



COURSE OVERVIEW (October 30, 2015)

OPEN AND USER INNOVATION 1033

Instructors:

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Welcome to a course about innovation!

OUI offers you the chance to be inspired AND to be seen and heard. It is participatory in nature. This course is a course about how innovations are created and how that affects entrepreneurs' and managers' innovation strategies. The course is application-oriented, with lots of real-world examples. It addresses critical enterprise planning and building skills, backed by both theory and practice. The course offers valuable opportunities for participants to understand and begin using some of the essential tools of innovation.

The course covers:

- Innovation strategy
- Innovation
- Entrepreneurship
- Sources of innovation
- Optimizing internal and external resources
- Mass-customization
- Broadcast search (e.g. crowdsourcing)
- Innovation diffusion
- Transaction costs

The course challenges students to identify problems/needs, generate entrepreneurial ideas, evaluate and improve them, and begin laying the groundwork for compelling innovation strategies and the launch of innovative projects or enterprises.

Course Philosophy

The course seeks to equip, empower, and inspire students to innovate or organize for innovation. There are many applications of innovation. We ask that you clarify your own interests and goals so that you can focus your efforts accordingly. At the first lecture we will go through the skills that you can expect to learn and when these can be used, for example in the context of your future professions as entrepreneurs, experts, developers and managers. As with most things, what you get out of the course depends in large part on what you put into it.

Course Format:

We will conduct each class more like a seminar in which our role will be as a moderator, questioner, and facilitator. The course involves a variety of activities such as lectures and discussions using pre-assigned readings, discussions, in-class exercises, outside class activities, group projects and presentations, and guest speakers. Students will be required to read classics in the field but also more contemporary works as well as deliver various inputs to a longer venture project. The core concepts and discussions are presented in the "anchor" sessions, which are mostly led by the course lecturers.

Course Norms and Expectations

- *Integrity:* We act with strict integrity in all that we do and respect confidences, including the potential commercial value of our classmates' entrepreneurial ideas.
- *Mutual Responsibility:* We take mutual responsibility for the quality of the class.
- *Development:* We take advantage of this opportunity to learn as much as we can and develop our capacities.

G: Group I: Individual

Assignment Grading Weights

<u>Assignment</u>	<u>Weight</u>	
Course project (I)	30%	Deadline 14th December
Home assignments/feedback (I)	5%	will be announced
Group Class presentation (G)	20%	NA
OI Challenge presentation (G)	15%	Week 6
Class Activity and Contr. (I)	15%	All the time
Final Presentation (G)	15%	Week 7
Total	%100	

A (90-100%): Excellent
B (80-89%): Very Good
C (70-79%): Good
D (60-69%): Satisfactory
E (50-59%): Sufficient
Fx/F (0-49%): Fail

The 24h home assignment covers the following: lectures, classroom discussions, and assigned readings. The home assignment includes open-ended questions (short answer)

Group Class Presentation. Every session, a group will do presentation of that week's topic based on assigned literature. Please select the Topic from here. Do not forget to write your name, your group name and your email. Serdar/BestTeam/temiz@kth.se
<http://doodle.com/poll/2ezf24eh68nxv6gg>

*Hints: If you want to pick Toolkits and mass-customization then pick Topic 10
If you want to pick "Innovation Communities" then pick Topic 11*

Class Participation. We expect you to read the assigned material and come to class prepared to discuss it (including possible "cold calls"). There will be lots of classroom discussion. Being "prepared" includes being able to discuss the assigned literature and relating it to your own experience as well as knowing the facts and issues when appropriate. In addition, we expect those students who are not presenting to be prepared with questions and comments and to contribute to the discussion. Moreover, we are interested in the quality of your participation. Quality is the extent to which you offer key insights on course topics and readings, relate your comments to the topics at hand, and relate current topics to previous topics or material from other classes. Comments that add value to our conversations possess one or more of the following attributes:

1. Offer a different, unique, and relevant perspective on the issue at hand.
2. Contribute to moving the discussion and analysis forward.
3. Build on others' comments. Too often students and managers fail to listen to the comments of others. Good comments might begin with "In agreement with what Jane has just said..." or "I'd like to disagree with Ted's point...." or "I think we're all missing a key point here..."
4. Transcend the "I feel" syndrome. In other words, a quality comment includes some evidence or analysis of inherent tradeoffs and demonstrates reflective thinking.

More on In-class Participation¹

A goal for this classroom is to have a positive, courteous, and respectful environment that is conducive to learning. **Each student must display a namecard in each session to facilitate class participation.** Attendance, participation, assignments, and professionalism count toward this grade. Furthermore, irreverent and off-topic

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– Adapted from D. McAlister.

comments will affect your participation grade. Class participation grades will be assessed using the Participation Continuum below.

