

**Welcome to the course:**  
**BUSINESS MODEL**  
**DESIGN**

7.3.2022

Prof. Taija Turunen  
Design Management  
Aalto University, School of Business,  
Dept. of Management Studies

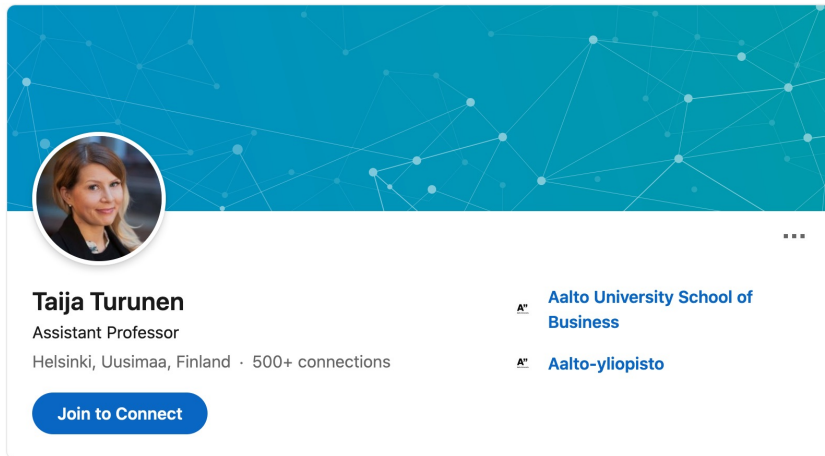
# WELCOME TO **LEARN** TOGETHER!

- For the next 5 weeks we will explore the domain of business model design, especially from value sharing perspective
- We will explore different value propositions, value creation mechanisms and value capture/sharing paradigms
- We will explore how the design of game-changing businesses break industry conventions and challenge us to reconsider the way we live
- It is our aim to together define how business models can be designed and re-designed – and in more detail, what transdisciplinarity brings to this setting

# TODAY'S SCHEDULE

- **Introduction**
- The course structure
- Keynote: Business model and shared value as concepts
- Preparing for Thursday
- Q&A

# ABOUT ME



**Taija Turunen**  
Assistant Professor  
Helsinki, Uusimaa, Finland · 500+ connections

**Aalto University School of Business**  
**Aalto-yliopisto**

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## About




I am Assistant Professor of Design Management at Aalto School of Business, Department of Management Studies.

My research focuses on how organizations introduce something new to their portfolios, let it be new products or services, processes, ways of working, doing business (business models) or practices that deviate from what is common to that context. One stream of my research focuses on how these novelties impact on the organizational design, the second examines how change challenges the prevailing values, belief systems and norms that guide our everyday action.






I have been also very active on sharing the knowledge gained from my studies to practitioners by developing variety of tools and methods to handle the given situations. Currently, I am honoured to serve as a member of the board in manufacturing and service fields and I am passionate about learning and pedagogics.

Previously, I have worked as a management consultant before completing my PhD in Industrial Engineering and Management (Aalto University) and have extensive international research experience from University of Cambridge (UK) and University of Technology Sydney (AU).

## Experience

-  **Assistant Professor**  
Aalto University School of Business  
Jan 2015 - Present · 7 years 2 months  
I work as an assistant professor in the are of Design Management teaching courses around business model design and management of creativity.
-  **Member of the board**  
Helkama Velox Oy  
Mar 2018 - Present · 4 years
-  **Member of the Board**  
Helkama Emotor Oy  
2017 - Present · 5 years

## Education

-  **Aalto-yliopisto**  
PhD  
2009 - 2013
-  **University of Technology Sydney**  
Visiting Scholar  
2015 - 2015
-  **University of Cambridge**  
Visiting Scholar  
2012 - 2015
-  **LUT University**  
M.Sc  
2003 - 2008
-  **Nebraska Wesleyan University**  
-  
2005 - 2006

# **WRITING EXERCISE: LET'S SHARE OUR EXPECTATIONS**

- What are your expectations regarding this course?
- What do you want to learn?

→ Write your own unique key learning objectives to the chat

# **... LET THE DISCUSSIONS CONTINUE!**

- You can write your questions to chat anytime. I will do my best to check the chat to answer your questions during/after the sessions!
- The chat logs (public discussions) will be saved and uploaded to MyCourses

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# **LEARNING OUTCOMES (COURSE LEVEL)**

After the course, the participant should be able to ...

1. identify and compare the main concepts related to business model design
2. compare, apply and criticize the most common frameworks and tools of business model analysis & design and
3. compare and criticize different ways of how business model can be innovated.



