaborate actively with Innovation Norway in San Francisco, which has an extensive contact network to exciting innovative enterprises in the region that can supplement our own network.

The study/investigation period in California will comprise about a total of 50 hours and will be take place over one week. The course module will consist of 2/3 lectures and 1/3 company visits, field studies and group work with a focus on developing the participants' project papers and provide insights into innovation and business development. Some of the company visits will be for all the participants, while others will be for smaller groups with a more specialised

interest.

During the program in California, there will be 3 days of plenary sessions, and 2 days of track sessions. Participants are expected to take the track on Commercialization strategies. As there are several parallel tracks, some participants may, if they strongly desire, to follow one of the other tracks. The other track will be arranged if there are 10-15 external persons attending. The tracks are: Open innovation; service innovation; green business, multi-channel strategies, and experience economy. There are descriptions of these tracks available on the website for the San Francisco-seminar arranged by BI, on [www.bi.no/sf09](http://www.bi.no/sf09)

### ***Part 3: Follow-up and project reporting***

Follow-up after the study period in San Francisco consists of one course module (module 5) which focuses on a summing up, presentations and discussions of the knowledge which the participants have acquired during the programme. The literature, the study tour, experiences and the continuing work on the project paper will provide a new insight and understanding of what difficulties and challenges are entailed in the work of innovation, business development and value creation in a company. This programme will point to solutions to such challenges. Part of the follow-up work will also be to complete the project paper and conduct a new evaluation of each participant's management skills.

### **Educational approach**

From a teaching point of view, the goal of the programme is to stimulate to process learning. Process learning has been defined as a definite goal partly because the programme participants are adults and competent people whose knowledge should be utilised during the learning process, and partly because the (Norwegian government's) quality reform as well as education research underlines that process learning promotes a deeper and thus more useful and lasting type of knowledge. The focus of the programme will therefore shift from teaching to learning.

Although theory is central to the first three modules of the programme, the participants will be expected to participate actively right from the start, sharing their experiences and reflections related to the project work. The participants must choose whether to work on a specific project from their own work situation or on a project unrelated to their own daily work. If they choose the latter, the course director will be able to suggest topics for them to work on. The topic chosen is likely to direct the attention of each participant. In order to stimulate to as much reflection as possible, the academic director therefore needs to make sure that the topics are formulated with a relatively wide scope. During the last two modules, the participants will be given plenty of time to apply and investigate the theoretical basis that was presented and discussed in the first modules of the programme.

The programme is structured in such a way that goals, the practical framework, contents, students, course structure and evaluation are related to each other. The teaching goals for the programme, to promote learning as a process, has for instance resulted in teaching methods that allow for student activity. Specifically, each participant must for example write a brief reflection memo on what is most important from the module with regard to their own company.

During the last part (3 hours) of modules 1-3, the participants will work in groups and will discuss the relevance of the module content for their own sub-paper. The participants and the ambulant lecturer will give feedback on each draft. In module 5, each participant will present a draft of the entire project paper for a group of eight people who provide final feedback concerning structure, reflections, the use of theory and presentation technique. The lecturer is present at the presentation and gives feedback. Formative evaluation is also used to ensure that the participants receive qualitative feedback that enables them to keep developing their project work. When the project work is completed it is submitted to the course director for a summative evaluation, and a grade is given.

### **Management development**

Management development will be at the core of modules 1 and 5, but the topic will be inherent in the other modules as well.

### **Products from the programme**

The programme participants will complete a project paper which is relevant for the development of new business areas or business models in their own company, performance unit or department. As an alternative the challenge can be related to other activities where the person is involved in the capacity of consultant, supplier, customer, etc.

