21E00034 – Strategy Process

Lecture schedule

L02 Lecture, Online, Otakaari 1: Strategy process: key terms and perspectives
<u>Friday, 5 March</u>, 13:15 **»** 16:00
- Learning goals:
    - o understand the core elements of strategy formulation, such as analysis of the external environment, alternative creation, alternative evaluation, quantification of strategic issues and options, and choice
- Pre-assignment
    - o Use online searches to familiarize yourself with the following topics (spend about 30 min)
        - ▪ Definition of strategy
        - ▪ What does a good strategy look like?
        - ▪ How to formulate a good strategy?
        - ▪ Quantification, guesstimation: how do you assign a numeric value for elements in a strategic problem

L02 Lecture, Online, Otakaari 1:
<u>Friday, 12 March</u>, 13:15 **»** 16:00
- Learning goal
    - o understand how process-related choices influence the quality of strategy formulation and execution and apply this knowledge to make informed choices
- Pre-readings
    - o Gavetti & Levinthal, 2000, Looking forward and looking backward: Cognitive and experiential search, Administrative Science Quarterly
- Assignment: Read the article and make online searches to answer the following questions. Write a maximum of 600 words, single spaced.
    - o What does bounded rationality mean?
    - o What does satisficing search mean? Provide also an example from your own experience.
    - o What do cognitive representations mean? How do they influence people's choices? Give also an example of an everyday choice in which your own mental model influences your choice.
    - o Why cognitive presentations benefit organizational search compared to experimental search?
    - o Under what conditions are cognitive presentations most likely to harm organizational search? Provide also an example of a company that has made a strategic mistake due to its leaders' cognitive representations.

L02 Lecture, Online, Otakaari 1: "Soft" psychological forces in strategy formulation
Friday, 19 March, 13:15 **»** 16:00
- Learning goal: understand how psychological dynamics influence strategy formulation and execution and consider and reflect how they can improve the such psychological dynamics
- Pre-readings
    o Healey & Hodgkinson, 2017, Making strategy hot. California Management Review, 59(3), 109-134
    o Vuori & Huy, 2020, Regulating Top Managers' Emotions during Strategy Making: Nokia's Socially Distributed Approach Enabling Radical Change from Mobile Phones to Networks in 2007-2013, online ahead of print
- Assignment: Read the articles to answer the following questions. Write a maximum of 600 words, single spaced.
    o Why and how emotions can influence strategy making in organizations?
    o Give an example of a situation in which your emotions have influenced your choice. Why did you experience the emotion and how did it influence you?
    o What are the key elements in emotion regulation? Describe and analyze a situation in which someone has regulated your emotions.
    o How should one apply emotion regulation in an organizational setting?

L02 Lecture, Online, Otakaari 1
Friday, 26 March, 13:15 **»** 16:00
- Learning goal
    o understand how structural factors (including team composition) influence strategy formulation and execution and make informed choices regarding structure
- Pre-readings
    o Gilbert, C. G. 2005. Unbundling the structure of inertia: Resource versus routine rigidity. Academy of Management Journal, 48(5): 741-763.
    o Healey, M., Vuori, T., & Hodgkinson, G. 2015. When Teams Agree while Disagreeing: Reflexion and Reflection in Shared Cognition. Academy of Management Review, 40(3): 399-422.
- Assignment: Read the articles to answer the following questions. Write a maximum of 600 words, single spaced.
    o Why and how does organizational structure influence what information strategic decision makers consider?
    o Why and how does organizational structure influence how strategic decision makers interpret the information they consider?
    o How organizational structure influences students' vs. professors' perceptions of what is relevant for Aalto University?
    o Why and how does top management team composition influence what information they consider?
    o Why and how does top management team composition influence how they interpret the information they consider?
    o How the composition of your group assignment team has influenced your information scanning and interpretations?

L02 Lecture, Online, Otakaari 1: Data-analytics and AI in strategy formulation

Friday, 9 April, 13:15 **»** 16:00

- Learning goal(s):
    o understand how artificial intelligence and data-analytics might influence strategy formulation and execution and develop preliminary ideas of how they could be applied in practice
- Pre-readings
    o Murray, Rhymer & Sirmon, 2020, Humans and Technology: Forms of Conjoined Agency in Organizations, Academy of Management Review, online ahead of print
    o Balasubramanian, Ye & Xu, 2020, Substituting Human Decision-Making with Machine Learning: Implications for Organizational Learning, Academy of Management Review, online ahead of print.
- Assignment: Read the articles and answer the following questions. Write a maximum of 600 words, single spaced.
    o Why and how AI could help organizations overcome the challenges in strategy making identified during this course? Why?
    o What do you believe would be most challenging in actually implementing AI in strategy making? Why?
    o To answer both questions, please provide conceptual logic, company examples, and examples from your own experience (work related or not).