

28 APRIL 2020 Brussels

Innovation Roundtable® Workshop hosted by



Business Model Innovation in the Digital Era

Creating New Businesses Using Digital and IoT – and Organizing for Internal and External Startups

PRESENTATIONS



SHANKAR KRISHNAMOORTHY Executive Vice President

SEBASTIAN PHILIPP

Head of Business

Innovation Studio

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CHRISTOPH H. WECHT Program Director Management by Design

ERIK JIVMARK

Volvo Car Mobility

Chief Operating Officer.

ΚΟΝΙζΛ ΜΙΝΟΙΤΛ

BERND WACHMANN Director - Business Innovation Center Europe

TOPICS

VOLKSWAGEN



LILIAN MATISCHOK

Director Digital Business Office, Industrial Technology Setting up a Startup to Disrupt the Core Business • The Methodology for Business Model Innovation – from Initiation to Implementation • Scaling at the Right Time by Validating and Maturing New Business Models • Setting up an Internal Incubator or Accelerator – from Organizing to Culture and Ways of Working • Leveraging Business Model Patterns to Go beyond Industry Logic and Think outside the Box • Identifying the Right Way to Organize for New Businesses – from Resource Allocation to Management Approach • The Limitations and Applicability of Lean Startup for Business Model Innovation in Corporations • Enabling Fast Decision-Making and Clear Communication • Creating and Developing New Digital Businesses • Validating Uncertain Ventures and Working with User Feedback • Selecting the Right Ideas to Avoid Innovation Theatre • Finding the Right Balance between Integration with vs Separation from the Core • Implementing New Digital Business Models in a Large Hardware-Based Firm • Partnering Strategically – and Leveraging Collaborations to Learn and Scale Faster

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PROGRAM OVERVIEW





AGENDA OUTLINE

08:30 - 09:00Registration & light breakfast09:00 - 17:00Workshop (incl. lunch and coffee breaks)

ENGLE • Even Big Companies can Innovate: Funding and Organizing for New Business Creation, Leveraging Startups, Spotting Weak Signals, and Embracing Digital Innovation Shankar Krishnamoorthy • Executive Vice President ENGLE, in Charge of Strategy and Innovation

New Design University St. Pölten • How to Find Business Model Innovation Ideas and Introduce Them to the Market: Innovation Culture as a Key Success Factor Dr. Christoph H. Wecht • Program Director Management by Design

Roundtable Discussion I: Choice between: 1) Exercise on Rethinking Business Models, by Dr. Christoph H. Wecht, New Design University St. Pölten; 2) Exercise on Innovating and Scaling in Ecosystems, by Lilian Matischok, Bosch; 3) Selection of topics

Volvo Car Mobility • Building a Fully Standalone Company to Offer a Real Alternative to Car Ownership in Cities Erik Jivmark • Chief Operating Officer

Konica Minolta • Creating, Incubating and Scaling New Digital Businesses: Organizing, Success Factors and Partnering with Startups Bernd Wachmann • Director - Business Innovation Center Europe

Roundtable Discussion II: Choice between 3 different discussion options / exercises (see roundtable discussion I)

Volkswagen Group • Incubating and Accelerating New Business Models, Creating Digital Services, and Managing Organizational Obstacles Sebastian Philipp • Head of Business Innovation Studio

Bosch • The Journey of Developing a Digital Business and Scaling It within a Large Firm Lilian Matischok • Director Digital Business Office, Industrial Technology

Wrap up and Plenary Sharing

17:00 - 18:00 Drinks on the premises

28 APRIL 2020 · Brussels

Business Model Innovation in the Digital Era

Creating New Businesses Using Digital and IoT – and Organizing for Internal and External Startups





Boulevard Simon Bolivar 34-36, 100 Bruxelles, Belgium

🛪 Brussels Airport 30 min

Venue, directions, parking and recommended hotels on p. 7-8

NETWORKING DINNER

On the evening of **Tuesday 28 April**, the evening after the event, attendees will have the opportunity to meet for dinner (at own expense) at restaurant **Belga Queen**.