Participation Continuum

Scale	Description
Top	

- A consistent leader is always well-prepared for the class. Has an understanding of the relevant material. Offers a unique and relevant perspective on the issue at hand. Demonstrates reflective thinking through analysis. An initiator of activity in the class. Contributes to moving the discussion forward through responding to and building on others' comments. Listening is also given a priority.
- Reasonably frequent participator in class as described above. Responds to other students as well as the instructor.
- Occasionally takes the lead in introducing a new subject. Provides illustrations from his or her own experience about the subjects under discussion.
- Occasional contributions to the class. Occasional responses to the remarks of other students.
- Answers questions from the instructor. Occasionally provides illustrations from own experience in response to instructor's remarks. Rarely responds to other students.
- Answers questions from the instructor. Otherwise does not take part in class discussion.
- Takes no part in classroom discussion or activities.

Submitting Course Assignments

Please submit all written assignments in 12-point Times New Roman font, single-spaced with standard margins. Include your full name, email address, and proper research documentation (citations to sources) if applicable. Use the templates provided. Submit them via email before midnight on the due date but be sure to convert all documents into PDF format before emailing them

Project Assignment:

You will write 10-page paper describing and analyzing open or user innovation phenomena. By week 2 the students must have chosen a preferred topic and then get one week to deliver the first empirical part of the course assignment.

Choose a topic that is related to innovation and preferably to open and user innovation. For example to describe a phenomenon such as the electric car manufacturer Tesla opens up their patent portfolio. Next step is to use the literature in the course to explain the potential benefits of opening up a patent portfolio. The paper should end with some of your own conclusions. Another example is to describe and analyze how a company like Quirky.com has organized the company for innovation.

We will provide each paper with an opponent from the class so that we can have an initiated discussion when presenting the paper. It is important that the opponent is professional and focus on both the positive sides of the paper and the parts that might be improved.

Late Course Assignments

Late submissions will result in a 10-point (full letter grade) reduction for that assignment (e.g., from B to C). We only accept late assignments up to one week after the original assignment is due. Assignments not submitted within a week of their due date will result in a score of zero.

Home Assignments

Now and then you will get a home assignment to prepare for the next lecture or in 24 hours. These are an important part of the course so please make sure to follow the instructions.

NDA Policy

With business ideas shared as part of the class, the issue of intellectual property sometimes arises. There will be no non-disclosure agreements (NDAs) for ideas in this class. By participating in this class, you agree to act with discretion and integrity and treat all ideas presented as privileged communication. You also agree not to disclose or distribute information received unless you receive explicit permission to do so.

Instructor Office Hours

By appointment, in person via email or twitter message.

When you send an email:

- Have a subject
- put ME1033 as first sentence of your subject.
- describe the issue fast

Online & Outside Class Activity :

Each member should start a blog and post at the blog (intopreneur.com). **Listed items below, shows topics you can cover at your blog posts.** Posts can also be your learning during class, your reflections on the topics etc. Frequency, regularity of your activities, blog posts, contents, linking to each other's blog, discussing each other's topic individual activities at these blogs will be noted and graded. Good to remember, each person will be graded individually even though blog will be group blog. It is recommended to add categories, tags to your blog and consider readers while you are writing. There are numerous tips on how to write blog posts on the internet, e.g., <http://www.socialmediaexaminer.com/26-tips-for-writing-great-blog-posts/>.

1. Join: 'KTH Open and User Based Innovation, 2016' Linkedin Group.

Be active in this group, post relevant articles, start discussions, contribute discussions, reflect upon lectures, presentations. These activities will affect your individual contribution the class learning. <https://www.linkedin.com/groups/12019420>

2. Be active on Twitter

Please use the hashtags – #KTH and #ME1033 #Innovation #opendata @kthuniversity etc. to share interesting sites and information you find related to the course on twitter (tweetdeck is a good twitter app).

3. Join Events: Assignment (individual):

Join at least two Innovation related activities and write your experience about these activities. How did you find these events, with whom have you met? Take few photos; share your experience from these activities. It is better if you blog right after the activity you participated. Remember to submit it as a link to linkedin group.

4. Lesson Learned:

In the end of the course, you should write/present what you have learned during this course. It can be video, it can be blogpost, it can be combination of blogpost and video.

Feedback

This class is for you. We encourage you to provide ongoing feedback on the course, and to make requests or express concerns. You can do that in many ways:

- In person with us before or after class, or during breaks or appointments.
- By email or phone.
- Anonymously via envelope to the front desk at INDEK (Christer).

After the course, we will distribute a course evaluation survey (online). Please complete it so we can improve the course going forward.

Questions

Please let us know if you have any questions or concerns.

Thanks for participating in this class. We look forward to working with you.



SCHEDULE

Open and User Innovation

Royal Institute of Technology (KTH) Instructor: Serdar Temiz
(Fall 2016)

** This schedule is tentative and subject to change as the course unfolds.*

The course commences on Monday the 1st of November and finishes on Friday the 6th of December.

WEEK 1 / Year WEEK 44

1) Introduction to Open and User Innovation Course - Innovation strategy and Open Innovation

This course starts with a discussion of **what innovation is** and how **innovation relates to entrepreneurship**. Most courses on similar subjects at universities are within the realm of entrepreneurship and it is therefore of interest to position this course in relation to other courses. We will also discuss the **learning targets** for the course and how this will be achieved. Next, the curriculum of the course will be presented and how it relates to the learning targets.

