## STOCKHOLM SCHOOL OF ENTREPRENEURSHIP

BUSINESS MODEL INNOVATION

COURSE GUIDE
ECTS Credits: 7.5
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Welcome! "Business Model Innovation" is a course about generating new business models for innovative and impactful startup ventures and evaluating their viability. Business Modeling is a process of discovery and design leading toward the creation of dynamic businesses or social enterprises. For innovators, generating an idea is important but only the beginning. The idea must also be developed into a scalable and repeatable business model. That is what this course is about.

**Course contents.**

This Business Model Innovation course takes a practical approach to understanding, designing, and testing business models. It includes analyzing existing business models, developing a business model for a new startup venture, and testing business model building block. The course offers you the opportunity to develop a unique skill set that has helped many leading entrepreneurs and enterprises. Business model innovation is at the center of value creation and many leading companies and social ventures owe much of their success to business model innovation.

The course covers:
• Business model history and significance
• Business model canvas development and refinement
• Customer development process
• Lean startup methodology
• Financial drivers of business models

The course offers you the opportunity to develop a skillset and toolbox that are essential for entrepreneurs and innovators. The course is equally relevant to anyone who wants to work in a startup, social enterprise, non-profit, government, or a large multinational company.

The course is designed to engage all students regardless of existing knowledge of the field. Students will be exposed to business models and business model innovations of real ventures to anchor and apply the learnings. Teaching involves a set of lectures, exercises, presentations, peer-to-peer sessions, and a team project. The teaching approach is experiential and process-based to develop an entrepreneur's mindset, skills, and resilience. Teaching may also involve extracurricular activities and guest lectures on the course's core topics.

Intended learning outcomes.

Upon completing the course, students should be able to:
1. Explain the importance of business models to value creation and new venture success in today's economy

2. Compare, and critically examine different business model frameworks

3. Analyze and critically evaluate business models used by actual ventures

4. Construct and present a business model for an innovative and viable new venture

5. Design and conduct tests for different business model building blocks, iterating based on market feedback and test results

### Course Philosophy.

We seek to develop entrepreneurship and innovation practitioners and scholars and to equip students to pursue their entrepreneurial interests (e.g., business startups, intrapreneurship, social ventures, and/or life design). Clarify your own aspirations and focus your efforts accordingly. If you immerse yourself, you may find that this course opens new vistas for your life and work.

### Language.

The course language is English. This means that lectures, workshops, course literature and material, student presentations and reports are to be delivered in English.

### Course readings.

The content includes readings and videos on BM, BMI and entrepreneurship. The content has been carefully curated to include scholarly and practical elements to expose you to new ideas and deepen your knowledge. They are an essential part of the course and will be instrumental to your learning (and your grade). If you are ambitious, you can proactively immerse yourself in the readings and videos with the purpose of being able to evaluate and analyze concepts, models and frameworks in combination with empirical data. The structure of the readings represents the course content as it unfolds. At each session you will sit in groups to discuss with the other course participants the main message in the readings. Therefore, you will need to read and watch the literature and videos carefully before coming to the sessions. The aim of readings discussion is to promote better learning, improve your motivation, and increase enjoyment of the learning experience. Course materials are available online or through your local university library.

### Assignments and grading.

This is an intensive 7.5-credit course with a heavy workload, including assignments and a reading list. There are two sets of graded assignments – the Individual Assignment (PRO2), which accounts for 50% of your overall grade, and the Team Assignment (PRO3), which accounts for the remaining 50%. For PRO3, 40% of the grade accounts for the process shown in active classroom discussions (15%), draft editing (10%), and feedback to other teams (15%), 60% accounts for the final pitch deck result. Detailed assignment instructions can be found in Canvas under Modules.

Grading is according to ECTS, where the passing grades are: A excellent 90-100%, B very good 80-89%, C good 70-79%, D satisfactory 60-69%, E sufficient 50-59%. Non-passing grades are: Fx further work required (e.g. had below 50% on exam, did not hand in all assignments) F fail (e.g. cheating, did not submit any assignments). If you are a student from KI, Konstfack or admitted after fall 2016 at Handelshögskolan you are listed to another scale of grading. Your grades will be transferred accordingly in line with regulations at your home university. Assignments and exams handed in late will not be graded except in special circumstances. Attendance is an important prerequisite to learning, especially since classes go beyond the readings, include active learning activities, and prepare students for all the assignments; however, it is not required.