Details & registration info on p. 6 (NB: register by 21 April)





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PROGRAM & ABSTRACTS





SHANKAR KRISHNAMOORTHY

Executive VP ENGIE, in Charge of Strategy and Innovation

Even Big Companies can Innovate: Funding and Organizing for New Business Creation, Leveraging Startups, Spotting Weak Signals, and Embracing Digital Innovation

As in many other industries, the value chain of energy is deconstructing and reconstructing, and the disruptors are coming from everywhere. Innovation is essential to companies' competitiveness on the short

term, and even to survival on the long term. How do big energy companies address the tidal-wave of innovation to stay relevant in the decades to come? Shankar Krishnamoorthy, ENGIE EVP, will talk about some of the challenges and choices faced by ENGIE over the last 5 years and the key lessons learned along the journey:

- Allocation of resources between traditional and new businesses
- Make or buy choices: internal vs. external innovation

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- Integrating start-ups into the organization
- Centralized vs. decentralized innovation management systems
- The role of digital innovation in a heavy infrastructure industry
- Detecting and acting on weak signals: too early vs. too late



CHRISTOPH H. WECHT

Program Director Management by Design



How to Find Business Model Innovation Ideas and Introduce Them to the Market: Innovation Culture as a Key Success Factor

It is no longer sufficient to innovate products and services. Digital disruption comes with the necessity to rethink your own business model. Therefore business model innovation has become a key success factor. But how can ideas for business models be found, developed into concepts, and introduced to the market? A limited

number of recurring patterns are the building blocks of a proven methodology to approach this challenge. Successful implementation of new business models turns out to be the most challenging part. It heavily depends on a fitting innovation culture. Also here existing practices can be used to build a cohesive, motivated culture and to sustain it in your organization.

- Business model innovation is key for a company's survival in the age of digital disruption
- This is especially true when platform-based ecosystems emerge in the respective industry/market
- For established company's/incumbents there is a proven methodology how to innovate business models along the steps of initiation, ideation, integration, and implementation
- During ideation 55 business model patterns help to break the industry logic and to think outside the box
- Transferring, combining and leveraging those patterns often leads to radical, new approaches that are further developed to market maturity in the subsequent steps
- Implementing changes to business models comes with a lot of hurdles a fitting innovation culture is the single most important requirement to master them
- Successful cultural practices can help to establish an environment where new ideas flourish and problems get solved
- Numerous examples of cultural practices that illustrate those above mentioned points can be found in the Innovation Culture Navigator tool box

Christoph H. Wecht has a background in mechanical engineering and has been involved in innovations for 20 years. After heading the Center of Excellence for Open Innovation at the Institute for Technology Management at the University of St. Gallen, he moved to the New Design University (NDU) in St. Pölten, where he heads the degree in Management by Design. During 2019, he has been visiting professor at the Stanford University Center for Design Research.

PROGRAM & ABSTRACTS



Roundtable Discussion I · Choice between:

- Exercise on Rethinking Business Models exercise facilitated by Dr. Christoph H. Wecht, New Design University St. Pölten. The group will select one of the companies represented at the table and go through a structured exercise with a worksheet:
 - Describe and discuss the key elements of the business model.
 - What is the single most important external driver affecting it? How will you deal with it?
 - How would McDonald's/IKEA/Apple run your business?
- 2. Exercise on Innovating and Scaling with Partners and in Ecosystems exercise facilitated by Lilian Matischok, Bosch. Participants will be guided through a structured questionnaire; we will identify, evaluate and discuss different kind of partnerships and cooperations for innovating and scaling in intra- and cross-company set-ups.
- 3. Topics of choice. Selection of discussion topics within the overarching themes of the day



ERIK JIVMARK Chief Operating Officer, Volvo Car Mobility

Building a Fully Standalone Company to Offer a Real Alternative to Car Ownership in Cities

Erik Jivmark will detail the journey of Volvo Car Mobility AB, a standalone venture from Volvo Cars based in Stockholm, Sweden. In July 2018, Volvo Car Mobility announced its first brand: M, smart car sharing – a new alternative to private ownership, setting a new standard for consumer experience and tech-enabled mobility. Erik

Jivmark will discuss how to organize, validate opportunities in an uncertain context, attract talent, and more:

- Unlocking a new business model
 - Organizing and building a separate culture, and using new ways of working
 - Developing the product from the ground up: identifying the challenge, how to solve it, and the validation process
 - Managing the balance between integration with vs separation from the core
 - The methodology to validate uncertainty and working with user feedback
 - The challenge and approach in attracting talent



BERND WACHMANN

Director - Business Innovation Center Europe



Creating, Incubating and Scaling New Digital Businesses: Organizing, Success Factors and Partnering with Startups

Bernd Wachmann leads the Business Innovation Center with a focus on developing new digital businesses and supporting the core in digital transformation. Bernd will present how the unit creates new businesses, how it incubates and scales them, and he will explain the organizational setup and key success factors. He will

also touch on the unit's approach to partnering with external startups.

