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Knowledge and ignorance in strategic management: An introductory survey

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THE 80TH ANNUAL MEETING OF THE



MAIN ISSUES

"Much remains to be learned about the strategy and change interface, especially how rationally (?) derived strategies, put into action through the development of programs, budgets and procedures (Wheelen & Hunger, 2008: 16) are balanced by what we know about people to bring about and reinforce change (Waddell, Cummings & Worley, 2011: 4)".

THE 80TH ANNUAL MEETING OF THE ACADEMY OF MANAGEMENT





MAIN ISSUES

STUDYING THE INTERFACE BETWEEN STRATEGY AND CHANGE BRINGS ABOUT THE FOLLOWING QUESTIONS

What are the objects and areas of the interface?

How to define the interface - proces, interactions?

There are partial answers in the works of the Caucus and book proposal





MAIN ISSUES

PREPARATION OF CHAPTERS FOR THE BOOK

Strategy and Change from a Complex System Perspective

The Knowledge Conversion Process in an Open Complex System





MAIN ISSUES

STRATEGY, KNOWLEDGE AND COMPLEXITY

(A supporting collateral topic)





AIM OF THE PRESENTATION

IDENTIFICATION OF THE PROBLEMS IN A PROFOUND ANALYSIS OF THE INTERFACES BETWEEN STRATEGY IMPLEMENTATION AND CHANGE





STRATEGY, KNOWLEDGE AND COMPLEXITY

STRATEGY AND KNOWLEDGE

Important observation: Superficial studies of specificity of knowledge in strategic management

Main weakness – defining knowledge





STRATEGY, KNOWLEDGE AND COMPLEXITY

STRATEGY AND KNOWLEDGE

Insufficient awareness of specificity of knowledge:

- Knowledge as strategic resource what does it mean beyond slogans?
- > SECI (socialization, externalization, combination, internalization)





STRATEGY, KNOWLEDGE AND COMPLEXITY

STRATEGY AND KNOWLEDGE

Two epistemological dimensions of knowledge:

- Epistemology of possession: i.e. knowledge as something that is possessed by the organization, and
- Epistemology of action/process: i.e. knowledge as a dynamic process

QUESTION

The role of ignorance in strategic managment





STRATEGY, KNOWLEDGE AND COMPLEXITY

STRATEGY AND COMPLEXITY

Complexity studies: one of most important sources of theory of strategic management

Complex Adaptive Systems, adaptation, emergence, self-organization, edge of chaos

However:

When we say: it's complex, we admit that we are IGNORANT





Complex = we are ignorant!

What is knowledge?

What we know?

We know that we do not know

We do not know that we do not know





QUESTIONS FOR STRATEGIC MANAGEMENT

Why we do not know that we do not know?

Challenges for "hard" computable complexity

Challenges for "soft" non-computable complexity (metaphors)

Main challenge: sociopolitical sources of ignorance – biases, secrecy, negligence, exclusion, incompetence, etc.





EXAMPLES

"Chaos and edge of chaos" – metaphors based on a simplification

Chaos theory – randomly (purposively?) selected name for a class of equations

Ignorance – "hard" complexity - operationalization of paramaters of models

Challenges for "soft" non-computable complexity (metaphors)

Ignorance – identification of correspondence between the source





EXAMPLES

Adaptation

A necessary more profound understanding

What is a "mechanism" of adaptation?

Mathematical models challenges for "hard" complexity – data, systems, interactions.

Metaphors - challenges for "soft" non-computable complexity (metaphors)

Ignorance – identification of correspondence between the source domain and target domain (organization vs. other Complex Adaptive ystems) UNIVERSITY OF ECONOMICS

CONCLUSIONS

This preliminary study illustrates a necessary depth of analysis of mathematical models and analogies and metaphors

Knowledge, ignorance (?) complexity must be included in the considerations





Thank you for your attention!

See you next year in Philadelphia!



