

## PhD in Management Sciences Seminar Open Innovation & Open Business Models

### *Program overview*

**Dr. Henry Chesbrough**

Haas School of Management - UC Berkeley & ESADE

**Dr. Keld Laursen**

Copenhagen Business School

**Dr. Chris Tucci**

EPFL

**Dr. Wim Vanhaverbeke**

Hasselt U., ESADE & National U. of Singapore

We welcome you to what promises to be a most intensive, exciting intellectual experience. We have all four written extensively on the topic of Open Innovation, but we believe that the best work in this area is yet to come! We have selected some readings and chapters to guide you in preparing for our two-day course. You will get much more out of the course if you make the time to put more into it. Please read the assigned material carefully, and come prepared to share your questions, reflections and criticisms with us and your colleagues. Furthermore, upon registration participants should submit *an abstract* (1-2 pages) as well as bring a *poster* (A2 format) of their current or indented PhD research on open innovation to be discussed with faculty and Ph.D. candidates. Finally, we also ask you **to screen the WOIC 2016 program** and look for themes that according to you will shape the **future of open innovation research**: be prepared, we will discuss this during the dinner of first day!

We have also incorporated reasonably long breaks and lunches, so we hope that you'll have time to get to know us and each other. While the Open Innovation research community is growing, it remains at an early stage of development. Your passion, commitment, energy and ideas are vitally needed.

Once again, welcome!

**Location:**

ESADE Business School  
Barcelona - Sant Cugat Campus

**Date:**

December 13-14, 2016

**Time**

9:00 – 12:30 h.  
14:00 – 19:00 h.

**Language:** English

**Participants:** min 10 & max 40

**Fee :**

Full seminar (2 days):  
495€\*

\* Reduced fee (50%) for members of  
CEMS / EDAMBA

**Enrolment deadline:**

December 1, 2016

**Applications to:**

[Register here](#)

**Contact information:**

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**About ESADE PhD:**

<http://www.esade.edu/research-programmes/eng/phd>

## **Day 1: Tuesday, December 13, 2016**

**Welcome by Henry Chesbrough and Wim Vanhaverbeke**

**Short introduction of each participant**

9.00 AM -9:30 AM

**Session 1: Exploring Open Innovation as a theoretical concept**

9.30 AM -11:00 AM

Coordinated by Henry Chesbrough

*Readings:*

1. Chesbrough, H.W. and Bogers, M. (2014); "Chapter 1: Explicating Open Innovation: Clarifying an Emerging Paradigm for Understanding Innovation", In: Chesbrough, Vanhaverbeke and West (eds.), *New Frontiers in Open Innovation*, Oxford University Press, 3-28.

[http://media.wix.com/ugd/d6c2f0\\_a0df00c962dc43549bd8e5d05f6e15a8.pdf](http://media.wix.com/ugd/d6c2f0_a0df00c962dc43549bd8e5d05f6e15a8.pdf)

2. Have also a look at the animated video link summarizing open innovation at DSM

<https://www.youtube.com/watch?v=jNNz9poyKJs>

*Assignment Questions:*

1. What IS "open innovation"? What is its precise definition?
2. What is the trend of academic research in this topic area? What explains its rapid growth?
3. How does the definition of open innovation compare to open source software? What is the same, and what is different?
4. What role does the business model play in innovation? What is the definition of "business model"?
5. How could you test this theory?
6. What new areas of research could open innovation research address?

**Session 2: New Directions in Open Innovation Research**

11.30 AM – 1.00 PM

Coordinated by Henry Chesbrough

*Readings*

1. Hila Lifshitz-Assaf (2014). From Problem Solvers to Solution Seekers: Dismantling knowledge boundaries at NASA, Harvard Business School  
[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2431717](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2431717)
2. David Tamoschus, Christoph Hienerth and Monika Lessl (2015), *Developing a Framework to manage a Pharmaceutical Innovation Ecosystem*. Best paper WOIC 2015.

*Assignment Questions:*

1. How do the roles of internal R&D staff get affected by external R&D competitions?
2. Why do scientists and engineers join NASA? Why do they stay?
3. What is the logic behind and value of the 3step approach used in the Tamoschus et al (2015) paper?
4. What is the relevance of this paper for open innovation practitioners in large companies?
5. How does this paper help us understand innovation ecosystems better compared to prior literature?

