Chapter 1: Editors' Introduction

Artificial Intelligence and Strategy—Charting New Frontiers

Felipe A. Csaszar
Ross School of Business
University of Michigan
fcsaszar@umich.edu

Nan Jia
Marshall School of Business
University of Southern California
Nan.Jia@marshall.usc.edu

July 21, 2025

1 Why This Handbook: Context and Purpose

Artificial intelligence (AI) is no longer a distant frontier—it already shapes how firms compete, innovate, and organize. Yet strategy scholarship and practice still rely on frameworks and data sets built for a pre-AI world. This handbook is our response: a snapshot of what leading scholars, writing in early 2025, believe lies ahead for the intersection of AI and strategy.

Unlike an academic journal, the handbook imposes no fixed methods, theories, or formats. Authors were free to explore nascent ideas, try unconventional lenses, and speculate about trajectories that established outlets, bound by lengthy review cycles and stricter templates, often cannot accommodate. That intellectual latitude is crucial in a rapidly evolving field, where timely insight can matter more than perfectly closed-form proofs.

Think of the handbook, then, as a curated conversation in the middle of an era of ferment. Its chapters span corporate governance, innovation, platform ecosystems, non-market strategy, ethics, and pedagogy. Some revisit foundational constructs—value creation, appropriation, dynamic capabilities—in light of machine learning and generative models (along the lines of recent work such as Krakowski et al. 2023 and Csaszar et al. 2024). Others introduce fresh concepts such as "algorithmic ambidexterity," "AI surprises," and "fusion skills."

The handbook also speaks directly to business education. Strategy instructors are racing to integrate AI both as subject matter and as a teaching tool. Several chapters share experiments—from generative-AI case exercises to simulation games—that help students develop not only technical fluency but also critical judgment and ethical reflexes (Meincke and Carton 2024, Mollick and Mollick 2023, Csaszar et al. 2025). Readers will find ready-to-use materials and design principles for updating syllabi amid shifting technological landscapes.

Finally, we wrote with practitioners in mind. Each chapter distills its findings into concise "key takeaways" that translate research into actionable guidance—whether for deploying AI responsibly (Ahmed and Jia, 2025), building data moats (Cockburn et al. 2019), re-skilling talent (Daugherty and Wilson 2018), or navigating evolving regulatory winds. These insights are context-specific, not one-size-fits-all, but they provide a research-backed starting point for strategic action.

In short, this handbook offers the newest thinking to spur your own: capturing today's best conjectures, planting seeds for tomorrow's theories, and inviting scholars, educators, and executives to wrestle together with AI's strategic realities. Years from now, we will surely see the terrain differently—but we hope this volume will have helped chart the early paths that make future progress possible.

2 What You Will Learn and How to Apply It

The chapters that follow span disciplines, methods, and managerial contexts. To help readers navigate this richness, we organize the content into a "4 T's" structure. *Theories* update foundational concepts in strategy for an AI world. *Tools* translate those ideas into frameworks for decision-making, innovation, and collaboration. *Teaching* explores how educators can prepare students for strategic thinking in AI-mediated environments. *Terrains* map the broader ecosystems and governance regimes in which AI operates.

Each chapter summary below follows a consistent four-sentence format: what the chapter is about, why it matters, what researchers can take from it, and what it offers to managers or educators. This structure allows you to quickly spot resonances across chapters—even where authors approach similar issues from very different angles. Use this section in tandem with the Quick-Glance Road-Map (Table 1) to chart a reading path that matches your goals.

[INSERT TABLE 1 AROUND HERE]

As you explore the chapters of this handbook, you will encounter both convergent insights and unresolved questions that reflect the field's current state of thinking. While we aimed for breadth across theories, tools, teaching methods, and competitive terrains, we acknowledge the limits of drawing conclusions from a field where empirical evidence is still emerging and methodological approaches are rapidly evolving. This handbook captures the ongoing development of scholarly thought, rather than settled answers to questions that continue to unfold.

2.1 Theories: Rethinking Strategy's Foundations for an AI World

These six chapters tackle a fundamental question: Do established strategy theories still hold when algorithms reshape how firms compete, innovate, and organize? Rather than discarding foundational concepts like capabilities, governance, and competitive advantage, these authors show how AI transforms their underlying mechanisms—from individual skill requirements to industry-wide legitimacy battles. The chapters move systematically from micro-level fusion skills within organizations to macro-level social movements that determine AI's acceptance across creative industries, revealing how human-machine collaboration creates new forms of strategic capability while preserving the centrality of relationships, learning, and institutional context.