- Creating and developing new digital businesses:
 - Incubating and commercializing projects within a large firm
 - The need to place innovation in a separate structure to reach maturity
 - Developing genARate, an AR-based solution: the journey, learnings, and future plans
 - The approach to scaling a startup within a corporation
- Organizing and structuring a small unit in a large firm the approach taken
 - Enabling fast decision-making and clear communication
 - Team structures, governance and inter-cultural communication
- · Partnering strategically with external startups and corporates depending on phase and objective

PROGRAM & ABSTRACTS



Roundtable Discussion II • Choice between:

- Exercise on Rethinking Business Models exercise facilitated by Dr. Christoph H. Wecht, New Design University St. Pölten. The group will select one of the companies represented at the table and go through a structured exercise with a worksheet:
 - Describe and discuss the key elements of the business model.
 - What is the single most important external driver affecting it? How will you deal with it?
 - How would McDonald's/IKEA/Apple run your business?
- 2. Exercise on Innovating and Scaling with Partners and in Ecosystems exercise facilitated by Lilian Matischok, Bosch. Participants will be guided through a structured questionnaire; we will identify, evaluate and discuss different kind of partnerships and cooperations for innovating and scaling in intra- and cross-company set-ups.
- 3. Topics of choice. Selection of discussion topics within the overarching themes of the day



SEBASTIAN PHILIPP

VOLKSWAGEN

AKTIENGESELLSCHAFT

Head of Business Innovation Studio, Volkswagen Group Services

Incubating and Accelerating New Business Models, Creating Digital Services, and Managing Organizational Obstacles

Sebastian Philipp heads the Business Innovation Studio of the Volkswagen Group Services, which is an internal consulting agency for new business creation and digital service development. In this role they enable an internal incubator and accelerators in the Volkswagen Group. In his presentation, Sebastian will explain

how the unit works and he will detail the setups of the internal incubator and accelerators for new business creation and business model innovation. He will also discuss the topic of premature scaling as a threat to the success of innovation.

- Internal incubator and accelerator What works for business model innovation in a corporate context
 - How radical can a corporation be in business model innovation and to what extent can methods from the lean startup approach be applied?
 - Setting up the program and iterating based on learnings and ways of working with the internal team
 - Finding internal sponsors, building the case and momentum, and aligning and bringing the idea into production with KPIs that are relevant to the core
 - Key takeaways and learnings
- Premature scaling avoiding scaling too fast and too early by validating and maturing the new business model, and growing in the right way



LILIAN MATISCHOK

Director Digital Business Office, Industrial Technology



The Journey of Developing a Digital Business and Scaling It within a Large Firm

Lilian Matischok will present the journey to build a digital business model around IoT solutions, and scale it within a large firm. She will explain the challenges and success factors when scaling a new digital business – from strategy and people through how to organize and which methods to use, to culture and external factors.

- How to implement new digital business models in a large hardware-oriented company
- Starting with ambitious strategies and high expectations, learning and adapting from determining which ideas are scalable and which business plans are realistic and feasible under given conditions
- From innovation to scaling
 - Selecting the right ideas to avoid innovation theatre, the challenges and key learnings in go-to-market and operating approach, taking a portfolio approach, having a suitable framework, but also involving the right people
- Determining the right way to organize for new businesses
- How to find the right balance between separating from the core business to enable a new culture and staying close to it to use existing capabilities, advantages and resources
- Cooperating in internal and external ecosystems
 How to use partnerships, alliances and suppliers to learn, experiment, and scale faster

Wrap up & Plenary Sharing: Plenary feedback session and sharing insights from the day.