**Academic resources**

The academic resources come primarily from the Department of Innovation and Economic Organisation at BI Norwegian Business School:  
Associate professor, Dr. polit. Peder Inge Furseth

Module no	Main topic	Course structure	Sub-paper for the project paper	Evaluation scheme
1	Introduction to the field of innovation	Review of new theory before the whole class, 70%. Organisation of group work, 5%. Presentation of their own topics in groups, and preparation of a mind map/sketch of the project, 20%. Management development test, 5%.	Clarify the problem in one's own company, and explain why it is relevant. Relate this problem to the model for product and process innovation.	Formative evaluation: student feedback in groups of four
2	The development of new products, processes and services.	Recapping main impressions from module 1, 5%. Reviewing new theory in class. Discuss the draft for sub-paper 2 in groups, 15%.	Relate the presentation of the innovation process to one's own company (Van de Ven's 12 points).	Formative evaluation: student feedback in groups of four
3	Business development of innovations	Recapping main impressions from module 2: 5% Reviewing new theory in class: 80%. Discuss the draft for sub-paper 3 in groups: 15%.	Go into one or two of Van de Ven's points on the innovation process, and discuss this critically on the basis of supplementary and alternative literature.	Formative evaluation: student feedback in groups of four. Submission of the first three sub-papers plus a reflection memo* for feedback from the lecturer.

(\* must contain thoughts on the learning process so far and expectations of how the overseas studies will benefit one's own project paper)

Module no.	Main topic	Course structure	Sub-paper for the project paper	Evaluation scheme
4a	Entrepreneurship, innovation,	Introduction on expectations for the study	What characterises innovation in	Formative evaluation: Feedback from

	and e-business	tour One day reviewing theory, status and trends. Two days visiting companies. Discussions in class and in groups.	various US industries or environments.	the lecturer on the group presentations before the class.
4b	New features in the use of IT	One day presenting new models. Two days visiting companies. Daily discussions and solutions for students' own problems.	To what extent is knowledge of the US innovation environments relevant to your project paper?	Formative evaluation: student feedback in groups of four.
5	Implementation of an adjusted business model	Theory review. Present a draft of the entire project paper in groups. Management development test, 5%.	Develop a concrete strategy for the business development of an innovation.	Formative evaluation: student feedback in groups of 7-8. Lecturer feedback to all the groups.

There are two types of evaluations in this programme, formative and summative ones. The formative evaluations are of a qualitative nature only. They do not count towards the exam, but are intended as a stimulus to process learning. The exam (the summative evaluation) consists of the submission of the final project paper and a written six-hour exam. The project paper counts for 60 per cent and the six-hour exam for 40 per cent of the final grade.

**Attachment 2: Proposed programme for module 4:**

Main topics	Loca-tion	Morning sessions	Afternoon sessions	Evening (after 5:00)
Forming an Integrated e-Business Strategy	San Francisco	Kick Off and Introductions  e-Business Trends and Best Practices  Integrating CRM and Multi-Channel Strategy	Silicon Valley: An e-Business Hot Spot with More Capital than Ideas  e-Business Strategy: A Best Practice Case. (Connolly, Williams-Sonoma)	Reception
Exploiting Customer Centric Marketing (CCM) & Imple- menting	San Francisco	Recap session  Models for CCM. Why CRM-strategies	CRM in practice: Presenters from qrs.com and Bank of	

CRM		often fail, and what to do about it. Group work	America Panel Session	
Technology Strategy for the next 1-3 years	Silicon Valley	Recap session Visit to SUN Microsystems	Visit to IBM / eBay	
(Program break)				
Commercialising Product -, Process- and Service Innovations	Berkeley Campus	Recap session New Perspectives on Innovation Creating Product and Process Innovation	Service Innovation: Case study. (company presentation) Innovation: A 10-Year Forecast	Conference Dinner
Implementing a Successful Multi-Channel Business	San Francisco	Recap session Implementing Your Multi-Channel Strategy Group work	Multi-Channel Business in Practice: Speakers from macys.com (Domecus) and Gap.com (Carbullido) Panel Session	
Conclusion: CRM and Multi-Channel Business	San Francisco	Synthesis & Panel session.	(programme ends 11:30 AM.)	From SFO 9:20PM: LH459