# BEFORE THE COURSE

## PRE-READINGS

- Ovans, A. (2015). What is a business model. Harvard business review, 23, 1-7.
- Pages 431-434 from: Massa, L., & Tucci, C. L. (2013). Business model innovation. The Oxford handbook of innovation management, 20(18), 420-441.

For the ones not familiar with business model canvas:

<https://youtu.be/QoAOzMTLP5s>

<https://youtu.be/RpFiL-1TVLw>

**COURSE METATHEME:  
DESIGNING FOR SHARED VALUE**

# **MODULE 1 - INTRODUCTION: DETRIVIALIZING SHARED VALUE**

Themes: Shared value in business models. Different theoretical approaches to business model design. Categorizing business model development and communication tools.

Learning objectives: Compare and critically evaluate different theoretical approaches to business model concept (focus on shared value); Recognize different business model designs from existing cases; Further develop the models using development tools

## **MANDATORY MATERIALS/READINGS FOR MONDAY**

- Michael Porter: Why business can be good at solving social problems. <https://youtu.be/0ilh5YYDR2o> (video)
- Crane, A., Palazzo, G., Spence, L. J., & Matten, D. (2014). Contesting the value of “creating shared value”. *California management review*, 56(2), 130-153.

## **MANDATORY READINGS FOR THURSDAY**

- Bocken, N. M. P., Rana, P., & Short, S. W. (2015). Value mapping for sustainable business thinking. *Journal of Industrial and Production Engineering*, 32(1), 67-81.

# MODULE 2 - WHAT IT TAKES TO PUT VALUE FIRST

- Themes: Theoretical link between user-centered-design and value proposition design, and its application to practice. Value proposition development process
- Learning objectives: Identify the theoretical link between (user- driven) design (previous knowledge) and value proposition development process; Perform the systematic value proposition design process

## MANDATORY MATERIALS/READINGS FOR MONDAY

- Töytäri P (2018) Selling Solutions by Selling Value. in Kohtamäki M, Baines T, Rabetino R, Bigdeli AZ, (Eds.). Practices and Tools for Servitization. Springer International Publishing.
- Anderson, J. C., Narus, J. A., & Van Rossum, W. (2006). Customer value propositions in business markets. Harvard business review, 84(3), 90.

## MANDATORY READINGS FOR THURSDAY

- Mandatory: Bettencourt, L. A., & Ulwick, A. W. (2008). The customer-centered innovation map. Harvard Business Review, 86(5), 109.
- Optional: Osterwalder, A., Pigneur, Y., Bernarda, G., & Smith, A. (2014). Value proposition design: How to create products and services customers want. John Wiley & Sons

# **MODULE 3 - RESILIENCE AND ADAPTABILITY IN BUSINESS MODELS**

- Themes: Uncertainty and business models; How to ensure that your business models are resilient; How to design for continuous development and adaptation in an uncertain world (e.g., applying business agility)
- Learning objectives: Comparing "traditional" efficiency-oriented approach to business models to resilient approach; Applying stress- tests to your business designs

## **MANDATORY MATERIALS/READINGS FOR MONDAY**

- <https://hbr.org/2020/07/a-guide-to-building-a-more-resilient-business> AND
- <https://hbr.org/2017/02/how-spotify-balances-employee-autonomy-and-accountability> OR <https://hbr.org/2015/06/the-self-tuning-enterprise>

## **MANDATORY READINGS FOR THURSDAY**

- Haaker, T., Bouwman, H., Janssen, W., & de Reuver, M. (2017). Business model stress testing: A practical approach to test the robustness of a business model. *Futures*, 89, 14-25

# MODULE 4 - PLATFORM BUSINESS MODELS (Visitor: Ville Eloranta)

- Themes: Platforms as ecosystem-level business models. Platforms, panaceas, and critical thinking. Developing existing platforms and building new ones
- Learning objectives: Identifying the core concepts of platforms as ecosystem-level business models; Identifying and comparing different approaches to platform economy; Identifying and applying ecosystem business model design tools

## MANDATORY MATERIALS/READINGS FOR MONDAY

- Cusumano, Michael A; Yoffie, David B; Gawer, Annabelle. The Future of Platforms. MIT Sloan Management Review;

Cambridge Vol. 61, Iss. 3, (Spring 2020): 46-54.

- Van Alstyne, M. W., Parker, G. G., & Choudary, S. P. (2016). Pipelines, platforms, and the new rules of strategy. Harvard business review, 94(4), 54-62.

