Innovation Ecosystems / Electives / 2025

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FACULTY INFORMATION

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FACULTY BIO

Murat Tarakci is Professor and Chair of Innovation Strategy at Rotterdam School of Management, Erasmus University. He is also director of Erasmus Center for Innovation. Murat's research interests focus on innovation strategies, behavioral theories of the firm, and designing innovative teams. His research has appeared in leading academic journals, and featured in the Harvard Business Review and Financial Times. He regularly engages with Dutch and international organizations on their innovation- and strategy-related challenges.

ABSTRACT

Organizations increasingly preach and invest in innovation activities to gain or sustain their competitive advantage. This is because breakthrough technologies emerge, new competitors mushroom, customers' interests shift, and governments decide to redefine the rules of the game, not to mention the black swan events. Inaction is perceived to be a cardinal sin in such environments. Despite their best intentions and efforts, however, many innovation projects and innovation-related activities fail, delay, or exceed the allotted budget. Why? This course will inspire and empower you to approach your innovation challenges within an ecosystem that you cultivate proactively. The main take-away is straightforward: you and your organization are not alone and should not be alone when it comes to innovation.

The primary objective of this course is to equip you with the insights and tools to successfully innovate by leveraging an ecosystem. Thereby, this course will help you *see* your business environment from a new perspective, *seize* the innovation opportunities by cultivating an innovation ecosystem and *sustain* the relationships within your ecosystem for a long time. Let us coin this as the s^3 model since each step increases the overall effectiveness of your innovation capabilities exponentially, and visualize it as follows:

The first step in this model (i.e., to see) requires us to debunk the myth that organizations should tackle innovation challenges alone and behind closed doors. Managing innovation activities are complex and fraught with complexity, which demands collaborative efforts mobilizing individuals and organizations. We will contrast the ecosystem perspective against Porter's value chains. This contrast highlights that the current innovation paradigm mandates going beyond the traditional industry boundaries and embracing a cooperative mindset (session 1). We will use this new way of seeing also to understand ecosystem disruptions and develop strategies to respond to those disruptions by leveraging your ecosystem.

The second step (i.e., to seize) recognizes that your organization may not possess all the capabilities needed for your innovation. While recent research advocates cultivating an ecosystem and forging partnerships, partnerships take many shapes and forms, and ecosystem participants are not always aligned. Session 3 discusses the first step toward developing an ecosystem and Session 4 will provide you with the tools to select the right partners for your innovation.

The third step of our s^3 model (i.e., to sustain) acknowledges that partnerships within an ecosystem might turn sour. Partners' attention and priorities might shift over time. During Session 5, we will discuss the importance of abandoning ego-centric leadership in favor of ecosystem-centric leadership to manage relationships. And finally, in Session 6, we will develop strategies to maintain long-lasting partnerships within your ecosystem.

Please note, each session is centered around a case study that presents a familiar and essential managerial challenge. We include readings, other media, and preparation questions, which you should read before each class. We will integrate the case and readings to answer the challenges you experience at your organization. That is, this course will equip you with the necessary knowledge and skills that help you provide sound analysis and advice on your organization's innovation challenges. You should be able to apply these learnings to your organization right away.

EDUCATIONAL GOALS

Learning areas	Educational Goals: Upon the completion of the course, you will be able to
I. Content related	… analyze dynamics of innovation in an ecosystem
	… develop strategies to respond to technological disruptions by leveraging your ecosystem.
	… assess and identify the right ecosystem partners.
	… develop strategies to align partners and maintain the ecosystem.
II. Skills related	… map your innovation ecosystem.
	… create a vibrant innovation ecosystem
III. Attitude related	… see your business environment beyond traditional industry boundaries.
	… empathize with your ecosystem partners.
	… collaborate with partners to deliver value to your customers.

TEACHING METHODS AND WORKLOAD

We will follow a case-based and participant-centered teaching methodology. This methodology replaces one-way lectures with interactive sessions fully involving the participants.