Alavi (Chapter 2) explores how generative AI is changing knowledge work by requiring fusion skills—a blend of AI fluency, critical interpretation, and creative judgment. These skills are not just technical; they involve emotional resilience and higher-order reasoning (Daugherty and Wilson 2018, Felin and Holweg 2024). For researchers, the chapter reframes human-capital theory to account for evolving task boundaries and socio-emotional dynamics in human-AI collaboration. For managers, it underscores the need to pair AI adoption with structured upskilling and active leadership engagement, not just HR-led training.

Jia, Perez, Song, Wei & Yang (Chapter 3) examine how AI shifts corporate political activity by expanding firms' access to data ("know-what") while leaving the value of relationships ("know-who") largely intact. This dual structure complicates ideas about AI democratizing influence (Agrawal et al. 2018). For researchers, the chapter offers a refined model of political capabilities that integrates analytics and social capital. For public affairs executives, it warns that algorithmic insight alone won't displace the need for cultivated, high-trust political networks.

Boudreau, Jeppesen & Miric (Chapter 4) analyze how AI platforms function as two-tier ecosystems, with a few firms controlling infrastructure and many others building on top. This structure places governance—not just technology—at the heart of competitive strategy. For researchers, it extends platform theory into environments where the core operating system itself is learning and evolving (Gregory et al. 2021). For strategists, it emphasizes that sustainable advantage comes from control of proprietary data and complementor dynamics, not generic access to AI tools.

Liu (Chapter 5) introduces "algorithmic ambidexterity"—AI-enabled routines that allow firms to explore and exploit in parallel through continuous feedback and adaptive learning. Unlike traditional approaches that separate these activities structurally or temporally, AI enables dynamic orchestration. For scholars, the chapter links microfoundations of dynamic capabilities to concrete interaction patterns between humans and AI (Raisch and Fomina 2025). For operational leaders, it provides a roadmap for designing decision systems that balance innovation and execution in real time.

Barbosu & Khashabi (Chapter 6) contrast GenAI's effects across domains by showing that it substitutes more easily for artistic creativity than for scientific problem-solving. This difference arises from GenAI's pattern-based generation capabilities versus human inference in theory-building (Felin and Holweg 2024). For researchers, the chapter proposes a contingency-based framework for technological substitution across industries. For innovation managers, it advises tailoring AI use to domain context—automating routinized creative work while preserving spaces for human intuition and sense-making (Chakrabarty et al. 2024).

Nath (Chapter 7) investigates how generative AI alters norms of authenticity and labor in creative sectors, often sparking pushback from workers and audiences alike (Bellaiche et al. 2023). This resistance has strategic consequences, influencing regulation, brand identity, and cultural acceptance. For scholars, the chapter introduces a sociocultural lens on technological diffusion and legitimacy struggles. For practitioners, it emphasizes the need to engage proactively with creators, regulators, and communities to co-shape the terms of AI integration (Kellogg et al. 2020, Lysyakov and Viswanathan 2023).

2.2 Tools: Practical Frameworks for AI-Enhanced Strategic Action

Moving from conceptual foundations to actionable guidance, these four chapters form a coherent workflow for implementing AI in strategic contexts. They address the practical challenges managers face when integrating AI into decision-making: Who should do what tasks? How do ideas flow differently when AI is involved? What happens when AI recommendations surprise or contradict human judgment? How can classic strategy frameworks evolve to incorporate algorithmic insights? Together, these tools help bridge the gap between AI's technical possibilities and strategic realities, providing structured approaches for collaboration, innovation, interpretation, and analysis in AI-augmented environments.

Doshi & Moore (Chapter 8) offer the Human–AI Task Tensor, a framework for classifying collaborative work across eight dimensions including interaction mode, contribution type, and control. The model helps firms clarify where AI is augmenting versus replacing human judgment. For scholars, it provides a structured vocabulary for studying AI–human collaboration in varied task settings (Raisch and Fomina 2025). For managers, it functions as a diagnostic tool for aligning AI deployments with organizational goals and accountability systems.

Ding & Huang (Chapter 9) propose the "Fruit-Tree" model to explain how GenAI reshapes knowledge-based innovation by enhancing search, pruning irrelevant ideas, and improving knowledge sharing. Cross-functional collaboration and thoughtful risk management emerge as key enablers. For researchers, the model encourages exploration into how GenAI affects the flow and structure of innovation across boundaries. For innovation leaders, it serves as a strategy guide for integrating AI into the ideation-to-implementation pipeline (Girotra et al. 2023).