**Lunch: 1:00 PM -2:30 PM**

### **Session 3: Analyzing the quantitative research methodology used in two open innovation articles**

2:30 PM – 3.30 PM

Coordinated by Wim Vanhaverbeke

We pick 2 recent papers that cover quite different areas, and we will show how the research design was done, how open innovation was measured, and what the paper contributes to the literature. How the limitations of the articles can be tackled by future research.

#### *Readings:*

1. Laursen, K. and Salter, A. (2006), Open for innovation: The role of openness in explaining innovation performance among U.K. manufacturing firms. *Strategic management Journal*, 27, 131-150.
2. Du, Jingshu, Leten, Bart and Vanhaverbeke, Wim (2014), Managing Open Innovation Projects with Science-based and market-based partners, *Research Policy*, Special issue on Open Innovation, 43(5), 828-840.

#### *Assignment Questions:*

1. What is the main purpose of the Laursen and Salter paper? How do they contribute to the literature?
2. What is the role of the two concepts search breadth and depth in the L&S paper?
3. How are the hypotheses about radical innovations tested?
4. What are the advantages / disadvantages of jumping from a firm level approach to a R&D project level approach as in de Du, Leten, Vanhaverbeke paper?
5. How do these authors build on / deviate from the L&S paper?
6. What is the role of project management in this paper?
7. What do you conclude about the effect of OI on innovation and financial performance of firms?

### **Session 4: Limitations of and challenges for open innovation**

3.30 PM – 5.30 PM

Coordinated by Henry Chesbrough and Wim Vanhaverbeke

#### *Readings*

1. Paul Trott & Dap Hartmann (2009); Why 'Open Innovation' is old wine in new bottles, *International Journal of Innovation Management*, 3 (4), 715-736.
2. Dahlander, L. and Gann, D.M. (2010), How open is innovation, *Research Policy*, 39, 699-709.
3. Vanhaverbeke, W. and Cloudt, M. (2014) "Chapter 14: Theories of the firm and Open Innovation". In Chesbrough, Vanhaverbeke and West (eds.), *New Frontiers in Open Innovation*, Oxford University Press, 256-278.  
[http://media.wix.com/ugd/d6c2f0\\_aa729d1d331647568b11720c1b2d1d2a.pdf](http://media.wix.com/ugd/d6c2f0_aa729d1d331647568b11720c1b2d1d2a.pdf)

#### *Assignment Questions:*

1. Could you add anything really new about open innovation, or not?
2. Reread your notes from yesterday's discussions, in light of the Trott-Hartmann critique. Do you see any ways to reconcile that critique with what you've learned about open innovation?
3. In the first reading for the first session yesterday, Chesbrough and Bogers respond to Trott-Hartmann. What is your evaluation of their response?
4. What are the limits of open innovation? When might it fail, and why?

5. What is new about open innovation compared to existing theories explaining inter-organizational collaboration in R&D? What does it contribute to the literature?
6. Take one theoretical approach explained in Vanhaverbeke and Cloudt (2014) and check whether you can further strengthen or criticize the arguments? Which theories of the firm have not received enough attention in your opinion?
7. What are the critiques you can formulate on traditional strategy theories (e.g. Porter, Prahalad and Hamel, etc.) when you intend to connect the open innovation phenomenon to strategy theories?

### **Session 5: Explanation of the group work assignment**

6.00 PM -7.00 PM

Coordinated by Henry Chesbrough and Wim Vanhaverbeke

Each participant has submitted an overview of his/her PhD proposal when he / she registered for the course. These posters, which are exposed in the room, should give the participants an accurate picture of the ongoing PhD work in Europe. Can we find commonalities?

Participants are furthermore expected to submit an abstract of 1-2 pages to [wim.vanhaverbeke@uhasselt.be](mailto:wim.vanhaverbeke@uhasselt.be) before December 1, 2016. The abstracts will be uploaded on Dropbox and participants are encouraged to form groups of 3-4 persons with similar / common interests. You can explain the "common theme together during a 5 minute presentation to start-off the discussion.

### **Dinner – Connecting your PhD work to WOIC 2016 program**

8.30 PM – 10.00 PM

Coordinated by Henry Chesbrough, Wim Vanhaverbeke

We suggest that the same groups (mentioned in session 5) screen the WOIC 2016 program before they come to PhD seminar. The idea is to find interesting submissions that allow you to connect your research interest in open innovation to the program of the WOIC 2016. How is open innovation evolving in this specific research area and how will it affect open innovation research in the future. Ask eventually participants in the WOIC 2016 to share their full paper so that you can prepare. We expect that your group provides an inspiring speech of maximum 5 minutes about the outcome of your search in the WOIC 2016 program.

