

NEW PRODUCT DEVELOPMENT AND SERVICE INNOVATION

Course code	<i>GRAV025</i>
Course title	<i>New Product Development and Service Innovation</i>
Type of course	<i>Compulsory</i>
Level of course	<i>Graduate</i>
Department in charge	<i>Graduate school</i>
Year of study	<i>2nd</i>
Semester	<i>3rd</i>
ECTS	<i>6 ECTS; 36 hours of class work, 124 hours of self-study; 2 hours of consultations (either distant or direct form)</i>
Coordinating lecturers	<i>Associate professor Lineta Ramoniené, PhD; linram@ism.lt</i>
Studies form	<i>Consecutive (evening)</i>
Prerequisites	<i>None</i>
Language of instruction	<i>English</i>

Course annotation

The course deals with two main processes: innovating the business model and innovating products and services. In the first part of the course we will focus on business model innovation. To do that we will rely on the business model “Canvas” as developed by Alexander Osterwalder & Yves Pigneur (Business Model Generation, John Wiley & Sons, Inc., Hoboken, New Jersey). In parallel to frontal lessons, students will work in groups with the aim of analyzing and improving the business models of three (real) firms/start-ups participating to the course. In the second part we will focus on the process of new product development (NPD) and deepen the stage-gate approach. Examples related to real firms (small firms and multinationals) will be provided. The course is based on a mix of class discussions, frontal lectures, case-study discussions and experimentation. A willingness to work in group and to interact in class is a necessary prerequisite to successfully complete the course.

Course aim

The main aim of the course is to provide students with the basics of business model innovation and new product development in a fast changing economic and technological scenario. Specific aims of the course include the followings:

- to provide students with appropriate knowledge and tools to self-assess the innovativeness of the business model of a firm.
- to provide students with appropriate knowledge and tools to design and develop a new and coherent business model
- to learn how to use a portfolio logic for allocating resources to multiple innovation projects
- to learn how to manage the process of New Product Development (NPD) by using a stage-gate approach

Course learning outcomes (CLO)

CLO	Study methods	Assessment methods
CLO 1: To assess the innovativeness and the coherency of an existing business model.	Lectures, seminars, self-study, case studies.	Active participation in discussion, case analyses assessment and final exam.
CLO 2: To create a new business model for the company.	Lectures, seminars, self-study, case studies.	Active participation in discussion, case analyses assessment and final exam.
CLO 3 To apply a portfolio logic for allocating resources to multiple innovation projects in a company.	Lectures, seminars, self-study case studies.	Active participation in discussion, case analyses assessment, group project, and final exam.

CLO 4 To interpret a NPD process through a stage-gate approach.	Lectures, seminars, self-study, group work, case studies.	Active participation in discussion, case analyses assessment, group project, and final exam.
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Quality assurance issues

The lecturers will apply multiple teaching methods to keep the students engaged in the topic (class discussions; group works). Continuous student feedback will be encouraged and accommodated to improve class experience.

Ethical Conduct and Cheating Prevention

The ISM University regulations on academic ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in this course. Unethical conduct or behaviour will in no way be tolerated. Please refer to ISM University regulations for specific details.

Course content

No.	Topic	Contact hours		Readings
		Theory	Practice	
1	Lecture Introduction to the course. Customer segments, Value Proposition, Channels and Customer Relationships Group formation.	4	0	Textbook; Syllabus; Lecturer's slides and supporting material
2	Lecture Revenue streams, Key resources, Key activities, Key partnerships, Cost structure	4	0	Textbook
3	Lecture First guest firm Second guest firm	2	2	Textbook
4	Lecture Third guest firm Group work: Business model analysis and business model development	2	2	Textbook
5	Lecture Group work: Business model analysis and business model development	0	4	Textbook
6	Lecture Group work: Business model analysis and business model development	0	4	Textbook
7	Lecture The Portfolio logic New product development and innovation process management (part 1)	4	0	Lecturer's slides and supporting material
8	New product development and innovation process management (part 2)	2	2	Lecturer's slides and supporting

No.	Topic	Contact hours		Readings
		Theory	Practice	
	Group work: Business model analysis and business model development			material
9	Group presentations Award ceremony Course wrap-up and information about final exam Group work: – Presentations	0	4	Textbook; Syllabus; Lecturer's slides and supporting material
	Total	18	18	

Self-study and assessment

Type of assignment	Topics	Hours	Evaluation, %
Business model analysis and business model development (Group Work)	1-9	10	40
Written exam (Individual study)	1-9	114	60
Total:		124	100

Assignments

Assignment Classes from 5 to 9: ("Business model analysis and business model development", Group Work):

From class 5 to 9, students will work in group and analyze (first) and improve (then) the business model of a real start-up firm. To do so, students will apply information and knowledge given in class. The lecturer will provide specific instructions and guidance to students.

Groups will present their results during Class n.9. Group works will be evaluated and will account for 40% of the final grade.

Final examination is administered on the 19th of September and accounts for the 60% of the final grade. The examination consists in a case study analysis.

Retake exam

Upon receiving a failing final cumulative grade for this course, a student can make one attempt to retake a final comprehensive examination that will equal 60% of the revised final cumulative grade.

Required readings

Textbook:

Alexander Osterwalder & Yves Pigneur, "Business Model Generation", John Wiley & Sons, Inc., Hoboken, New Jersey.