Formula used for combining the A-F grades.

| PRO2 \ PRO3 | A | B | C | D | E | F |
|---|---|---|---|---|---|---|
| A | A | A | B | B | C | F |
| B | B | B | B | C | C | F |
| C | B | C | C | C | D | F |
| D | C | C | D | D | D | F |
| E | C | D | D | E | E | F |
| F | F | F | F | F | F | F |

The individual assignment and the team report will be evaluated on three criteria dimensions:
1. Overall clarity in regard to novelty, coherence, presentation, content and structure.
2. Accuracy and quality of evaluations, prioritizations and effective use of models, concepts, and frameworks, as well as feedback to peers.
3. Collection and use of appropriate examples, empirics, and data.

## Late submissions.

Assignments must be submitted as PDFs before due date and time. Late submissions may be disregarded.

## Obligation to read and follow the instructions.

Students are obliged to read and follow the instructions given about what applies for assignments and examination in this course, and also that not doing so may lead to different forms of disciplinary sanctions like grading deduction, a warning or suspension.

## Examination adapted to students with special needs.

The following applies to students with functional variations who have a statement from KTH's FUNKA unit, or equivalent statement from your home university, on recommended support measures during examination:
- Support measures under code R (i.e. adjustments relating to space, time, and physical circumstances) are granted by the examiner.

- Support measures under code P (i.e. pedagogical measures) are granted or rejected by the examiner after the examiner has been contacted by the
- Student in accordance with KTH's rules. Normally, support measures under code P will be granted.

## Classes.

What happens in class rarely follows any exact and pre-determined timeline. While in many instances there will be one or two 15 minutes break(s) during sessions, sometimes we will go on without a break. This is particularly so when we have in-class exercises or case discussions, so be prepared for teaching activities that stretch across the full duration of any particular session. It is, of course, always ok to sneak out for a few minutes if you have any special or pressing matters to attend to.

Please, also keep your phones off the tables and avoid unrelated activities like emails, social media, and similar. For the most part, you will not need a laptop. It is hence appreciated to close the laptop whenever you do not need it, or even put it away, in order to increase the interpersonal dynamics in the classroom.

## Class Participation.

We work hard to create an open and welcoming environment where different viewpoints and scholarly debates are encouraged. We expect all students to participate actively in every session, thereby enhancing learning. You may be called on by the instructor during class to discuss the readings, reflect on in-class learning activities, give feedback to other students' work, or give a presentation. The keys are engagement and participation in learning, not feeling you have to be right or have brilliant ideas to speak up.

## Canvas.

Our digital classroom is Canvas. This is where material and information will be made available for students registered on the course. All the assignment submissions are made on Canvas, and also most feedback and other interactions will be through Canvas.

## Plagiarism.

Plagiarism is not acceptable and will be reported. This includes:
- passing off the ideas or words of another as your own,
- using another's work or ideas without crediting the source,
- presenting an existing idea or product as new and original and not crediting the source,
- using so many words or ideas from other sources that your work is not sufficiently original.

Review the KTH Web for more specifics and details:
(https://www.kth.se/en/student/stod/studier/fusk-1.997287 plagiarism | KTH).

Ensure that your work is original and referenced properly. Plagiarism suspicions will be handled appropriately, leading to potential referrals to the university disciplinary committee and possibly resulting in the suspension of studies.

## Your Input.

This course is for you. We encourage you to provide feedback on the course, express concerns, and make requests. After the course, SSES will distribute an online evaluation survey. Please complete it so we can improve the course in the future.

## Confidentiality and NDA Policy.

There are no Non-Disclosure Agreements (NDAs) for startup ideas in this course. By participating, you agree to act with integrity and discretion, and you agree not to disclose or distribute information received from other students unless you receive explicit permission from them to do so. You should be able to complete all assignments without disclosing any sensitive intellectual property for your startup idea(s).

