

MANAGEMENT AND ECONOMICS OF DIGITAL INNOVATION (MG250)

Course duration: 54 hours lecture and class time (Over three weeks)

Summer School Programme Area: Business and Management

LSE Teaching Department: Department of Management

Lead Faculty: Dr Antonio Cordella (Dept. of Management)

Pre-requisites: A university level introductory course in management, economics, business studies, marketing, information systems or computer science. Students would benefit from some knowledge of elementary business and information technology.

Course Outline

Digital innovations transform the ways in which companies and individuals create and share information, offer innovative value creation propositions, define new economic patterns, and make possible unique business models.

Analysing the core managerial and economic strategies underpinning the success of the most recent digital innovation such as platforms and ecosystems; artificial intelligence algorithms; blockchain technologies; and gamification, the course provides unique resources to understand how digital innovations change the economic dynamics of the contemporary economy and e-business practices.

This is a management course, and not a technical course, and is mainly directed at undergraduate students. It focuses on the effective application of digital innovations in business. Students will gain a good understanding of how successful companies are taking advantage of digital innovations, as well as an understanding of the main challenges and risks associated with digital innovations models and strategies.

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Programme Structure

- The management and economics of Digital Innovations – framing of the context
- Economic theories – network economics; transaction costs theory; pricing theory
- Strategic management for Digital Innovations – value creation in the networked economy; innovative business models
- Platforms and ecosystems
- Business cases – Artificial intelligence; Blockchain; Gamification
- Digital innovations and pricing – innovation in price dynamics
- Digital Innovations environment – organisational, legal, ethical and security issues.

Course Outcomes

- Understand what digital innovation is and how it shapes the contemporary economy
- Learn the fundamental theories, framework, and strategies of management and economics that underpin digital innovations and business evolution

- Understand how leading cases of digital innovations generate value and their associated challenges
- Recognise the complexity of factors that shape digital innovations business models.

The course consists of 36 hours of lectures and 18 hours of classes. You should expect the course (lectures as well as classes) to be interactive, so come prepared to participate.

Assessment

Formative Assessment

This will not count towards your final overall grade but will help you prepare for the first summative assessment.

Format: Essay plan

Date: Friday of week one

Feedback/results due: Monday of week two

Summative Assessments

Format and weighting: Essay (40%)

Date: Friday of week two

Results due: By Tuesday of week three

Format and weighting: Two-hour final examination (60%)

Date: Friday of week three

Results due: Within a week of the exam

More information about the final exam will be provided later in the course, and the precise time and location will be circulated during the programme. Previous exams are available on the course Moodle site, along with marking schemes.

You will find a provisional schedule below. Please note that although the course will follow this general format, the exact schedule may differ slightly (for instance lectures may be in a different order).

Day	Afternoon	Morning	Sample Readings
1	LECTURE 1 Introduction - Background Digital Innovation and competitive positioning		TBD
2	LECTURE 2 Digital Innovation and value creation - Network Economics Theory	CLASS Introduction Case: TBD	TBD
3	LECTURE 3 Managerial and economic theories of digital innovation: - Transaction costs theory	CLASS Discussion of reading (group presentation)	TBD
4	LECTURE 4 Managerial and economic theories of digital innovation: -Open Innovation	CLASS Discussion of reading (group presentation)	TBD
5	LECTURE 5 Managerial and economic theories of digital innovation: -Pricing	CLASS Discussion of reading (group presentation)	TBD
Date	Morning	Afternoon	Sample Readings
6	Lecture 6 Artificial Intelligence: how does it create business value?	CLASS Case: TBD	Case: TBD

7	Lecture 7 Platforms and ecosystems: how do they create business value?	CLASS Essay Class	Case: TBD
8	Lecture 8 Blockchain: how does it create business value?	CLASS Case: TBD	Case: TBD
9	No Lecture today	CLASS Case: TBD	
10	No lecture today Essay due by 17.00 pm		
11	Case: TBD	Case: TBD	Case: TBD
Date	Morning	Afternoon	Sample Readings
12	Lecture 10 Innovation Services: how do they create business value?	CLASS Case: TBD	Case: TBD
13	Lecture 11 Gamification: how does it create business value?	CLASS Case: TBD	Case: TBD
14	Lecture 12	CLASS	Case: TBD



	Recap of the concepts and theories and business models discussed in the course	Exam preparation	
15	Final Examination		

Credit Transfer: If you are hoping to earn credit by taking this course, please ensure that you confirm it is eligible for credit transfer well in advance of the start date. Please discuss this directly with your home institution or Study Abroad Advisor.

As a guide, our LSE Summer School courses are typically eligible for three or four credits within the US system and 7.5 ECTS in Europe. Different institutions and countries can, and will, vary. You will receive a digital transcript and a printed certificate following your successful completion of the course in order to make arrangements for transfer of credit.

If you have any queries, please direct them to summer.school@lse.ac.uk