Information has never been as accessible as today in human history. Advances such as massive online open courses (MOOCs), Wikipedia, and universities that open up their resources for public use enable anybody to retrieve new information. Yet, knowledge remains an unearthed treasure buried under many layers of technological distractions, misinformation, and information bombardment. Therefore, transforming information into knowledge has never been so challenging. That is exactly where I position good university teaching: **helping you acquire the correct information, assimilate and transform information to create new knowledge, and exploit this knowledge by applying it to your real-life needs**. As Einstein once said, "Education is not the learning of facts, but the training of the mind to think." Therefore, I do not define myself as a lecturer or teacher but as a facilitator or moderator whose role requires mainly encouraging this knowledge creation process.

Keeping you motivated is the Achilles' heel in this methodology. The first step toward stimulating you starts with clear communication of the course objectives to manage your expectations (please see the course objectives). Then, you can have a clear understanding that the benefits of participating in an interactive in-class learning experience surpasses the joy of interacting with your smartphones or daydreaming. In this step, I try to create and sustain a friendly and safe environment where I foster your engagement through dynamic, interactive, and joyful sessions by using active learning methods. My objective is to let you leave the classroom intellectually stimulated and ready to apply what you have learned. A central element of my teaching philosophy emphasizes the capitalization of learned/created knowledge in real-life challenges. You should be able to carry the knowledge you

acquire in-class to your work where you can reuse and exploit the knowledge. To achieve this objective, I integrate real-life examples and several case studies.

The last, and probably the most important, I appreciate the sacrifices you make to attend this course. Instead of spending time with your family or doing your regular work, you commit yourself to following this program. Thank you! As scholars, we offer you a service: learning and creating knowledge. You have all the right to receive a high-quality service. To do so, I will involve you right from the start to suggest new ways to improve the course and influence how the class is conducted. With your constructive input, the course will constantly re-innovate itself and offer a tailored learning experience.

Description	Calculation	Total
In-Class sessions:	6 x 3 hours	18 hours
Class Preparation:	18 x 2	36 hours
Individual Assignment		30 hours
Total Course Hours		84 Total hours
EC (Number of study credits)	3 x 28	84 Total hours

GRADING AND ASSESSMENT

Innovation Ecosystems	**Assessment formats**		
	Participation	**Individual Assignment**	**Total**
… analyze dynamics of innovation in an ecosystem	X	X	
… develop strategies to respond to technological disruptions by leveraging your ecosystem	X	X	
… assess and identify the right ecosystem partners	X	X	
… develop strategies to align partners and maintain the ecosystem.	X	X	
… map your innovation ecosystem		X	
… create a vibrant innovation ecosystem		X	
… see your business environment beyond traditional industry boundaries.	X		
… empathize with your ecosystem partners	X		
… collaborate with partners to deliver value to your customers.	X		
Weighting factor	20%	80%	100%
Minimum grade required	5.5	5.5	5.5
Opportunity to resit within the academic year (Yes/No)	No	Yes	
Form of examination (e.g., MC, Open-book, etc.)	N/A	Essay	
Group / Individual assessment (Group/Individual)	Indiv	Indiv	

In order to pass the course, each assessment or deliverable (component grade) with a resit option, needs to be at least 5.5. Components with no resit option bear no minimum grade required, but to pass the overall course, the final grade needs to be at least 5.5.

Grades are rounded according to the rounding provisions included in the Examination Regulations (ER) of the programme, and are expressed with 1 decimal point. Not meeting the minimum grade required for either a component grade or the overall course grade determines a fail for the course. Participants can resit a failed component only once. There is no capping of the grade for a resit examination. The only exception is when the nature of the failed assignment allows for an improvement effort of the same assignment (capped at 5.5 for that component). You are allowed for **an improvement effort** only to improve a failed assignment to bring it to a passing grade..

Grade penalties for unauthorized late submissions will be automatically imposed. Penalties for unauthorised late submissions range from 10% to 20% deduction from the examination component depending on the hours/days late. Unauthorised late submissions 4 days or longer after the deadline without prior notification and a reasonable explanation for the late submission, will not be accepted.

Attendance is mandatory and a requirement to pass the course. Missing classes and arriving late may result in grading penalties and even a fail for the course.

Fraud, Plagiarism / Self-plagiarism (Appendix B on Code of Conduct, Examination Regulations -ER-)
The Examination Board defines fraud as "*the action or negligence of a student because of which it is impossible, entirely, or partially, to form a correct judgment about the knowledge, insight, and skills of them or another student*" (ER, 2024-2025). Examples of fraud are cheating, cribbing, plagiarism, freeriding in a team assignment, availability of unauthorized (study) material during a test such as mobile phones, contract cheating/outsourcing/ghost-writing, unauthorized use of generative AI, identity fraud, theft.