Hong, Kallapur & Page (Chapter 10) explore the phenomenon of "AI surprises"—unanticipated recommendations that may be insightful, hallucinatory, or misaligned with human reasoning. They introduce the "inferential trilemma" as a framework for interpreting such surprises in strategic contexts. For scholars, the chapter opens a new avenue in behavioral strategy focused on how humans reconcile disagreement with machines (e.g., Dietvorst et al. 2015, Dell'Acqua et al. 2023). For decision-makers, it recommends building interpretive processes—such as red-teaming and pause-points—to critically evaluate AI outputs in high-stakes environments (Arrieta et al. 2020).

Gurzick, Joshi & Gurzick (Chapter 11) show how classic strategy tools—like SWOT, PESTEL, and Five Forces—can be enhanced through AI-generated insights and real-time data integration. These enhancements are most effective when combined with human oversight and critical thinking. For researchers, the chapter invites renewed inquiry into how strategic analysis evolves in data-rich settings. For instructors and managers, it offers pedagogical and practical guidance for blending traditional frameworks with algorithmic inputs (Csaszar et al. 2024a,b).

2.3 Teaching: Educating Strategic Leaders for an AI-First Era

Business education faces a dual challenge: preparing students to work effectively with AI while developing their uniquely human capabilities for ethical reasoning, creative problem-solving, and strategic judgment. These five chapters chronicle experiments in pedagogical innovation, from institution-wide cultural transformation to specific simulation games that blend AI predictions with human decision-making. The authors grapple with deeper questions about what skills will remain valuable as AI capabilities expand, how to integrate technical fluency with moral reasoning, and why experiential learning becomes even more critical when students must learn to collaborate with—and sometimes override—intelligent machines.

Cardon & Randhawa (Chapter 12) document a business school's efforts to become an AI-powered learning organization through faculty-led experiments and a culture of psychological safety. Their case reveals that institutional support and grassroots innovation must go hand in hand. For scholars, it contributes to theories of organizational learning under technological uncertainty. For education leaders, it offers a blueprint for enabling continuous skill adaptation and curricular evolution.

Enrione (Chapter 13) introduces the "Head–Heart–Hands" framework for MBA education that integrates cognitive, ethical, and applied learning. The model is backed by alumni feedback showing the lasting value of experiential methods. For researchers, the chapter connects leadership education to emerging AI competencies. For curriculum designers, it suggests practical ways to embed ethical reasoning and real-world problem-solving into AI instruction.

Steinberger (Chapter 14) outlines a ten-concept curriculum rooted in three durable pillars: search, representation, and aggregation (Csaszar and Steinberger 2022). The goal is to build strategic fluency that outlasts tool-specific skills. For scholars, the chapter contributes a modular yet cohesive foundation for AI education in business schools. For instructors, it offers adaptable content that can scale from introductory to executive settings.

Piezunka (Chapter 15) examines why human training remains valuable even as AI surpasses human performance in many areas. He identifies multiple key contexts—like empathy, oversight, and signaling—where human skill retention creates strategic advantage. For researchers, this

framework connects capability-building theory to automation dynamics (Gaessler and Piezunka 2023). For HR and L&D professionals, it clarifies where to double down on training investments despite increasing AI substitution.

Koparan & Aksaray (Chapter 16) present *BuyWord*, a simulation game where students combine AI-generated predictions with human judgment in strategic decision-making. The game surfaces the strengths and limitations of AI in resource allocation. For scholars, the simulation creates a testbed for studying human–machine interaction under pressure. For educators, it offers an engaging, ready-to-deploy tool for exploring how AI and strategy intersect in practice (Csaszar et al. 2025).

2.4 Terrains: Charting the Competitive and Regulatory Landscapes of AI

The final section widens the lens to examine AI's broader ecosystem effects, revealing how competitive dynamics, regulatory frameworks, and social values shape—and are shaped by—AI adoption. These four chapters demonstrate that technical capabilities alone don't determine AI's strategic impact; rather, access to data and infrastructure, linguistic and cultural inclusion, governance mechanisms, and stakeholder acceptance create the real competitive battlegrounds. From global startup ecosystems to sector-specific ethics implementation, these analyses show how AI strategy must account for the complex interplay between technological possibility and social, political, and economic reality.

Bessen, Seamans & Impink (Chapter 17) use global survey data to show that access to cloud infrastructure and data—not headcount—is the key enabler of AI startup growth. Their work highlights uneven commercialization dynamics across geographies and sectors (McElheran et al. 2024). For scholars, it introduces a data-rich lens on AI-driven entrepreneurship. For policymakers and investors, it suggests treating AI startups as augmentation partners and focusing on infrastructure and data policy.

