Services and Service Innovation in the Global Economy

Máster Universitario en International MBA

Universidad de Alcalá

Academic Year 2018/2019
1. INTRODUCTION

This subject introduces the student to the economics and management of services from the perspective of service innovation. Since current economics are dominated by the service sector, making up around 70% of GDP, and many of the manufacturing processes are services too, knowledge about services can be extremely useful for understanding how businesses work today and how business performance can be improved through service innovation.

The objective of this subject is two-fold: to introduce the economics of services, given the new global challenges faced by service businesses, and to introduce the issue of service innovation, its nature, main characteristics and challenges. The subject has useful managerial and policy implications.
2. COMPETENCES

General skills:

1. Analytical thinking
2. Team work
3. Independent work
4. Observation of reality
5. Ability to manage time and to plan and organise work

Specific skills

6. Students become familiar with the peculiarities of Services and Service Innovation.
7. Students will learn to select thoughtfully among the concepts and tools available for managing service innovation.
8. Students will gain insights into sectorial differences at an international level, with a particular emphasis on the management styles typical of specific sector cultures.
9. Students will gain basic insights into how to organise a service innovation department.

3. CONTENTS

<table>
<thead>
<tr>
<th>Units</th>
<th>Total classes, credits or hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>MODULE I: THE SERVICE ECONOMY</td>
<td>2</td>
</tr>
<tr>
<td>T1. The rise of services in global businesses and global Economy</td>
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<tr>
<td>T2. The economics of services and the productivity gap</td>
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<td>T3. The role of services in manufacturing industries</td>
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<td>T4. The internationalisation of services</td>
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## MODULE II: SERVICE INNOVATION

- T5. Services and innovation: a conceptual framework
- T6. Service innovation vs goods innovation
- T7. The transformative power of service innovation in businesses
- T8. Service innovation and organisational innovation: a new value added chain
- T9. The impacts of service innovation

## MODULE III: MANAGERIAL AND POLICY IMPLICATIONS

- T10. Managerial implications of service innovation
- RT11. Rationale for service innovation policies and policy implications

### 4. TEACHING LEARNING METHODOLOGIES – FORMATIVE ACTIVITIES

#### 4.1. Credit Distribution (hours)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Hours</th>
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</thead>
<tbody>
<tr>
<td>Class hours</td>
<td>24</td>
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<tr>
<td>Independent self-guided study</td>
<td>126</td>
</tr>
<tr>
<td>Total hours</td>
<td>150</td>
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</table>

#### 4.2. Methodology, materials and resources

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
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<tbody>
<tr>
<td>Lessons</td>
<td>Lesson attendance is compulsory (80% of attendance)</td>
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<tr>
<td>Questions</td>
<td>Each student must ask at least 1 question per day</td>
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<tr>
<td>Readings</td>
<td>Students will be asked to read the recommended papers</td>
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<tr>
<td>Practice</td>
<td>Three practical exercises will be done during class</td>
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<tr>
<td>Short Paper</td>
<td>Each student will have to develop a short paper (4000 words) on a selected topic and will be supervised by the teacher</td>
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</table>
5. ASSESSMENT: Procedures, assessment and marking criteria

Attendance and interventions: 25%
Short paper: 50%
Final test: 25%

6. BIBLIOGRAPHY

Essential Reading:

- Luis RUBALCABA, Marja TOIVONEN (2013). Internationalisation of services: modes and the particular case of KIBS. In Peter Daniels and John Bryson (Eds) The Handbook of Service Business. Edward Elgar (Forthcoming)

Additional Reading (optional)


- Luis RUBALCABA, Jorge GALLEGO, Maria Teresa GALLO, Rubén GARRIDO (2012). Business services location and market factors in major European cities. Cities. http://dx.doi.org/10.1016/j.cities.2012.06.022 Received 8 February 2010
- Luis RUBALCABA, Jorge GALLEGO and Pim DEN HERTOG (2010). The case of market and system failures in services innovation The Service Industries Journal: Vol 30, 4, 549-566