Confirmed cases of fraud/plagiarism will lead to (appropriate and proportional) sanctions as defined by the Examination Board in the Rules and Guidelines section of the Examination Regulations (ER). Repetitive cases of fraud/plagiarism lead to expulsion from the programme.

Plagiarism is presenting another person's work as one's own. Plagiarism includes any paraphrasing or summarising of the work of another person or group without acknowledgment, including submission of another student's work as one's own. Plagiarism frequently involves a failure to acknowledge the quotation of paragraphs, sentences, or even a few phrases written or spoken by someone else.

Using ideas from your own prior work (assignment) without referencing the work in your assignment is considered self-plagiarism.

AI is an undeniable disruptive technology, and we should all learn how to harness its power. You are required to adhere to the 6 principles outlined in the RSM AI guidelines with regard to the use of Artificial Intelligence Platforms such as ChatGPT and related software/tools. The unauthorised use constitutes violation of plagiarism/ fraud policy. I **promote a stimulated use of AI**. Always check the quality of output you obtain with a critical eye. That is, don't trust the output blindly. You will be responsible for any errors or omissions the tool provides.

For more information about academic integrity and AI please refer to the Programme's Examination Regulations and RSM AI guidelines documents on the Student Hub.

Assessment / Deliverable:	Individual or group:	(Due) date and hand in location:	% of final grade:
Participation	Individual	N/A	20%
Individual Assignment	Individual	5 October 2025 @ 23:59 on Canvas	80%

REQUIRED TEXTBOOK(S) AND READINGS

There is no need to buy a textbook. The readings per session are listed below. You are required to do all the readings in advance and to contribute to class discussion. Note that this course is not about covering material, but it is about uncovering and discovering insights. You should read each article, note its main takeaways, and offer a detailed critique and extensions. If you are short of time, make sure that you read the case. I expect each of you to steer the discussion to create a more interactive learning environment.

DETAILED COURSE SCHEDULE

Session 1 - See, *September 5, 2025*	
Topics:	**Ecosystems versus industry** We will have an introduction to the course and its objectives. We will discuss what an ecosystem is and how it challenges the traditional view of industries. For example, we will compare the ecosystem perspective against Porter's five forces, which you might have already seen at your business or previous strategy courses. We will also introduce key ecosystem concepts of value proposition and value architecture. - Porter five forces - Value proposition and architecture - Innovation Ecosystems versus platforms, supply chains, etc.
In class exercises:	Ecosystem mapping
Readings:	• Adner, R. 2006. Match your innovation strategy to your innovation ecosystem. Harvard Business Review. • Van Alstyne MW, Parker GG, Choudary SP. 2016. Pipelines, Platforms, and the New Rules of Strategy. Harvard Business Review, 94(4): 54-62.
Case:	Royal Philips: https://www.dropbox.com/s/3k1nv02t20mrdyt/220610-MOOC-IM2-FransVanHouten-V5_clean.mp4?dl=0 (~26 min) If you are short in time, the ecosystem discussion starts at 13:30. - Would you have spun out Philips Lighting? - Map Philips' ecosystem - Assess the current strategy of becoming a healthcare platform. What are the potential roadblocks?

Session 2 - See, *September 6, 2025*

Topics:	**Ecosystem disruption versus Disruptive innovation** We will discuss how ecosystems evolve and how these disruptions differ from the traditional view of disruptive innovations. Accordingly, we will discuss: - Disruptive innovations - Ecosystem disruption - Ecosystem defense against disruptions
In class exercises:	Developing responses to the disruptive threats your organization is experiencing
Readings:	Ron Adner, Rahul Kapoor 2016. Right Tech, Wrong Time. Harvard Business Review
Case:	Kodak (no case readings). You have already heard a lot about Kodak and Polaroid—two classical cases of disruptions. There is no need for further preparation. Just think about why Kodak failed.