Choudhury, Kim & Kang (Chapter 18) explore how GenAI underperforms in low-resource language settings and propose a reasoning-first, community-driven approach to inclusive AI development. They argue that linguistic diversity is both an ethical concern and a commercial opportunity. For researchers, the chapter links AI capabilities to global equity in technology access. For practitioners and regulators, it offers concrete steps for closing inclusion gaps through grassroots collaboration (Panch et al. 2019).

Lee (Chapter 19) compares public policy frameworks and firm-led efforts for governing AI in sensitive sectors like employment and healthcare. She argues that responsible AI practices—such as transparency and accountability—can be sources of strategic value, not just compliance (Garfinkel et al. 2017). For scholars, this invites deeper integration of nonmarket strategy with AI ethics. For executives, it makes the case for embedding governance into the design phase of AI initiatives.

Milosevic, Barabuffi & Ferrigno (Chapter 20) offer a case study of a global aerospace firm embedding ethical AI principles into its systems and structures. Through continuous monitoring and stakeholder engagement, the firm converts compliance into a competitive asset. For researchers, the case enables grounded theorizing on sector-specific ethics implementation. For practitioners, it models how to translate ethical intent into operational and reputational advantage (Brundage et al. 2020).

3 The Surface Has Barely Been Scratched

Despite the breadth and depth of insights contained in these twenty chapters, we harbor a conviction that this handbook represents merely the opening moves in understanding AI's strategic implications. The field feels simultaneously mature—with established frameworks being thoughtfully extended—and embryonic, with fundamental questions still unanswered or even unasked.

While earlier strategy debates unfolded over extended periods, AI accelerates cycles of theorizing, testing, and revision. This observation invites a shift in epistemic stance. Rather than aiming for tidy closure, the field may need *adaptive theorizing*: frameworks designed to evolve as underlying technologies advance. Such an orientation legitimizes retesting of cherished findings, anticipates changes in empirical patterns, and encourages replication using continuously refreshed data sources and AI models (Shrestha et al. 2021, Ludwig and Mullainathan 2024).

The field's existing structure offers a powerful lens for seeing what's at stake. Consider the core research domains of the Academy of Management's Strategic Management Division (presented in Table 2). AI's transformative potential becomes evident across the board.

[INSERT TABLE 2 AROUND HERE]

Domains like *Organization Structure and Networks* will grapple with how algorithmic intermediaries reshape interfirm relationships, whether AI-powered platforms create new forms of network governance, and how machine learning alters the very nature of organizational boundaries. *Knowledge and Innovation Strategy* must confront how AI changes not just the tools of innovation but its epistemological foundations—what counts as knowledge when machines can generate novel combinations at unprecedented scale. *Nonmarket Strategy* faces questions about AI's role in regulatory capture, stakeholder engagement through algorithmic mediation, and whether sustainability goals can be pursued through AI optimization or are threatened by its resource intensity.

Strategic Leadership and Governance confronts perhaps the deepest challenges: How do boards oversee algorithmic decision-making they may not fully understand? What does executive accountability mean when AI systems make consequential choices? *Corporate and International Strategy* must reckon with how AI reshapes the boundaries of the firm, the economics of geographic expansion, and the very logic of diversification when data access rivals traditional resources.

Behavioral Strategy stands at a particularly rich intersection, as human cognitive biases interact with algorithmic biases in ways we are only beginning to understand (e.g., Kleinberg et al. 2018, Dietvorst et al. 2015, Balakrishnan et al. 2024). Meanwhile, *Resources and Capabilities* theory must evolve to account for how AI both creates new strategic assets and potentially commoditizes others, while *Industry Competition* frameworks need updating for environments where competitive advantage increasingly flows from data network effects and algorithmic learning curves rather than traditional scale economies.

Each of these domains will likely spawn new theoretical developments, empirical puzzles, and practical frameworks as AI capabilities continue their rapid evolution. The chapters in this handbook provide essential foundation stones, but the theoretical edifice remains largely unbuilt.

4 Methodological Frontiers and Research Opportunities

The study of AI and strategy also demands methodological innovation. Traditional strategy research methods—surveys, case studies, archival analysis—while still valuable, may prove insufficient for capturing AI's dynamic effects. We anticipate a growing need for computational methods that can analyze algorithmic decision-making in real time, longitudinal studies that track human-AI collaboration as it evolves, and experimental designs that isolate AI's causal effects in complex organizational settings.

Indeed, some of the most exciting new work in the field involves using AI itself as a tool for theory-building and hypothesis generation, flipping the script from studying AI to strategizing *with* AI (e.g., Ludwig and Mullainathan 2024).