Introduction to Open Innovation Challenge.

WEEK 2 / Year WEEK 45

2) Finding Your Innovation Sweet Spot

Reading: Jacob Goldenberg, Roni Horowitz, Amnon Levav, David Mazursky

Finding Your Innovation Sweet Spot <https://hbr.org/2003/03/finding-your-innovation-sweet-spot>

3) Innovation management

Reading:

Anderson (2010) "In the next industrial revolution, atoms are the new bits." Wired Magazine http://www.wired.com/magazine/2010/01/ff_newrevolution/
von Hippel (2005), pp. 1-17, <http://mit.edu/evhippel/www/democ1.htm>

Von Hippel (1988) Sources of Innovation

<http://web.mit.edu/evhippel/www/sources.htm>

Coase, R. (1937) The Nature of the Firm. *Economica*, 4 (16): 386–405.

4) Innovation management – what does the textbook say?

Reading:

Tidd, J. and Bessant, J. (2009) Managing Innovation – Integrating Technological, Market and Organizational Change. Chichester: Wiley & Sons.

WEEK 3 / Year WEEK 46

5) Open Innovation

LEGO case study, http://www.managing-innovation.com/case_studies/Lego.pdf

King & Lakhani (2013) "Using Open Innovation to Identify the Best Ideas", MIT Sloan Management Review

Chesbrough HW 2003 The Era of Open Innovation

<http://sloanreview.mit.edu/article/the-era-of-open-innovation/>

West, J. & Bogers, M. forthcoming. Leveraging external sources of innovation: A review of research on open innovation. *Journal of Product Innovation Management*. Available at <http://ssrn.com/abstract=2195675>.

6) Open data, Open Source and innovation

Check: www.okfn.org, Linux home page: www.linux.com

Open Public Data, Finnish Ministry, <http://www.scribd.com/doc/57392397/Public-Data>

The Cathedral & The Bazaar by Eric Raymond:

<http://www.understein.net/su/docs/CathBaz.pdf>

WEEK 4 / Year WEEK 47

7) Users' behavior

Reading:

von Hippel (2005) chapter 3-5, pp. 33-76

Lakhani & Wolf (2003) "Why Hackers Do What They Do: Understanding Motivation and Effort in Free and Open Source Software". SSRN

http://papers.ssrn.com/sol3/papers.cfm?abstract_id=443040

8) Users, companies and eco-system

Reading:

Hienerth, Christoph; Lettl, Christopher; Keinz, Peter. 2014. Synergies among producer firms, lead users, and user communities: The case of the LEGO producer-user ecosystem. *Journal of Product Innovation Management*, 31(4): 864-866.

von Hippel (2005), pp 19-31 (Lead Users), 77-89 (Why Users Often Freely Reveal Their Innovations)

WEEK 5 /Year WEEK 48

9) Innovation competitions

Readings:

MacCormack et al (2013) "Spurring Innovation through Competitions" MIT Sloan Management Review Fall. <http://sloanreview.mit.edu/focus.lib.kth.se/article/spurring-innovation-through-competitions/>

Lampel et al (2012), "Test-Driving the Future: How Design Competitions Are Changing Innovation" *Academy of Management Perspectives* 26(2) pp.71-85.

Optional:

Jeppesen, L. B. & Lakhani, K. M. (2010) "Marginality and problem solving effectiveness in broadcast search." *Organization Science*, 21(4): 1016-1033.
Afuah, A., & Tucci, C. L. (2012) "Crowdsourcing as a solution to distant search". *Academy of Management Review*, 37(3): 355-375.

10) Toolkits and mass-customization

Readings:

von Hippel, 2005, pp. 147-170

Salvador et al (2009), Cracking the Code of Mass Customization,
<http://downloads.mass-customization.de/codeofmc2009.pdf>

WEEK 6 / Year WEEK 49

Group Presentation of Open Innovation Challenge:

11) Innovation Communities

Readings:

von Hippel, 2005, pp. 93-107

Threadless.com a case. http://www.managing-innovation.com/case_studies/Threadless.pdf

Threadless Inc (paper article)

<http://www.inc.com/magazine/20080601/the-customer-is-the-company.html>

12) Standards & Platforms

Reading:

Shapiro, C. and Varian, H. R. The Art of Standards Wars. *California Management Review*, 41, 2, Winter 1999.

http://people.ischool.berkeley.edu/~hal/Papers/1999_CMV_Standards_Wars.pdf

Teece (1986) "Profiting from Technological Innovation: Implications for Integration, Collaboration, Licensing and Public Policy." *Research Policy*, 1986, vol15 (6). pp. 285-305.

Cusumano M. (2010) "Platforms and Services: Understanding the Resurgence of Apple", *Communications of ACM*, 53(10) pp. 22-24.

Optional:

Eisenmann, T., Parker, G., and Van Alstyne, M. (2006) "Strategies for Two-Sided Markets," *Harvard Business Review* (84:10), pp.92-101.

WEEK 7/ Year WEEK 50

13) Final Presentations

Course Overview & Final Thoughts & Presentations