We recommend the following readings with insights and cases related to the workshop themes:

#Business Model Innovation

- Business Model Innovation Processes in Large Corporations: Insights from BASF
 Stephan Winterhalter, Tobias Weiblen, Christoph H. Wecht and Oliver Gassman, 2017 Journal of Business
 Strategy Free Access
- <u>The Hard Truth About Business Model Innovation</u> Clayton M. Christensen et al., 2016 – MIT Sloan Management Review – Free access^{*}
- <u>Creating Value Through Business Model Innovation</u> Raphael Amit & Christoph Zott, 2012 – MIT Sloan Management Review – Free access^{*}
- Disrupting Beliefs: A New Approach to Business Model Innovation Marc de Jong & Menno van Dijk, 2015 – McKinsey Quarterly – Free access

#Digital Innovation

- <u>The First Law of Digital Innovation</u> George Westerman, 2019 – MIT Sloan Management Review – Free access^{*}
- Making It Easier to Manage and Scale Digital Projects
 Patricia J. Guinana, Salvatore Parise, and Robert Maguire, 2019 MIT Sloan Management Review Free access*

#Ambidextrous organization

- <u>Critical Success Factors: Disruptive Innovation & New Business Models</u>
 Innovation Roundtable® Research Team, 2018 LinkedIn Pulse Free access
- <u>What's Your Best Innovation Bet?</u> Melissa A. Schilling, 2017 – Harvard Business Review – Free access**
- <u>Research: Self-Disruption Can Hurt the Companies That Need It the Most</u> Rahul Kapoor & John Eklund, 2018 – Harvard Business Review – Free access**
- How Separate Should a Corporate Spin-Off Be? Andrew Campbell, 2014 – Harvard Business Review – Free access**

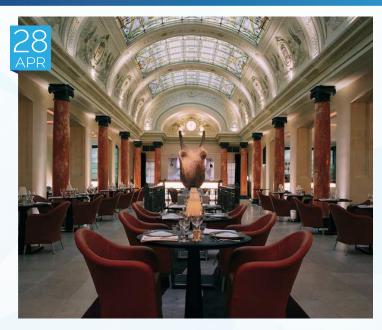
#Lean Startup

- The Barriers Big Companies Face When They Try to Act Like Lean Startups Scott Kirsner, 2016 – Harvard Business Review – Free access**
- What the Lean Startup Method Gets Right and Wrong Ethan Mollick, 2019 – Harvard Business Review – Free access**

* You can register as a Site Member on sloanreview.mit.edu and access up to 3 articles for free each month, additional articles at USD 6.50 each. Yearly subscription with unlimited access to articles: USD 75.

** HBR.org allows unregistered users to access up to 3 articles for free every month. You can also register for free and get access to up to 6 articles per month.

DINNER THE EVENING AFTER THE EVENT



The evening after the workshop, attendees will have the opportunity to meet for dinner (at own expense) at the restaurant **Belga Queen** - a restaruant with a unique interior of a former bank, located in the centre of Brussels and offering modern Belgian cuisine with a very national touch - the addition of beer to numerous dishes.

Participants can meet at the restaurant for drinks from **18:45** the dinner will start at **19:45**.

3-courses dinner with drinks (water, two glasses of wine and tea/coffee) at the price of €65,28.

Please register and pay through this link by 21 April: innoround.co/dinners

Belga Queen Rue fossé aux loups 32, 1000 Brussels, Belgium <u>belgaqueen.be</u>

VENUE & DIRECTIONS



ENGIE Campus Brussels

Boulevard Simon Bolivar 34-36, 100 Bruxelles, Belgium

The **ENGIE Campus Brussels** venue is located in the **Northern Quarter**, a central business district of Brussels.

From Brussels Airport:

The best way to reach the venue from the airport is by train, travel takes only 15 min. From **Brussels Airport-Zaventem** stop take the direct **IC train** and get off at **Bruxelles-Nord** station. The venue is within 4 min walk (350m) from the station.

If you wish to arrive by taxi or car, estimated travel time is 30 min. Please be aware that it can take longer during rush hours.

From Brussles city & other locations in Belgium:

You can easily reach the venue from other locations by train. Engie is located just 4 min walk (350m) from the **Bruxelles-Nord** station, offering local tram connection with the city, regional train connections within Belgium, and fast train to the airport.

From the Brussels center you can take the tram **line 3** or **line 4**, and get off at **Bruxelles-Nord** station. Walk few minutes along Boulevard Simon Bolivar, unitl you see the venue on your left.