A common question arises: Is AI just hype? This concern often reflects two deeper uncertainties. First, there is ambiguity around AI's actual use and value—empirical evidence on the return from AI investment remains limited. Second, there is substantial uncertainty around the timing of AI's value realization (Brynjolfsson et al. 2017). These uncertainties make it even more critical for researchers to develop methodologies that can capture AI's nonlinear path to value creation and distinguish genuine strategic impact from merely symbolic or performative adoption (Pachidi et al. 2021).

The interdisciplinary nature of AI strategy research creates both opportunities and challenges. Strategy scholars will increasingly need to collaborate with computer scientists, cognitive psychologists, and ethicists—not just to understand AI's technical capabilities, but to develop research designs that can meaningfully assess strategic outcomes in AI-mediated environments. This collaboration may yield new hybrid methodologies that combine computational modeling with traditional organizational analysis.

Furthermore, the speed of AI development creates a unique "temporal challenge" for empirical research. By the time a typical three-year longitudinal study concludes, the AI systems being studied may be obsolete. This suggests the need for more agile research designs, perhaps drawing inspiration from the rapid iteration cycles of the technology sector itself.

5 Looking Ahead: Envisioning a Future Edition

Should we have the opportunity to produce a second edition of this handbook in some years from now, we expect to encounter a fundamentally transformed landscape. The AI capabilities that seem remarkable in 2025 may appear as primitive as early personal computers do today. Three trajectories appear particularly plausible for the evolution of our field:

(a) Normalization of AI as "Ordinary" Infrastructure. In the future, we might speak of AI no more than we now speak of electricity—essential but unremarkable. Strategy scholarship would then pivot from *whether* to adopt AI toward *how* differentiated capabilities arise atop ubiquitous intelligent infrastructure (Goldfarb et al. 2020). The fusion skills described by Alavi (Chapter 2) would become the new baseline for human capital, the platform ecosystems analyzed by Boudreau, Jeppesen & Miric (Chapter 4) would be the new utilities, and the governance

frameworks proposed by Lee (Chapter 19) and demonstrated by Milosevic et al. (Chapter 20) would be standard operating procedure.

(b) Rise of Synthetic Organizations. Advances in autonomous agents could enable "synthetic subsidiaries" staffed primarily by algorithms that contract for specialized human input on demand (see, e.g., Boiko et al. 2023). The "algorithmic ambidexterity" explored by Liu (Chapter 5) and the human-AI task mapping from Doshi & Moore (Chapter 8) provide the conceptual building blocks for such entities. These synthetic firms might even engage in their own forms of non-market strategy, informed by the data-driven political activity described by Jia et al. (Chapter 3), forcing a re-examination of legal personhood and strategic agency. They would still need to contract for human input in areas like empathy and oversight, reinforcing the enduring value of human training in specific contexts (Piezunka, Chapter 15).

(c) Methodological Convergence of Strategy and Computer Science. We expect a methodological convergence between strategy and computer science, where scholars will pair causal inference on massive datasets with traditional qualitative fieldwork. This trend is already visible in practical applications that blend classic frameworks with AI (Gurzick, Joshi & Gurzick, Chapter 11). Consequently, the sophisticated modeling of "AI surprises" (Hong, Kallapur & Page, Chapter 10) and the use of simulation games (Koparan & Aksaray, Chapter 16) will shift from novelties to mainstream research tools. This evolution will be accelerated by diverse global scholarship, including new theories built on inclusive AI development (Choudhury, Kim & Kang, Chapter 18).

A future edition would also benefit from a richer empirical base. Today's AI strategy research often relies on early adopter case studies and cross-sectional surveys. A decade from now, we will have longitudinal data on AI implementations, natural experiments from varied regulatory approaches, and perhaps most valuably, evidence of which strategic theories proved durable and which required fundamental revision.

Most fundamentally, we expect a future edition to reflect a field that has moved beyond the current preoccupation with AI as an external force acting upon strategy toward understanding AI as integral to strategic thinking itself. The question will no longer be how AI changes strategy, but how strategy and AI co-evolve to address challenges we can barely imagine today.

The ideas in this volume capture the state of our knowledge in 2025. Their highest purpose, however, is to be challenged, extended, and ultimately rendered obsolete by the very progress they inspire. The work begins now.

References

Agrawal, A., J. Gans, A. Goldfarb. 2018. *Prediction Machines: The Simple Economics of Artificial Intelligence*. Harvard Business Press, Cambridge, MA.

Ahmed, N., N. Jia. 2025. Corporate talent needs and social responsibility practices: The case of AI firms' demand for AI scientists and the adoption of responsible AI principles. University of Southern California Working paper.