Session 3 - Seize, *September 6, 2025*	
Topics:	**Selecting and aligning partners** We will have a 360° view to the case. The protagonist of the ShipShape case, Ivo Rutten, as well as. David Williams (Chief Innovation Officer, AkzoNobel) will join the class to provide their perspectives on the case.
In class exercises:	Partner capability assessment
Readings:	• Gianvito Lanzolla; Constantinos C. Markides. How to Choose the Right Ecosystem Partners for Your Business. Harvard Business Review
Case:	David Williams (CTO of AkzoNobel) and Ivo Rutten (the protagonist of the case) will lead the discussion! Philip's Corporate Innovation (C): Finding and Managing the Right Partner: http://casecent.re/p/186110

Session 4 - Seize, *September 19, 2025*	
Topics:	**Minimum viable ecosystem versus Innovation rollout** Now you have a better understanding of the importance of innovation ecosystems. But how can you create one? This session will challenge the traditional innovation rollout models and will introduce minimum viable ecosystem concept.
In class exercises:	Building a roadmap for a minimum viable ecosystem

Readings:	▪ Yoffie DB, Kwak M. 2006. With Friends Like These: The Art of Managing Complementors. Harvard Business Review, 84(9): 88-98. ▪ Ulrich Pidun, Martin Reeves, and Edzard Wesselink. 2021. How Healthy Is Your Business Ecosystem? MIT Sloan Management Review.
Case:	Building an IT ecosystem at Intertech Savas Coban (the protagonist of the case, Group Lead at Intertech) will lead the discussion.

Session 5 - Sustain, *September 20, 2025*	
Topics:	**Eco- versus Egosystem leadership** We will seek answers to whether you should be a follower or a leader in your ecosystem. If the latter, which leadership roles you should be playing.
In-class exercises:	Humanitarian coordination
Readings:	▪ Lingens B., Böger M., Gassmann O. 2021 Even a Small Conductor Can Lead a Large Orchestra: How Startups Orchestrate Ecosystems. California Management Review
Case:	Reusch L., Tarakci, M. 2023. Leading Humanitarian Relief.

Session 6 - Sustain, *September 20, 2025*	
Topics:	**Maintaining versus disposing relationships** Ecosystems are fluid. Firms experience shocks. The complementors or platform might become too big, causing fear among other participants. This session will discuss how to cultivate loyal relationships.
In class exercises:	Wrap-up
Readings:	▪ The Antibiotics Crisis: Exploring and Maintaining Partnership Models. 2020. How to Keep COVID-19 from Derailing Ongoing Partnerships. Management Studies Insights ▪ (Optional) Brandenburger A, Nalebuff B. 2021. The rules of co-opetition. Harvard Business Review.
Case:	Stephane Renard (the protagonist of the case) and Shalini Mansharamani (the case author) will lead the discussion! The Antibiotics Crisis: Exploring and Maintaining Partnership Models

ASSIGNMENTS DESCRIPTION

Class participation: The main learning activity takes place in the classroom as you and your classmates interact, share your insights and debate. Therefore, the classes require your active participation to be interactive, challenging, and joyful. I assess your contributions to the learning experience.

You should not experience the course and the overall program merely as a consumer but as an investor—an investor in your own future and organization. That implies being active and engaged from day 1, attending all sessions, engaging in the classroom discussion, interacting with fellow students, and actively thinking about getting the most out of the course and program.

After each session, I will assess the following activities:

- Active involvement in case discussions, exercises, and group work
- Sharing insights from your own experience
- Asking relevant questions and offering constructive feedback
- Respectfully challenging ideas to deepen the discussion
- Connecting course content to your organization or broader context

High class participation indicates that you have prepared and actively contributed in a way that moves the conversation forward; shares thoughtful insights; listens well and engages respectfully with peers. A poor participation grade indicates that you have rarely participated or been often unprepared; contributions (if any) had limited engagement with course content.

Individual assignment: The term paper will constitute 80 percent of your overall grade. I want you to map the ecosystem around an innovation project in your organization, identify the bottlenecks, and develop strategies on how to align those partners. You should also include a risk assessment about the future of the relationship and develop scenarios.

The assignment should have 1'' margins, 1 and ½ line spacing, 12pt Times New Roman fonts, and should not exceed 7 pages in length.

Grading will be based on the following criteria:

- Having appealing and concise writing,
- Demonstrating a clear understanding of the ecosystem/firm/phenomenon/problem,
- Using the course materials,
- And innovativeness.