

Monday, January 23, 2012: Industry Architectures and Coalitional Games

9 am Introduction into the Idea and Format of the Workshop: Timo Ehrig, Jürgen Jost, Massimo Warglien

9:30 am Structured discussion with Gerd Gigerenzer: (As Gerd Gigerenzer is only present on day 1, this discussion takes place here. See day 3 for a detailed description of the corresponding questions.) What is a sound formal formulation of the challenges in strategic decision-making? Can heuristics be understood as means to reduce complexity in strategic decision-making? Are there two types of heuristics: Some that help in repeated decision situations (in the sense of 'routines'), and some that help to reduce complexity when new opportunities are faced?

Discussants: Jürgen Jost, Massimo Warglien, Timo Ehrig, Luigi Marengo

Reporter: Daniele Moschella

11:00 am Coffee Break

11:30 am Coalitional Game Theory: What this method is, how it is applied to strategy and what are the open issues (Michael Ryall).

12:30 pm Lunch Break

2:30 pm Burkhard Schipper talks about Profit Migration, and ideas how to formally model this phenomenon.

3:30 pm Coffee Break

4:00 pm to 4:30 pm Andres Hervas-Drane talks about model business model interactions.

4:30 pm to 5:00 pm Hanna Halaburda talks about business model interactions.

5:00 pm to 5:45 pm Profit Migrations in the Real world: What are the canonical empirical problems that theories could try to tackle. An interactive discussion (Michael Jacobides)

5:45 pm to 6 pm General Discussion

Tuesday, January 24, 2012: Unawareness and Firm Interaction in New Business Environments

9 am Plenary Talk in form of a 'tutorial': Schipper talking about Dynamic Unawareness and Rationalizable Behavior, and potential applications to model the shaping of business environments.

10:30 am Coffee Break

11 am Structured discussion: How do differences in imagination among decision-makers relate to differences in their languages? How can differences in languages and imagination be modeled using awareness/unawareness structures? For instance, how does, if at all, the richness of a strategic vocabulary correspond to the richness of a state space of a player with particular awareness? What specific assumptions do we wish to make about CHANGES of the awareness of players in a game over time?

Panelists: Massimo Warglien, Jürgen Jost, Burkhard Schipper, Mareile Drechsler, Timo Ehrig

Discussion Leader: Timo Ehrig

Reporter: Konstantinos Katsikopoulos

12:30 pm Lunch Break

2:30 pm Jürgen Jost talks about a category theoretic approach to unawareness

3:00 pm Open issues in the modeling of unawareness (Jürgen Jost and others)

3:30 pm Exploration of open issues in the modeling of unawareness in an open group discussion

4 pm Coffee Break

4:30 pm to 6 pm Structured discussion: Linking the discussion back to strategy: How can the today discussed formal structures be used in modeling the initial steps in shaping of industry architectures?

Panelists: Michael Jacobides, Francisco Ruiz-Aliseda, Hanna Halaburda, Thorbjörn Knudsen, Michael Ryall, Burkhard Schipper

Discussion Leader: Michael Jacobides

Reporter: Andres Hervas-Drane

Wednesday, January 25, 2012: Psychological Micro-foundations of, and Complexity in Strategic Decision Making

9:00 am Structured discussion 1: What is a sound formal formulation of the challenges in strategic decision-making? What are psychological theories that we can draw on to study how decision-makers deal with those challenges? Where are the limitations of those psychological theories, and which additional questions do we need to ask in basic psychological research to understand strategic decision-making?

1. How to define 'complexity' in strategic decision-making?
2. Two types of heuristics? Heuristics for repeated decision tasks (similar to cognitive 'routines'), and heuristics to 'solve new challenges'; to reduce complexity when it comes to shaping a complex social environment?
3. What are the psychological paradigms that strategy research currently draws on (Kahneman-Tversky, Gigerenzer), and what are available, potentially useful psychological paradigms (mental model theory/ Johnson-Laird, mental simulation, theories of association)? Can the potentially useful psychological paradigms shed light on unexplored aspects of strategic decision-making? What can mental model theory really tell us about strategic decision-making? What does it *not* tell us, but we wish to know?

Panelists: Michael Ryall, Luigi Marengo, Konstantinos Katsikopoulos, Jürgen Jost, Massimo Warglien, Timo Ehrig

Discussion Leader: Jürgen Jost

Reporter: Francisco Ruiz-Aliseda

10:30 am Coffee Break

11:00 am Language and Strategy: Meaning, Context, and Concept Combination (Massimo Warglien)

12:30 pm Lunch Break

2:30 pm Models of bounded rationality applied to strategy (Michael Ryall)

3:00pm Unexplored aspects of strategic reasoning (Timo Ehrig)

3:30pm Open discussion of modeling ideas in the group

4:00 pm Coffee Break

4:30 pm to 6 pm Structured discussion 2: What are the formal structures that can help to systematically study the causal mechanisms behind strategic decision-making? What are additional, yet unaddressed questions related to strategic decision-making which require systematic study, as psychological theories offer no clear answer to them?

Panelists: Jürgen Jost, Luigi Marengo, Massimo Warglien, Daniele Moschella, Mareile Drechsler, Timo Ehrig

Discussion Leader: Jürgen Jost

Reporter: Konstantinos Katsikopoulos

1. Beyond the NK model: How can the research questions that were tackled with the NK simulation model be tackled in a rigorous decision-theoretic framework, or with sound psychological micro-foundations?
2. What are properties underlying human forward-looking imagination? What accounts for differences among individuals in their forward-looking imagination?
3. Why and how do different individuals envisage different possibilities?

Thursday, January 26, 2012: Organizational Design and Information Flow in Networks

9:00 am A brief introduction to information theory and network analysis (Jürgen Jost/Nils Bertschinger)

10:00 am Coffee Break

10:30 am Applications of information theory to organization (Thorbjörn Knudsen)

11:30 am Information theoretical questions of organization science (to be formulated by Massimo Warglien, Marco LiCalzi, and other participants; short responses by members of Jost group (Nils Bertschinger, Eckehard Olbrich, Anna Levina, Stephan Poppe); discussion leader: Luigi Marengo)

12:30 pm Lunch Break

2:30 pm Continuation of discussion of information theoretical and network analysis/design questions of organization science (Michael Ryall, Mareile Drechsler, and others; discussion leader: Jürgen Jost)

4 pm Coffee Break

4:30 pm to 6:30 pm Concluding discussion