Arrieta, A. B., N. Díaz-Rodríguez, J. Del Ser, A. Bennetot, S. Tabik, A. Barbado, S. Garcia, S. Gil-Lopez, D. Molina, R. Benjamins, R. Chatila, F. Herrera. 2020. Explainable artificial intelligence (XAI): Concepts, taxonomies, opportunities and challenges toward responsible AI. *Information Fusion* **58** 82–115.

Balakrishnan, M., K. Ferreira, J. Tong. 2024. Human-algorithm collaboration with private information: Naïve advice weighting behavior and mitigation. Available at SSRN: https://ssrn.com/abstract=4298669.

Bellaiche, L., R. Shahi, M. H. Turpin, A. Ragnhildstveit, S. Sprockett, N. Barr, A. Christensen, P. Seli. 2023. Humans versus AI: Whether and why we prefer human-created compared to AI-created artwork. *Cognitive Research: Principles and Implications* **8** 42.

Boiko, D. A., R. MacKnight, G. Gomes. 2023. Emergent autonomous scientific research capabilities of large language models. arXiv:2304.05332.

Brundage, M., S. Avin, J. Wang, H. Belfield, G. Krueger, G. Hadfield, H. Khlaaf, J. Yang, H. Toner, R. Fong, T. Maharaj, P. W. Koh, S. Hooker, J. Leung, A. Trask, E. Bluemke, J. Lebensold, C. O'Keefe, M. Koren, T. Ryffel, J. B. Rubinovitz, T. Besiroglu, F. Carugati, J. Clark, P. Eckersley, S. de Haas, M. Johnson, B. Laurie, A. Ingerman, I. Krawczuk, A. Askell, R. Cammarota, A. Lohn, D. Krueger, C. Stix, P. Henderson, L. Graham, C. Prunkl, B. Martin, E. Seger, N. Zilberman, S. Ó hÉigeartaigh, F. Kroeger, G. Sastry, R. Kagan, A. Weller, B. Tse, E. Barnes, A. Dafoe, P. Scharre, A. Herbert-Voss, M. Rasser, S. Sodhani, C. Flynn, T. K. Gilbert, L. Dyer, S. Khan, Y. Bengio, M. Anderljung. 2020. Toward trustworthy AI development: Mechanisms for supporting verifiable claims. arXiv:2004.07213.

Brynjolfsson, E., D. Rock, C. Syverson. 2017. Artificial intelligence and the modern productivity paradox: a clash of expectations and statistics. NBER Working Paper 24001.

Chakrabarty, T., P. Laban, D. Agarwal, S. Muresan, C.-S. Wu. 2024. Art or artifice? Large language models and the false promise of creativity. arXiv:2309.14556v3.

Cockburn, I. M., R. Henderson, S. Stern. 2019. The impact of artificial intelligence on innovation: An exploratory analysis. A. K. Agrawal, J. Gans, A. Goldfarb, eds., *The Economics of Artificial Intelligence*, chap. 4, 115–148. University of Chicago Press, Chicago, IL.

Csaszar, F. A., N. Hinrichs, M. Heshmati. 2024a. External representations in strategic decision making: Understanding strategy's reliance on visuals. *Strategic Management Journal* **45**(11) 2191–2226.

Csaszar, F. A., M. G. Jacobides, P. Zemsky. 2025. The effects of artificial intelligence on management education. Available at SSRN: https://ssrn.com/abstract=5325783.

Csaszar, F. A., H. Ketkar, H. Kim. 2024b. Artificial intelligence and strategic decision-making: Evidence from entrepreneurs and investors. *Strategy Science* **9**(4) 322–345.

Csaszar, F. A., T. Steinberger. 2022. Organizations as artificial intelligences: The use of artificial intelligence analogies in organization theory. *Academy of Management Annals* **16**(1) 1–37.

Daugherty, P. R., H. J. Wilson. 2018. *Human + Machine: Reimagining Work in the Age of AI*. Harvard Business Review Press, Boston, MA.

Dell'Acqua, F., E. McFowland, E. Mollick, H. Lifshitz-Assaf, K. C. Kellogg, S. Rajendran, L. Krayer, F. Candelon, K. R. Lakhani. 2023. Navigating the jagged technological frontier: Field experimental evidence of the effects of AI on knowledge worker productivity and quality. Working Paper 24-013, Harvard Business School.

Dietvorst, B. J., J. P. Simmons, C. Massey. 2015. Algorithm aversion: People erroneously avoid algorithms after seeing them err. *Journal of Experimental Psychology: General* **144**(1) 114–126.