## MANDATORY READINGS FOR THURSDAY

- Auvinen, H., Dufva, M., & Koivisto, R. (2018). Metaphors to describe and explore platform company strategies. Available at: <https://cris.vtt.fi/en/publications/metaphors-to-describe-and-explore-platform-company-strategies>

# MODULE 5 - SUSTAINABLE BUSINESS MODEL INNOVATION

- Themes: Business model as an arena for innovation: Incremental, radical and disruptive innovation. Business model patterns
- Learning objectives: Develop business model cases further by combining different design patterns, and creating new business model prototypes

## MANDATORY MATERIALS/READINGS FOR MONDAY

- Christensen, C. M., Bartman, T., & Van Bever, D. (2016). The hard truth about business model innovation. MIT Sloan Management Review, 58(1), 31.
- Evans, S., Vladimirova, D., Holgado, M., Van Fossen, K., Yang, M., Silva, E. A., & Barlow, C. Y. (2017). Business model innovation for sustainability: Towards a unified perspective for creation of sustainable business models. Business Strategy and the Environment, 26(5), 597-608.

## MANDATORY READINGS FOR THURSDAY

- Gassmann, O., Frankenberger, K., & Csik, M. (2013). The St. Gallen business model navigator.
- Bocken, N. M., Short, S. W., Rana, P., & Evans, S. (2014). A literature and practice review to develop sustainable business model archetypes. Journal of cleaner production, 65, 42-56.

# **COURSE DELIVERABLES**



# DELIVERABLES

- Readings (and videos). All listed in MyCourses.
- Read the literature for the mentioned days (Monday, Thursday). This is highly beneficial for our collective learning 😊
- Learning sessions Mon & Thu (min. 70% mandatory presence due to the critical discussion and transdisciplinary teamwork - related learning objectives).
- Reflective journals (5)
- Take home exam

# **ADDITIONAL 1 CR NEEDED?**

- There is a possibility to get an extra credit (6cr version of the course), by conducting an extra assignment
- Written exercise
- Assignment size 27 hours (1 ECTS)
- Graded pass/fail
- Please contact me after this session if you need this one

# GRADING

<b>Task</b>	<b>Points</b>
Reflective journals (5x 10pt each)	50
Attendance	10
Take home exam	40
<b>TOTAL</b>	<b>100</b>

<b>Points</b>	<b>Grade</b>
0-50	0
51-60	1
61-70	2
71-80	3
81-90	4
91-100	5

- At least 70% attendance needed
- 50% of individual reflective journal points needed

# **REFLECTIVE JOURNALS**

# **YOUR PERSONAL PERSPECTIVE STILL IS THE ESSENCE OF EVERYTHING!**

- The **purpose** of reflective journals is for you to make sense of your thoughts, in relation to the contents of the course. The essay should be analytical, comparative and/or integrative in nature.
- The **aim** of a learning essay is to summarize, analyze and comment the course contents
- Learning essay should not repeat what someone else has said, but should **reflect your own voice**.
- It is your **own analysis and insights** that count. Feel free to take the ideas discussed in the class even further and **elaborate as much as you can**.
- Use your own **complementary literature**, if needed

# **SELECT FROM 7+1 JOURNALING STYLES**

- 1. Question Journal:** This type of journal is focused on inquiry– the asking and refinement of questions. They should be answered or analyzed. The big idea here is students asking and improving their own questions.
- 2. Metacognitive Journal:** Students are writing about their thinking- their tendencies, changes in their thinking over time, cognitive blind spots, biases etc.
- 3. Change Journal:** All learning should result in personal and social change. A ‘Change Journal’ frames the writing for learning in terms of, well, change.

# **SELECT FROM 7+1 JOURNALING STYLES**

**4. Connecting Journal:** A learning journal that frames writing through the connections between themes – especially between different disciplinary domains

**5. Visualization Journal:** A type of learning journal that promotes specific visualization of learning, knowledge etc. Note: This must include description.

**6. Concept-Example Journal:** A type of learning journal that promotes thinking through concepts (abstract) and links them to examples (concrete).

**7. Video journal:** Some of the above but expressed in video format

# **SELECT FROM 7+1 JOURNALING STYLES**

**+ 1. If you have an own approach, you can use that, but you must use 1/2 extra page for explaining the journaling style.**

**THE POINT HERE IS TO EXPLORE DIFFERENT WAYS OF EXPRESSING REFLECTION.**



# **SELECT FROM 7+1 JOURNALING STYLES**

- Each reflective journal should (1) contain **300 - 600 words** or detailed illustrations **with descriptive text, or 5 minutes of video**, (2) be composed **individually** and (3) contain **clear references** to the literature/other materials.
- You must indicate your journaling style in your submission (at the top)

# **SCHEDULE, SUBMITTING**

- Each assignment has a box in the MyCourses pages Assignments section, deadline is each week Sunday a minute before a midnight.
- Submit your assignments in a **PDF** file (or video link in case of video journal) to mycourses. Please use following naming convention:  
lastname\_firstname\_journalnumber.pdf

# **INDIVIDUAL REFLECTIONS: LESSONS LEARNED FROM PREVIOUS YEARS**

1. Use proper referencing and citing
2. How does the readings relate to things you have earlier learned (e.g. during previous courses or other articles)
3. Put your own personality into the text! Take a stand. Argue clearly. Don't just say you like or dislike something. Reflect: why, what?
4. Did you get any new ideas while reading? Or did something confuse you? Describe these so that we can discuss these issues during the class. Be precise.