## **Day 2: Wednesday, December 14, 2016**

### **Session 1: Firm-internal organization of innovation and its relation to open innovation**

09.00 AM -10.30 AM

Coordinated by Keld laursen

#### *Readings*

1. Argyres, N. S., B. S. Silverman. 2004. R&D, organization structure, and the development of corporate technological knowledge. *Strategic Management Journal* 25(8-9), 929-958.
2. Foss, N.J., K. Laursen, T. Pedersen. 2011. Linking customer interaction and innovation: The mediating role of new organizational practices. *Organization Science* 22(4), 980-999.
3. Fu, X. 2012. How does openness affect the importance of incentives for innovation? *Research Policy* 41(3), 512-23.

*Assignment Questions:*

1. How does the location of the R&D function in corporate structure affect the direction in which firms do innovative search in terms of exploration and exploitation?
2. Why is the internal organization of the firm important for firms to benefit from open innovation? What sort of organizational elements need to be in place for firms to benefit from open innovation — and why do these elements matter?
3. How can pecuniary incentives—positively or negatively—affect the effect of open innovation on firms' innovative output? Here you can distinguish between incentives for knowledge sharing and incentives for being a within-firm inventor/innovator.

**Session 2: The Organization of Individual-level Open Innovation**

11.00 AM – 12.30 AM

Coordinated by Keld Laursen

*Readings*

1. Dahlander L, O'Mahony S, Gann DM. 2016. One Foot in, One Foot Out: How Does Individuals' External Search Breadth Affect Innovation Outcomes? *Strategic Management Journal* 37(2): 280-302.
2. Moreira, S., A. Markus, K. Laursen. 2016. Knowledge Diversity and Coordination: The Effect of Intrafirm Inventor Networks on the Speed of External Knowledge Recombination. Unpublished manuscript.

*Assignment Questions:*

1. What does the “variance hypothesis” claim and what are the limits of the variance hypothesis?
2. Why do individual innovation professionals face a trade-off between their ability to engage in internal and external knowledge sourcing?
3. How do the findings of Dahlander et al. regarding locals and cosmopolitans relate to Cohen and Levinthal's (1990) notion of absorptive capacity?
4. Why are the characteristics of firm-level networks of innovation professionals important to speedy incorporation of external knowledge in the focal firm's own inventions?
5. Why are these firm-level networks particularly important when the pertinent external knowledge is distant from the focal firm's knowledge base?

**Session 3: Outbound innovation**

2.00 PM – 3.30 PM

Coordinated by Chris Tucci

*Readings*

1. Moschieri, Caterina, and Johanna Mair. "Adapting for innovation: Including divestitures in the debate." *Long Range Planning* 44.1 (2011): 4-25.
2. Teece, David J. "Business models, business strategy and innovation." *Long range planning* 43.2 (2010): 172-194.

*Assignment Questions:*

1. Why should firms attempt to commercialize internal products outside the boundaries of their own boundaries?
2. Why would a firm would want to purposely reveal its technology via outbound open innovation, risking imitation and more competition?
3. What role does the business model play in outbound open innovation?

#### **Session 4: Open Innovation and crowds**

4.00 PM – 5.30 PM

Coordinated by Chris Tucci

##### *Readings*

1. Allan Afuah and Christopher L. Tucci (2012), Crowdsourcing as a Solution to Distant Search, *Academy of Management Review*, 2012, Vol. 37, No. 3, 355–375.
2. Joel West and Jonathan Sims (2016). How Firms Leverage Crowds and Communities for Open Innovation. In Afuah, A., C. L. Tucci, G. Viscusi (Eds.), *Creating and Capturing Value through Crowdsourcing*.

##### *Assignment Questions:*

1. Why would a firm want to purposely reveal which problems it is seeking to solve via an open call, risking imitation and more competition?
2. Why is information technology important for promoting crowdsourcing relative to other ways of solving problems?
3. How can a company take advantage of a “community” rather than an anonymous crowd in its own problem solving?