Felin, T., M. Holweg. 2024. Theory is all you need: AI, human cognition, and decision making. *Strategy Science* **9**(4) 346–371.

Gaessler, F., H. Piezunka. 2023. Training with AI: Evidence from chess computers. *Strategic Management Journal* **44**(11) 2724–2750.

Garfinkel, S., J. Matthews, S. S. Shapiro, J. M. Smith. 2017. Toward algorithmic transparency and accountability. *Communications of the ACM* **60**(9) 5.

Girotra, K., L. Meincke, C. Terwiesch, K. T. Ulrich. 2023. Large language models for idea generation in innovation. Available at SSRN: https://ssrn.com/abstract=4526071.

Goldfarb, A., B. Taska, F. Teodoridis. 2020. Could machine learning be a general purpose technology? A comparison of emerging technologies using data from online job postings. NBER Working Paper 29767.

Gregory, R. W., O. Henfridsson, E. Kaganer, H. Kyriakou. 2021. The role of artificial intelligence and data network effects for creating user value. *Academy of Management Review* **46**(3) 534–551.

Kellogg, K. C., M. A. Valentine, A. Christin. 2020. Algorithms at work: The new contested terrain of control. *Academy of Management Annals* **14**(1) 366–410.

Kleinberg, J., H. Lakkaraju, J. Leskovec, J. Ludwig, S. Mullainathan. 2018. Human decisions and machine predictions. *The Quarterly Journal of Economics* **133**(1) 237–293.

Krakowski, S., J. Luger, S. Raisch. 2023. Artificial intelligence and the changing sources of competitive advantage. *Strategic Management Journal* **44**(6) 1425–1452.

Ludwig, J., S. Mullainathan. 2024. Machine learning as a tool for hypothesis generation. *The Quarterly Journal of Economics* **139**(2) 751–827.

Lysyakov, M., S. Viswanathan. 2023. Threatened by AI: Analyzing users' responses to the introduction of AI in a crowd-sourcing platform. *Information Systems Research* **34**(3) 1191–1210.

McElheran, K., J. F. Li, E. Brynjolfsson, Z. Kroff, E. Dinlersoz, L. Foster, N. Zolas. 2024. AI adoption in America: Who, what, and where. *Journal of Economics & Management Strategy* **33**(2) 375–415.

Meincke, J., A. Carton. 2024. Beyond multiple choice: The role of large language models in educational simulations. Available at SSRN: https://ssrn.com/abstract=4873537.

Mollick, E. R., L. Mollick. 2023. Assigning AI: Seven approaches for students, with prompts. Available at SSRN: https://ssrn.com/abstract=4475995.

Pachidi, S., H. Berends, S. Faraj, M. Huysman. 2021. Make way for the algorithms: Symbolic actions and change in a regime of knowing. *Organization Science* **32**(1) 18–41.

Panch, T., H. Mattie, R. Atun. 2019. Artificial intelligence and algorithmic bias: Implications for health systems. *Journal of Global Health* **9**(2) 020318.

Raisch, S., K. Fomina. 2025. Combining human and artificial intelligence: Hybrid problem-solving in organizations. *Academy of Management Review* **50**(2) 441–464.

Shrestha, Y. R., V. F. He, P. Puranam, G. von Krogh. 2021. Algorithm supported induction for building theory: How can we use prediction models to theorize? *Organization Science* **32**(3) 856–880.

Tables

Table 1: Quick-glance road-map.

