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Proactive vision for strategy making

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Abstract

Strategy makers have expressed the need for computer support systems, which they can readily use to monitor, diagnose, analyze and synthesize the current performance of their organization and estimate its future potential, direction and performance. The computer software industry has attempted to meet this demand for many years; however, in this context, the computer-based executive support and decision support systems developed so far have provided only partial solutions. These systems have supported either specific processes or specific activities. They have not provided executives with the kind of support that would enable them to acquire a holistic understanding of the constructs, concepts, variables, specific issues, and also the relations and interrelationships that must be monitored and mastered in strategic planning and implementation. In this paper, we present a new way to analyze the current and future states of company strategy. We have used the Continuous Strategy ontology as a basic construct that incorporates many current strategic constructs, concepts, and ideas, culminating in an application that contains an ontology in which we have fixed linguistic statements. Through these statements, users can analyze the current strategic situation as well as future possible improvements to the current strategy. The system operates on the Internet and this is the first prototype application constructed for this purpose. The first test runs are only to demonstrate the ideas. In the future, this application will be tested in real strategy work in business life.

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1. Introduction

Strategy makers have expressed the need for computer support systems, which they can readily use to monitor, diagnose, analyze and synthesize the current performance of their organization and estimate its future potential, direction and performance. The computer software industry has attempted to meet this demand for many years; however, in this context, the computer-based executive support and decision support systems developed so far have provided only partial solutions. These systems have supported either specific processes or specific activities. They have not provided executives with the kind of support that would enable them to acquire a holistic understanding of the constructs, concepts, variables, specific issues, and also the relations and interrelationships that must be monitored and mastered in strategic planning and implementation.

Both executive and decision support systems (ESS & DSS) of the prior art have lacked a continuous statement of direction that would serve as a general framework for strategic management and leadership. They have also lacked a basic strategic construct and built-in concepts to guide the organization towards purposeful progress and integrate its internal as well as external worlds together in strategy making. Now, however, rapid advances in research and technology allow computer-based working environments to incorporate “soft” and “unstructured” abstract concepts, issues and problems, like those encountered in strategic management and leadership generally. In this respect, we have really entered a new era. We can now demand more and we can be more confident that strategy making and planning can also benefit from the new computerized decision support applications. Consequently, this needs new thinking, new planning, new technological software, and new approaches.

To achieve these new goals and objectives in practice, software technology must be developed so that executive support and decision support structures become easy to use and coherent with the real structures of business and the world; system architectures must emulate the reality of both organizational and individual behavior. This will empower strategy makers to gain a holistic view of the organization’s activities, its operating environment, as well as the overlying world structure. Metaphors, as tools, can assist us in achieving these ends. The authors have been working for several years to develop executive and decision support systems that enhance actual decision-making through human visual perception, as well as systems for finding meanings in texts and meta knowledge formation, as with neural nets and object-oriented applications [19]. These new support systems are based on the ontological reality of organizational business constructs, concepts, variables, and indicators. They are also based on the overall conceptual framework called the ‘Continuous Strategy’ [18].

In this paper, we present a new way to analyze the current and future states of company strategy. We have used the Continuous Strategy ontology as a basic construct, to which we have added many current strategic constructs, concepts, and ideas, culminating in an application that contains an ontology in which we have fixed linguistic statements. Through these statements, users can analyze the current strategic situation as well as future possible improvements to the current strategy. The system operates on the Internet (www.evolutellc.com) and this is the first prototype application constructed for this purpose. The first test runs are only to demonstrate the ideas. In the future, this application will be tested in real strategy work with business people as test subjects.

1.1. Continuous Continuum metaphor

The company continuum metaphor is a static and dynamic representation of a continuous company strategy, in which a company is part of the living system, in which the company is presented in terms of capital, work and people. The formation of company activities and company characteristics are formed in the company world, in terms of financing (capital), operations (work) and management (people). The formation of the supply concept in the product world, comes in terms of assets utilized (capital), structure utilized (work) and knowledge utilized (people). The formation of the demand concept in the buyer world, comes in terms of buyer assets (capital), buyer structure (work), and buyer knowledge (people). The formation of the main components of the business world, comes in terms of business assets (capital), business structure (work), and business knowledge (people). In the external world, the formation of the projections comes from the analogies of ecosystem (capital), infrastructure (work) and organized knowledge (people) [18].

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