



EXCLUSIVE VERTICAL INTEGRATION OR INCLUSIVE HORIZONTAL CO-CREATION

WHAT IS THE BEST WAY FOR YOUR COMPANY TO
INNOVATE AND WHY?

- *Prof. Dr. oec. Sigvald Harryson*, Professor of Disruptive Innovation at HULT Business School in San Francisco

Liechtenstein Business School
Department Technology & Innovation

Editorial

Innovation lies at the heart of progress, driving industries forward and shaping the future.

Over the years the Professorship of Innovation & Technology of the Liechtenstein Business School at the University of Liechtenstein has been organizing a thought-provoking workshop series, delving into the realm of innovative companies and exploring emergent technologies. These workshops have served as a platform for deepening the understanding of co-creation and its practical applications, while fostering connections between firms and technology. The workshop series has been a testament to the university's commitment to nurturing innovation. By examining the journeys of innovative companies, participants gain valuable insights into the drivers of their success. Among the captivating topics, the exploration of the electric mobility sector stands out as a prime example of an emergent technology. The convergence of firms and technology within this domain presents a fertile ground for collaboration and disruption.

At the core of the September Workshop lies the concept of co-creation, a collaborative approach that involves working with external partners to achieve truly transformative innovation. The session aims to deepen the understanding of co-creation and empower participants to apply this approach in their respective industries. The workshop goes beyond theoretical frameworks by emphasizing the practical transfer of knowledge, ensuring that the insights gained can be effectively implemented in real-world scenarios. By bridging the gap between theory and practice, the workshop enables participants to drive tangible change within their organizations.

A key highlight of this workshop is the invaluable expertise of Sigvald Harryson, a renowned expert in the field of co-creation. With a rich background of collaborating with multinational corporations, Sigvald Harryson brings a wealth of knowledge and experience to the table. Notably, his work alongside the visionary Elon Musk of Tesla has provided him with unique insights into the realm of disruptive innovation. Sigvald Harryson's contributions to the workshop offer participants an extraordinary opportunity to learn from his vast expertise, inspiring them to embrace the power of disruptive thinking and pursue innovation fearlessly.

By delving into the journeys of innovative companies and exploring emergent technologies, participants gain a deeper understanding of the changing business landscape. With the guidance of experts like S.V., this workshop inspires participants to embrace disruptive innovation and drive positive change in their organizations. As we look to the future, this workshop will continue to serve as a platform for collaboration, knowledge sharing, and the cultivation of a culture of innovation in Liechtenstein and beyond.

Vaduz, June 2023

Prof. Dr. Leo Brecht
Professorship for Technology & Innovation
Department Entrepreneurship



Speaker:

> **Prof. Dr. oec. Sigvald Harryson**

Sigvald Harryson is a Professor of Disruptive Innovation at HULT Business School in San Francisco and also teaches at HULT in London and Dubai. He is the founder of HCG, INNOVENTUM, and iKNOW-WHO. His first Ph.D. was on Japanese R&D Management and his second was on Breakthrough Innovation. His book DISRUPTING INNOVATION was recently published in co-authorship with Dr. Johan Roos.

Content:

Benefit of the Workshop: Participants acquire learnings from 20 years of research on one of the hottest topics today - causing challenges that most companies are facing and have to solve.

They apply the learnings to their business realities for immediate acceleration of innovation - horizontally, vertically or both.

The executives are engaged in an in-depth analysis of the pros and cons of two polar extremes in value chain integration:

1. Exclusive vertical integration as pioneered by Ford 80 years ago and as taken yet further by Tesla
2. Inclusive horizontal co-creation as practiced by Porsche since more than 50 years and intensified over the past 20 years.

Executives (and MBA students) will get an in-depth program day I to explore and analyse these two polar value chain positions so as to deliver the following points in interactive presentations day II:

1. Take a stance and decide to develop arguments for vertical integration, and/or horizontal co-creation based on a wide range of company examples
2. Take a new company as example of successful application of vertical, or horizontal, integration/ co-creation
3. Apply the learnings to one company represented by the Executives in each respective team so as to present a clear plan for the following:
 - A. vertical integration, or horizontal co-creation - based on clear advantages with the selected strategy and the risks
 - B. at least one identified value chain partner candidate relevant to the case company with a plan for how to pursue vertical integration of that partner, or horizontal co-creation with that partner, including estimated costs and timelines
 - C. the expected results in terms of innovation, revenues and profits of pursuing A, or B or both A and B.

For clarity, the Teams of Executives and MBA students can also choose to present how one value chain partner can be included BOTH through vertical integration AND horizontal co-creation to then suggest which value chain strategy is best for capturing most value from the identified partner.

Program

(The program is subject to possible changes.)

