

AI and Strategy: Lead in the Age of Intelligent Machines

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Overview

Artificial intelligence (AI) is no longer a futuristic concept; it is the present and rapidly evolving reality of the business world. From automating routine tasks to enabling entirely new business models, AI is reshaping industries and redefining the rules of competition. For future business leaders, understanding AI's strategic implications is not just an advantage—it's a necessity. This course is designed to equip you with the knowledge and frameworks to navigate this transformative era, moving beyond the hype to examine where AI changes decisions, costs, capabilities, value capture, trust, and governance.

The course follows a micro-to-macro arc. We begin with strategic decision making: the process strategists use to search, represent problems, aggregate information, generate options, evaluate alternatives, and decide what humans still own. We then move to strategy content: what firms should do when AI changes competition, business models, operating models, and sources of advantage. Finally, we widen the lens to the larger organizational, societal, regulatory, safety, and environmental changes that leaders must manage as AI becomes more capable and more widely deployed.

This course takes a hands-on, application-oriented approach with a workshop style, where we'll be working and developing products and ideas together. You will actively engage with AI tools and strategic frameworks through workshops, case studies, debates, guest conversations, and collaborative projects. By learning through practice, you will explore how AI can augment strategic decision-making, how incumbents can adapt to AI disruption, how new ventures can be built on AI's foundations, and how firms should respond when AI changes work, accountability, and public legitimacy.

We will delve into the critical questions facing businesses today: Can AI truly “do strategy”? Where does AI create value, and who captures it? When is an AI business defensible rather than a thin wrapper around general-purpose models? How should incumbents respond when core tasks become cheap? How should firms balance autonomy, safety, liability, regulation, and trust? This course will encourage you to think critically not only about the *how* of AI in strategy, but also the *should* and *why*.

AI and Strategy is designed to prepare you for leadership in the age of intelligent machines. Drawing on cutting-edge research, real-world business cases, guest speakers, and hands-on experimentation, this course provides a strategic and actionable understanding of AI. By the end of this course, you should be able to brief a CEO or board on an AI opportunity or threat, explain the strategic tradeoffs, recommend action, and identify the governance and implementation requirements.

Prerequisites

This course is an elective within the EMBA program at the Ross School of Business. Successful completion of the core strategy course (EMBA 636) is a prerequisite for enrollment in this course. This prerequisite ensures that all students have a foundational understanding of core strategic management concepts, which will be built upon as we explore the intersection of AI and strategy.

Learning Objectives

By the end of this course, you will be able to:

1. Explain how AI changes strategic decision-making processes, including search, representation, aggregation, generation, evaluation, and human judgment.
2. Assess the capabilities and limits of current AI technologies well enough to make executive choices about automation, augmentation, and delegation.
3. Analyze how AI changes industry structure, value creation, value capture, defensibility, and incumbent response.
4. Formulate AI strategies and implementation roadmaps that connect business-model choices, operating-model choices, governance, and performance.
5. Critically evaluate the broader implications of AI adoption for work, organizations, safety, liability, regulation, public trust, and environmental impact.

Course Structure

This course is delivered in an intensive 3-day format during the Electives Week. To maximize our time together, the course uses a **Pre-Work / In-Class / Post-Work** structure. The three class days follow the micro-to-macro arc described above: Day 1 focuses on AI and strategic decision-making, Day 2 on AI disruption and firm response, and Day 3 on organizations, society, regulation, safety, trust, and adaptation.

1. Pre-Work (Online—Due Monday, May 11 at 11:59pm ET)

To ensure we can hit the ground running, students must complete the following before the first session:

1. Watch the documentary *The Thinking Game*: <https://youtu.be/d95J8yzvjbQ>
2. Do the readings for the first day of class: the *AI Wars* case, Csaszar (2026) “How AI Changes Strategic Decision-Making,” and Google (2024) “Prompting Guide.”
3. Submit **Your AI Problem: Framing the Pressure Point**, a **1–2 page** memo identifying a specific AI-related problem, friction, or strategic threat in your organization or industry.

All readings for the course will be available on Canvas, in the Files folder and the Study.net link.

2. In-Class Sessions (May 13, 15, 17)

Our time in the classroom will prioritize discussion, debate, cases, guest speakers, demonstrations, and hands-on labs. Lectures are capped at about 20 minutes per session.

3. Post-Work (Online—Due Sunday, May 31 at 11:59pm ET)

Application of course concepts to a final strategic memo and group executive briefing (details below).

Grading and Deliverables

Individual Deliverables (50%):

- **Your AI Problem: Framing the Pressure Point (10%)—Due Monday, May 11 at 11:59pm ET**
 - A **1–2 page** memo identifying a specific problem, friction, or strategic threat that AI poses to your current industry or organization.
 - This is diagnostic work: What is broken, at risk, or ripe for disruption?
 - Graded on clarity of problem identification and strategic relevance.
- **Your AI Solution: From Dilemma to Decision (40%)—Due Sunday, May 31 at 11:59pm ET**
 - A **5–7 page** strategic memo addressed to your CEO and Board analyzing a strategic AI decision and recommending a path forward.
 - You may build on the problem identified in *Your AI Problem: Framing the Pressure Point*, or pivot to a different problem if your thinking evolved during the course.
 - The memo must include: context, dilemma, recommendation, and implementation roadmap.
 - Include a brief appendix explaining what AI tools you used and how you used them.
 - Graded on dilemma quality, depth of analysis, use of course concepts, recommendation quality, and implementation realism.