To plan your journey, please check: www.belgianrail.be/en

From nearby European cities:

You can reach the venue conveniently by train from most of nearby European capitals. It takes:

- 1 hour 45 minutes from **Paris**, Gare du Nord (route operated by Thalys)
- 2 hours 15 minutes from Amsterdam (Thalys & IC train)
- 2 hours from Rotterdam (direct IC train)
- 2 hours 30 minutes from London (direct by Eurostar)
- 2 hours from Cologne, Germany (direct IC train)

To plan your journey, please check: <u>NMBS/SNCB</u> <u>Thalys</u>

SECURITY



Please bring your passport or ID card,

as it will be required to enter the venue.

PARKING

Paid parking facilities available nearby:

- at the WTC (entrance bd Simón Bólivar)
- Parking CCN (under Gare du Nord station)
- Interparking (Square Rogier)

INTERNET ACCESS

Wi 🕞 You will receive free WiFi access at the venue.

CONTACTS

For inquiries, please call us: +45 4050 8686.







ACCOMMODATION

Recommended Hotels • Attendees can book rooms at special rates at the following hotels, all located close to the workshop venue. Please note that the special rates are available for a limited amount of rooms and for a limited time, therefore it is suggested that you reserve your room as soon as possible.

Thon Hotel Brussels City Centre * * * * thonhotels.com Avenue du Boulevard / Bolwerklaan 17, 1210 Brussels, Belgium 5 min drive to the venue; 30 min drive from Brussels Airport; 6 min drive from Gare Cenrale St. Single room: €150, Double room: €180 incl. breakfast (excl. city tax) To avail the special rate please use the following weblink The special rate is avaiable until **03/04/2020**. Novotel Brussels Centre Tour Noire **** all.accor.com

Rue de la Vierge Noire 32, 1000 Brussels, Belgium

8 min drive to the venue; 34 min drive from Brussels Airport; 7 min drive from Gare Cenrale St. Single room: €160 - €175 (excl. city tax)

To avail the special rate, you can send an email to <u>H2122@accor.com</u> including fully filled and signed registration form.

The special rate is avaiable until 27/03/2020.

Hotel Le Plaza Brussels $\star \star \star \star$

O Adolphe Maxlaan 118/126, 1000 Brussels, Belgium

low 6 min drive to the venue; 25 min drive from Brussels Airport; 6 min drive from Gare Cenrale St. Standard room: €198

To avail the special rate please use the following weblink .

The special rate is avaiable for limited number of rooms.

Crowne Plaza Brussels - Le Palace * * * *

Rue Gineste 3, 1210 Bruxelles, Belgium

lambda from the senue; 25 min drive from Brussels Airport; 6 min drive from Gare Cenrale St. 🚍 Single room: €139 - €159 incl. breakfast (excl. city tax)

🔄 To avail the special rate please use the following <u>weblink</u>.

The special rate is avaiable until 20/03/2020.



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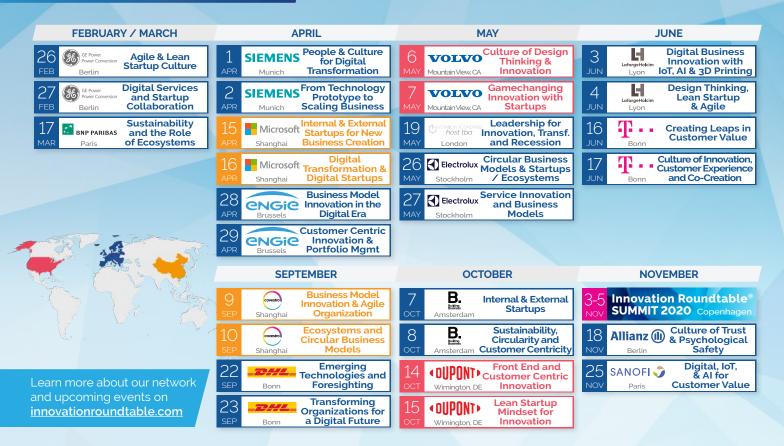


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Innovation Roundtable® facilitates connections between innovation managers in a setting where they can learn about best practices from executive speakers and leading experts, discuss selected innovation topics, and **share** experiences with peers.

Our events, attended by 150-200 innovation executives, provide a unique source of inspiration and new ideas for managers and help them create an even stronger foundation for innovation in their firms.

2020 · OUR EVENTS



"Innovation Roundtable® is a great platform to learn, exchange and partner up" Wolfgang Reich · Director, Advanced Materials & Systems · BASF

"This kind of event is excellent, I have really learnt a lot: a mind opener for innovation." Julie Lv · China Engineering Director · Johnson & Johnson

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