1st Day

09.00	Introduction
09.00	Introduction of all participants – Executives and MBA students
09.15	Presentation of the program for the two days
09.30	In-depth presentation of the Porsche ceramic brakes and Tesla's first Roadster development with comparison to the Porsche Taycan development
10.00	Break
10.10	Groupwork
	Groupwork to prepare 3 slides for presentation: <ol style="list-style-type: none">1. Top three advantages with inclusive horizontal co-creation2. Three biggest risks with inclusive horizontal co-creation3. One new (beyond Porsche and Tesla Motors) relevant example of inclusive horizontal co-creation
10.30	Team presentation
	Team presentations on top three advantages and three biggest risks with inclusive horizontal co-creation + one new example (beyond Porsche and Tesla Motors)
11.00	Break
11.10	In-depth Presentation of Tesla
	In-depth presentation of Tesla's exclusive vertical integration strategy - developed over the past 10 years of Tesla's evolution
11.40	Groupwork
	Groupwork in breakout rooms for 20 minutes to prepare 3 slides: <ol style="list-style-type: none">1. Top three advantages with Tesla's exclusive vertical integration strategy

2. Three biggest risks with Tesla's exclusive vertical integration strategy
3. One new (beyond Tesla and Ford) relevant example of strong vertical integration

12.00 Team presentation

Team presentations on top three advantages and three biggest risks with exclusive vertical integration + one new example

12.30 Presentation of companies

Executives briefly present the companies they represent and the concrete cases they would like to bring into the two-day program

12.30 Lunch

13.30 Groupwork

Groupwork in breakout rooms for 45 minutes to prepare 5 slides:

1. Introduce the Case Company agreed to be used by your Team
2. Opportunity for horizontal co-creation and/or
3. Opportunity for vertical integration (for the case company you have selected).
4. Expected results (new product launch by X months, increased revenues of YYY CHF within XX months)
5. Your current decision to pursue horizontal co-creation or vertical integration to capture the expected results.

14.15 Team presentation

Team presentations of 5 slides on the groupwork listed above

15.00 Break

15.15 Co-creation (Session I)

Co-Creation in the Classroom (Session I)

- Each Team gives brief feedback to each of the Team presentations from the previous (14:15 – 15:00) session
- The feedback should include “the most positive point made” and “the point that we recommend to rework/improve”.

17.00 End of Day I

2nd Day

09.00 Intensification of Co-Creation

Intensification of Co-Creation – Learning from a Wide Range of Cases

- Nestlé – Co-Creating a Novel Petfood
- BASF – Co-creating a Biodegradable Sunscreen
- Unilever – Co-Creating a Sustainable Ice Cream
- Kraft Heinz – Co-Creating Sustainable Packaging
- Important points to keep in mind when engaging with universities
- Important points to keep in mind when engaging with start-ups
- Important points to keep in mind when engaging with other large companies

10.00 *Sharing Ideas*

Class Participants share ideas on possible Moonshots/Breakthroughs

10.15 Break

10.30 **Groupwork**

Teams gather (different teams compared to Day I) in breakout rooms to

1. Agree on one Moonshot (breakthrough to achieve) in Sustainability
2. Agree on at least 3 co-creation partners to accelerate progress and intensify innovation impact
3. Agree on how to get the co-creation partners on board by presenting win-win-win propositions.

10.45 **Team presentation**

Team presentations on the 3 areas above.

11.15 Break including preparation of the feedback to be shared in the next session

11.30 **Co-Creation (Session II)**

Co-Creation in the Classroom (Session II)

- Each Team make gives a brief feedback to each of the Team presentations from the previous (10:45 – 11:15) session
- The feedback should include “the most positive point made” and “the point that we recommend to rework/improve”.
- Please also suggest at least one further co-creation partner and how this can be attracted through a win-win-win proposition

12.15 Reflection

Class-reflection on the insights and what to do next

12.30 Lunch

13.15 Groupwork

The Team constellations from Day I gather again to:

- agree how to apply the learnings from Day II to significantly improve the Team presentation made Day I
- Identify and motivate further co-creation partners
- Identify and describe possible candidates for vertical integration

14.00 Team presentation

Team presentations on the points listed above

14.30 Break for individual reflection

Long break for individual reflection on 3 points

- **Most important learnings from the 2 days**
- **One thing you will do differently when back at work tomorrow**
- **The next thing you would like to learn more about**

15.00 Share Insights

Each participant shares her/his insights from the points listed above

16.15 Apéro with continued networking

End of Day I.

Information Contact

[Mag. iur. Petra Schwärzler](#)

[Prof. Dr. Leo Brecht](#)

Fee

CHF 2'990 for up to 2 participants.

Each additional person from the company CHF 1'450.

Registration

A maximum of 15 participants will be accepted. Registration can be done online at www.uni.li/veranstaltungen. It is binding and obligates to pay the fee. Substitute participants will be accepted without additional costs.

Registration Deadline

Will be shown on website.

Contact and information

For general information, please contact Liechtenstein Executive School (+423/265 13 79, weiterbildung@uni.li). For further information, please do not hesitate to contact Prof. Dr. Leo Brecht.