#### **Wrap up and closing of the PhD course by the group mentors:**

5.30 PM – 6.00 PM

Coordinated by Chris Tucci and Wim Vanhaverbeke

### **About the organizers:**

**Prof. Dr. Henry Chesbrough** is known as “the father of Open Innovation”, based on a best-selling book by the same name. He teaches at the Haas School of Business at the University of California-Berkeley, where he is Meyer Family Fellow and Faculty Director of the Garwood Center for Corporate Innovation, and also at Esade Business School at Ramon Llull University in Barcelona. Previously, he was an assistant professor of business administration, and the Class of 1961 Fellow at the Harvard Business School. He holds a Ph.D. in Business Administration from the University of California-Berkeley, an MBA from Stanford University, and a BA from Yale University.

**Prof Dr. Keld Laursen** is professor of the economics and management of innovation at Copenhagen Business School. He is an editor of *Research Policy* and he serves on the chair track of the Academy of Management's Technology Innovation Management Division for 2013-2018. From the late summer of 2016 he will be serving as the Division's chair. Keld Laursen has organized and co-organized a number of international conferences, including several vintages of the DRUID Summer Conference; the US rooted CCC (Consortium for Cooperation and Competition) Annual Colloquium for Doctoral Student Research in 2009; and the European-based SEI (Strategy Entrepreneurship & Innovation) Doctoral Consortium in 2012. He is director of the CBS Center of Excellence on Open Innovation and Entrepreneurship. His primary area of expertise is in how firms manage innovation. Within this context, Keld Laursen has focused on the organizational aspects of open innovation and the consequences for innovation performance. His research has been published in outlets such as *Strategic Management Journal*, *Organization Science*, *Journal of International Business Studies*, *Journal of Economic Geography*, and *Research Policy*.

**Prof Dr. Christopher Tucci** is Dean of the College of Management of Technology at the Ecole Polytechnique Fédérale de Lausanne (EPFL), where he holds the Chair in Corporate Strategy & Innovation. He received the degrees of Ph.D. in Management from the Sloan School of Management, MIT; SM (Technology & Policy) from MIT; and BS (Mathematical Sciences), AB (Music), and MS (Computer Science) from Stanford University. Before returning for his PhD, he was an industrial computer scientist involved in developing Internet protocols and applying artificial intelligence tools to solve industrial problems. Professor Tucci joined EPFL in 2003 where he teaches courses in Technology and Innovation Management (TIM), Information Technology Strategy, and Research Methods. His primary areas of interest are business models, open innovation, crowdsourcing, and dynamic capabilities. He is also studying how the popularization of the Internet affects firms in different industries. He has published articles in, among others, *Academy of Management Review (AMR)*, *Strategic Management Journal*, *Management Science*, *Research Policy*, *Communications of the ACM*, *Strategic Entrepreneurship Journal*, and *Journal of Product Innovation Management*. His 2012 article “Crowdsourcing as solution to distant search” won the Best Paper of 2012 for *AMR*, which is ranked the #1 scholarly journal in the categories of Management and Business. He was the TIM Department Editor for the *IEEE Transactions on Engineering Management* and is on the Editorial Board of *Organization Science*. In 2004, he was elected to the five-year division leadership track of the Academy of Management’s (AOM) TIM Division. In 2010, he was elected to the leadership track of the SMS’ Strategy & Entrepreneurship Division. In 2013, he was elected to the Academy of Management’s Board of Governors.

**Prof Dr. Wim Vanhaverbeke** is professor at the University of Hasselt and visiting professor at ESADE Business School and the National university of Singapore. He published in several international journals such as *Organization Science*, *Research Policy*, *California Management Review*, *Journal of Management Studies*, *Small Business Economics*, *Journal of Business Venturing*, *Technovation*, etc. He was co-editor with Henry Chesbrough and Joel West of the books “Open Innovation: Researching a New Paradigm” (OUP, 2006) and “New frontiers in open innovation” (OUP, 2014). “Open innovation in SMEs” will be published by Cambridge University press end of 2016. He is a dedicated open innovation researcher collaborating with different partners in universities and companies around the globe. His current research is focusing on open innovation in SMEs, innovation ecosystems and on the implementation of open innovation practices. He established the European Innovation Forum with Henry Chesbrough in 2012. He is a frequently asked speaker at leading international conferences and an adviser for several globally operating companies. He consults and organizes workshops for multinationals and technology companies. He was recently recognized by the International Association of Management of Technology (IAMOT) as one of the top 50 authors of technology and innovation management during the period 2008-2012.