Innovation & Business Models
Theory, Case Studies, and Practicum
UGBA190T - Fall 2012; 3 Unit Course with Professor Solomon Darwin
TTh 2:00PM-3:30PM in C325

This is a fun-filled course that utilizes creative and business talents of energetic students to address innovation challenges of real companies. Students work with Top Company Executives in groups of five to come up with innovative solutions to business challenges the company may be facing in today’s changing landscape. This includes exploring new markets and new business models as a solution.

This course had been offered twice and both times it attracted students from various disciplines who thrived on solving big business problems in a very innovative way. To date, my students had worked with the executives of the following participating companies: Intel, HP, McKesson, Nike, Best Buy, Shell, Dole, United Health, Johnson& Johnson, SAP and Lenovo. The presentations were judged by the senior executives of the respective firms at the end of the semester. The projects were highly rated by the participating executives - both times the course was offered. Our students’ innovative solutions were proudly featured in the Cal Business Magazine cover story in the fall 2010 and again by a Silicon Valley News Reporter in the fall 2011.

Learning objectives:
First Half: The basics of business model innovation with a practicum
1. The seven building blocks of a business model
2. Basics Elements of Entrepreneurship
3. Key Measures of Business Performance
4. Closed vs. Open Innovation models - case studies
5. Practicum: Students put their learning to work by coming up with a business model for their own hypothetical dream projects driven by their personal passion. Students can choose to work individually or join others. Presentations will be graded (takes the place of a mid-term)

Second Half: Work with corporate executives on a real-world business innovation challenge.
1. Harvard Case Studies (several cases relating to business innovation)
2. Outside Speakers (several directors of innovation from top corporations )
3. Practicum: Students work with executives of participating corporations:
   o Problem framing
   o Research and Analysis of the firm’s financials, its industry and market trends.
   o Formulating an innovative solution and business model and presenting the recommendations to the senior executives of the respective firms. (there is no final exam – the final presentations will be graded by the judges)

I believe that theory and concepts learned through in-class lectures are good foundation for application. Students are more motivated to learn best while solving problems interactively and collaboratively. The class lectures are designed to enhance the student’s knowledge about various business models and how innovation works to save and grow a company. Students learn from both successful and failed models to understand why companies succeed and some fail. For more information contact me at: darwin@haas.berkeley.edu
Haas School Newsroom

UnitedHealth Group Team of Undergrads Wins Open Innovation Challenge

12/15/2011

A business strategy that includes an interactive portal and online discussion forums for patients of the UnitedHealth Group was the winning business plan in this year’s Open Innovation challenge, a competition in the undergraduate Open Innovation and Business Models course.

The challenge was the culmination of a semester of work in the course, taught for the second year in the row by Solomon Darwin, associate director of the Center for Open Innovation. This year’s winning team consisted of Kevin Jenkins, BS 12 (Mechanical Engineering); Allison Lam and Jay Tong, both BS 13; Dilpreet Tung, BS 12; and Tianbo Xu, BS 12 (Electrical Engineering and Computer Science).

Students in the class were divided into teams of five, and assigned to solve real-world problems for a major corporation. Their work was judged Dec. 9 by executives from each of the participating companies: Hewlett-Packard, Intel, Johnson & Johnson, McKesson, UnitedHealth Group (UHG). UHG executives asked students to find ways to increase patient engagement and awareness of their insurance programs while continuing to control costs.

"It is fascinating to see the fresh thinking and perspective these talented students bring to complex issues -- with practical solutions and recommendations," said Meredith Baratz, UHG’s vice president for market solutions. The winning team will visit UnitedHealth's Minneapolis headquarters next year to present its solution to corporate decision makers.

"The first time we met with senior executives from UHG, we realized this was more than just a class," the winning team's students said in a joint statement about the challenge. "It was a real honor to work with executives on real-world problems that need to be solved."

2010 Fall Course: An Excerpt from Cal Business Magazine Cover Story- by Bill Snyder

"Looking Outside Your Firm's Walls To Innovate."

Students, particularly undergraduates, don't often have the chance to tell leaders of major businesses how they should run their businesses. But on a wet morning near the end of the fall quarter, two dozen undergraduates had that chance. In fact, their grades depended on it.

The students had just completed Open Innovation and Business Models, a course taught by Solomon Darwin, associate director of the Open Innovation Program at Haas, who also has taught classes on open innovation to executives from China, Switzerland, and the United Kingdom during the past year.

The challenge for these undergrads, as described in the course listing, was daunting: "Come up with innovative solutions for a publicly traded company that either suffers from a lack of innovation or whose business model is showing signs of breaking down or simply not working and falling apart."

The companies they were assigned to study—Best Buy, Shell, Dole, Nike, and UnitedHealth Group—are all very large and quite complex, with business opportunities across the globe. Each group began its presentation with an overview of its company’s financial position, followed by a "SWOT" analysis—a snapshot of its strengths, weaknesses, opportunities, and threats. The heart of each presentation was a plan to restructure or rethink a significant line of business.

For UnitedHealth, the team proposed an innovative program to engage diabetic and pre-diabetic patients in their own care. What made the plan an example of open innovation? UnitedHealth would partner with Nike, using that company's running shoe that monitors calories burned, heart rate, and other metrics, and with Dole, encouraging patients to use its line of sugarless food products. The team assigned to Shell envisioned the multinational oil company capitalizing on the emerging market for electric cars by building a network of charging stations. Shell, said senior Tim Chen, BS 11, would create an ecosystem including manufacturers of solar panels, whose products would generate electricity on the roofs of the charging stations; battery makers; and companies that would help create standards for charging. "We're looking at groups of companies coming together to solve big problems. You might think of it as crowd-sourcing," he said.