## Course schedule.

*Note:*
- Students are expected to attend all sessions.
- Each session includes one lecture and one seminar linked to the content theme.
- When in need of extra guidance, write or schedule an extra zoom time with the teacher.

| Week /Day | Date | Location | Time | Content | Activity |
|-----------|------|----------|------|---------|----------|
| 44 Mon | 30 Oct | D2 | 17:00-20:00 | Introduction to the course | Session 1 |
| 44 Wed | 01 Nov | D2 | 17:00-20:00 | *A primer on business models* *Readings discussion* | Session 2 |
| 45 Mon | 06 Nov | D2 | 17:00-20:00 | *The team – an enabler for innovation* *Readings discussion* | Session 3 |
| 45 Wed | 08 Nov | D2 | 17:00-20:00 | *Idea generation* *Readings discussion* | Session 4 |
| 46 Mon | 13 Nov | D2 | 17:00-20:00 | *How to understand the market* *Readings discussion* | Session 5 |
| 46 Mon | 13 Nov | | 19:00 | Deadline: Pitch deck draft 1, PRO3 | Deadline PRO3 |
| 46 Wed | 15 Nov | | 17:00 | Deadline: Feedback 1st draft PRO3 | Deadline PRO3 |
| 46 Wed | 15 Nov | D2 | 17:00-20:00 | *How to navigate the market* *Readings discussion* *Feedback* | Session 6 |
| 47 Mon | 20 Nov | D2 | 17:00-20:00 | *Monetizing the Elephant: Creative Ways to Generate Revenue* | Session 7 |

| | | | | Readings discussion | |
|---|---|---|---|---|---|
| 47 Mon | 20 Nov | | 19:00 | Deadline: Pitch deck draft 2, PRO3 | Deadline PRO3 |
| 47 Wed | 22 Nov | | 17:00 | Deadline: Feedback 2nd draft PRO3 | Deadline PRO3 |
| 47 Wed | 22 Nov | D2 | 17:00-20:00 | Business model disruption Readings discussion Feedback | Session 8 |
| 48 Mon | 27 Nov | D2 | 17:00-20:00 | Circular Business model Readings discussion | Session 9 |
| 48 Mon | 27 Nov | | 19:00 | Deadline: Pitch deck draft 3, PRO3 | Deadline PRO3 |
| 48 Wed | 27 Nov | | 17:00 | Deadline: Feedback 3rd draft PRO3 | Deadline PRO3 |
| 48 Wed | 29 Nov | D2 | 17:00-20:00 | Sustainability and the business model Readings discussion Feedback | Session 10 |
| 49 Mon | 04 Dec | D2 | 17:00-20:00 | BM innovation application Readings discussion | Session 11 |
| 49 Mon | 04 Dec | | 19:00 | Deadline: Pitch deck draft 4, PRO3 | Deadline PRO3 |
| 49 Wed | 06 Dec | | 17:00 | Deadline: Feedback 4th draft PRO3 | Deadline PRO3 |
| 49 Wed | 06 Dec | D2 | 17:00-20:00 | International / multiple BM application Readings discussion Feedback | Session 12 |
| 49 Fri | 08 Dec | | 19:00 | Deadline: 1st draft PRO2 | Deadline PRO2 |
| 50 Mon | 11 Dec | D2 | 17:00-20:00 | The Pitch: Pitch training/Video pitch Guest: Venture cup | Session 13 |
| 50 Mon | 12 Dec | | 19:00 | Deadline: Pitch deck draft 5 + pitch video, PRO3 | Deadline PRO3 |
| 50 Wed | 13 Dec | D2 | 17:00-20:00 | Presentations – Live pitching | Session 14 |
| 50 Thu | 14 Dec | | 19:00 | Deadline: Feedback 5th draft + pitch video | Deadline PRO3 |
| 52 Fri | 29 Dec | | 19:00 | Deadline: Final version PRO2 | Deadline PRO2 |
| 52 Fri | 29 Dec | | 19:00 | Deadline: Final version PRO3 | Deadline PRO3 |