Section	Ch.	Authors	Core Question	Core Insight (1 line)	Primary Audience
Theories	2	Alavi	How will GenAI reshape knowledge work?	"Fusion skills" marry AI fluency with higher-order judgment.	Scholars & HR leaders
	3	Jia, Perez, Song, Wei & Yang	How does AI change corporate political activity?	AI widens data access but relationships drive results.	Scholars & govt-affairs managers
	4	Boudreau, Jeppesen & Miric	How do AI platforms govern innovation ecosystems?	Gatekeepers control infrastructure; governance is the lever.	Platform strategists & researchers
	5	Liu	How can firms explore and exploit with AI?	"Algorithmic ambidexterity" via AI-powered meta-routines.	Org-design scholars & digital-ops leaders
	6	Barbosu & Khashabi	How does GenAI affect creativity across domains?	Replaces artistic tasks; supports scientific discovery.	Creative-industry managers & innovation scholars
	7	Nath	How is GenAI shifting authenticity norms in creative fields?	Efficiency–authenticity tension; social movements shape rules.	Creative-sector leaders & sociocultural researchers
Tools	8	Doshi & Moore	How should firms map human–AI task division?	Human–AI Task Tensor: eight-dimension collaboration grid.	Ops managers & collaboration scholars
	9	Ding & Huang	How can GenAI spur knowledge-based innovation?	"Fruit-Tree" model for search, pruning & sharing.	Innovation leaders & researchers
	10	Hong, Kallapur & Page	How to handle unexpected AI recommendations?	"Inferential trilemma": insight, hallucination, or mismatch.	Decision-makers & behavioral scholars
	11	Gurzick, Joshi & Gurzick	How can AI revive classic strategy tools?	Real-time "strategy assistant" + human critique.	Educators & corporate strategists
Teaching	12	Cardon & Randhawa	How to build an AI-powered learning org?	Psychological safety + faculty-led experimentation.	Educators & learning leaders
	13	Enrione	How to redesign MBA curricula for AI?	"Head–Heart–Hands" integration via experiential work.	Curriculum designers
	14	Steinberger	What durable AI principles should students learn?	Three pillars, ten evergreen ideas.	Educators & scholars
	15	Piezunka	Why train humans when AI excels?	Seven contexts where human skill still pays off.	HR leaders & learning scholars
	16	Koparan & Aksaray	How to teach AI strategy through play?	*BuyWord* game blends AI forecasts with human judgment.	Instructors & managers
Terrains	17	Bessen, Seamans & Impink	How do AI startups commercialize globally?	Cloud + data access trump headcount.	Policymakers & investors
	18	Choudhury, Kim & Kang	How to close GenAI gaps in low-resource languages?	Reasoning-first, grassroots collaboration approach.	Inclusive-product leads & regulators
	19	Lee	How can firms govern AI responsibly?	Responsible AI becomes a value-creating capability.	Execs in sensitive sectors & governance scholars
	20	Milosevic, Barabuffi & Ferrigno	How to embed ethical AI in practice?	Ethics-by-design yields strategic advantage.	Practitioners & ethics researchers

Table 2: Strategic Management (STR) Division's main tracks and associated keywords for the 2025 Academy of Management (AOM) conference submissions.

Topic	Associated Keywords
Organization Structure, Networks and Relational Strategies	Network-Related Theory; Alliance Governance and Processes; Alliance Strategies and Portfolios; Interfirm Collaboration and Coopetition; Networks—Formation and Dynamics; Organizational Change and Development, Culture and Identity; Organization Structure/Design and Implementation
Knowledge, Learning, and Innovation Strategy	Platforms and Ecosystems; Exploration / Exploitation and Search; Knowledge-Based View; Organizational Learning; Intellectual Property and Profiting from Innovation; Innovation Process; Patents and R&D; Technological Change and Types of Innovation
Nonmarket Strategy	Environmental Strategies and Sustainability; Institutional Theory; Stakeholder Theory and Ethics; Corporate Political Strategy; Corporate Social Responsibility; Government Regulation and Public-Private Partnership; Social Issues and Grand Challenges; Social Movement, Non-Profits and Hybrid Forms
Strategic Leadership, TMT, and Corporate Governance	Agency Theory, Property Rights Theory, and Contract Theory; Boards of Directors; Group Decision-Making and Dynamics; Managerial Compensation and Incentives; TMTs/Executive Demographics, Composition, and Succession; Corporate Governance; Leadership
Corporate and International Strategy	Transaction Cost Economics; Diversification—Scale and Scope Advantages and Core Competencies; Reconfiguration, Divestitures, and Spin-offs; Mergers and Acquisitions; Vertical Integration and Outsourcing; Emerging Markets and Business Groups; Multinational and International Strategies; Market Entry, Alliances/JVs/Acquisitions/Licensing and Exit
Behavioral Strategy	Information Aggregation and Processing; Strategy Process, Decision-Making Heuristics and Biases; Behavioral Theory of the Firm; Cognition and Social Psychology; Teams, Culture, and Social Comparison; Microfoundations; Attention-Based View; Real Options, Decisions under Risk/Uncertainty
Resources, Capabilities and Strategic Factor Markets	Resource Allocation and Redeployment; Resource-Based View; Dynamic Capabilities, Capability Development and Acquisition; Evolutionary Routines, Imitation, Transfer, and Replication; Strategic Human Capital; Information Asymmetries and Market Frictions
Industry, Competition, and Strategic Entrepreneurship	Strategic Entrepreneurship and Start-Ups; Business Models; Family Business; Venture Capital and Funding; Strategic Positioning, Game Theory and Industrial Economics; Value Creation, Capture and Appropriation; Economic Geography, Clusters, and Competitive Dynamics; Industry Transformation, Evolution, and Economic Growth; Industry Dynamics, Competitive Interactions