# **WILLING TO EXPLORE DIFFERENT STYLES?**

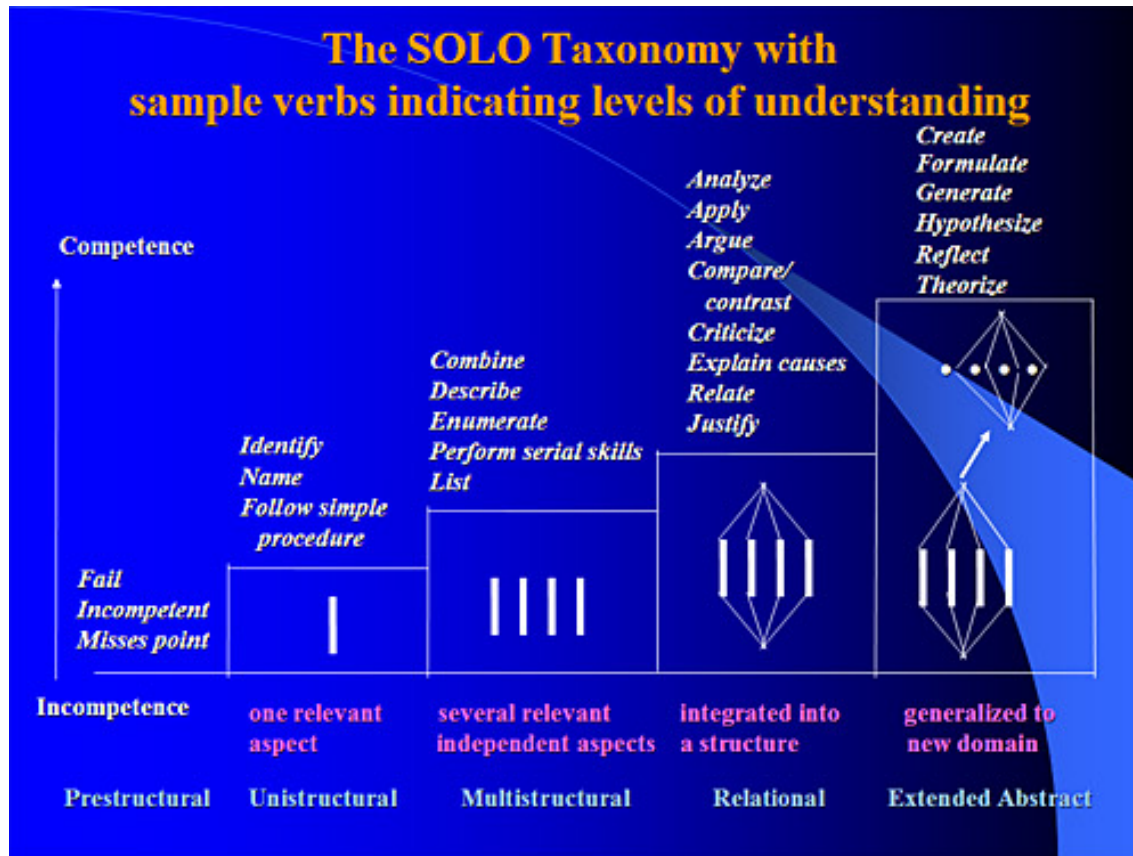
You can retake one of the journals (DL end of the course- the same as home exam.)

# **TAKE-HOME EXAM**

# TAKE-HOME EXAM

- Exam is an take home kind and the questions will be given to you after the last session in MyCourses
- As the exam allows you to use any kind of material you like, we will not evaluate the facts only, but will mostly focus on your ability to elaborate and connect things to real life examples and learning during the course. Journals are a good chance to practice this!
- The submission will be through Turnitin to check that is your original work (same process will be in your Thesis submission).

# EVALUATION



# **MISSING THE DEADLINE -POLICY**

- **All deadlines always at 23.59.00 Finnish time (MyCourses time)**
- The aim is to keep this course as interactive and personal as possible
- However, we have about 40 people here. We have to have some structures and policies. Please respect deadlines and respect others.

## **Individual reflective journals**

- Delay 0-48 hours = -1 Grade
- Delay 48+ hours = -1 grade per each beginning 24 hours

## **Take home exam**

- No delay possible (it is an exam – it can be retaken)



**Q&A**

# **MORE INFORMATION**

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