Group Deliverable (30%):

- **The AI-Powered New Entrant: Designing a Disruptor (30%)—Due Sunday, May 31 at 11:59pm ET**
 - With your group, produce a 10-minute executive-style video briefing designing an AI-powered disruptor entering a selected industry.
 - Your task: Design the most threatening new entrant possible. What is the business model? What AI capabilities does it leverage? Where does it attack the value chain? Why will incumbents struggle to respond?
 - **Submission:** With your group, submit a recorded video briefing in mp4 format by the deadline above.
 - **Format:** A single-take Zoom recording saved to your computer is acceptable; no editing is required.

- Graded on strategic logic and coherence, quality of AI integration, business model innovation, competitive impact, and communication effectiveness.

Class Participation (20%):

- Based on the quality of contributions to case discussions, engagement with guest speakers, and participation in workshop activities.

Note: Detailed assignment instructions and rubrics for both memos and the briefing are available on Canvas.

Feedback:

I plan to provide feedback on the executive briefing and post-work memo within two weeks after submission. Feedback will include a rubric-based evaluation and brief narrative comments.

Daily Schedule

Day 1: Wednesday, May 13, 8:00am–noon—AI and Strategic Decision-Making

Focus: How AI changes the process of strategy: search, representation, aggregation, generation, evaluation, judgment, and commitment.

▶ Session 1 (8:00am–9:10am): Introduction to AI and Strategy

- **Topics:** Introduction to AI and strategy; bounded rationality and strategic decision-making; how AI changes search, representation, aggregation, generation, and evaluation.
- **Reading:** Csaszar (2026) “AI is Revolutionizing Strategic Decision-Making” (forthcoming in *Harvard Business Review*)
- **Reading:** Google (2024) “Prompting Guide.”

▶ Session 2 (9:25am–10:35am): AI Ecosystem and AI Wars

- **Case:** *AI Wars*.
- **Discussion:** Value capture, open versus closed models, and platform control in the AI ecosystem.

▶ Session 3 (10:50am–noon): AI-Enabled Strategizing

- **Guest speaker:** Michael Olenick (vstrat.ai).
- **Discussion:** How executives can use AI for strategy today, and what humans still own.

Day 2: Friday, May 15, 1:00pm–6:30pm—AI Disruption and Firm Response

Focus: How AI changes strategy content: costs, willingness to pay, value capture, defensibility, business models, and operating choices.

- ▶ Session 4 (1:00pm–2:10pm): How AI Works
 - **Topics:** AI technology fundamentals, from classic AI and neural networks to large language models and agents.

- ▶ Session 5 (2:25pm–3:35pm): Building Defensible AI Businesses
 - **Case:** *AI21 Labs in 2023: Strategy for Generative AI.*
 - **Topic:** From AI capability to advantage; scale, focus, wrappers, and defensibility in AI-infused markets.

- ▶ Session 6 (3:50pm–5:00pm): Turning AI into Operating Advantage
 - **Guest speaker:** Sameer Soleja (Molecule Software).
 - **Discussion:** Enterprise AI implementation and who should own AI inside the firm.

- ▶ Session 7 (5:15pm–6:25pm): Incumbent Response and Value Creation
 - **Case:** *The Financial Times and Generative AI.*
 - **Topic:** Trust, IP, brand equity, and incumbent response when information and content production are disrupted.

Day 3: Sunday, May 17, 1:00pm–5:00pm—AI, Organizations, Society, and Adaptation

Focus: How AI changes work, organizations, society, regulation, safety, liability, public trust, environmental demands, and leadership.

- ▶ Session 8 (1:00pm–2:10pm): Scaling the AI Transformation
 - **Guest speaker:** Akshay Kapoor (McKinsey), 1:15pm–2:00pm.
 - **Topic:** Scaling enterprise AI transformation and preparing for the post-work assignments.

- ▶ Session 9 (2:25pm–3:35pm): When AI Makes the Task Cheap
 - **Case:** *Tailor Brands.*
 - **Topic:** AI-driven automation of creative and professional services; commoditization, wrappers, employment, and organization design.

- ▶ Session 10 (3:50pm–5:00pm): Autonomy, Accountability, and Adaptation
 - **Case:** *Audi A8: The world's first level 3 autonomous vehicle.*
 - **Topic:** First-mover advantage, make-buy-partner choices, liability, safety, ethics, trust, and accountability in autonomous systems.

Course Policies

- **Attendance:** Given the condensed nature of the course, 100% attendance is required. Missing a session significantly impacts the learning experience of your peers.
- **Academic Integrity:** Generative AI is a tool we will study and use. You are encouraged to use AI throughout your work process, including for brainstorming, outlining, drafting, and analysis. However, you are fully accountable for everything you submit—just as a manager is responsible for work produced by their team or consultants. This means you must verify accuracy, ensure quality, and stand behind all content as your own work product. For *Your AI Solution: From Dilemma to Decision*, include a brief appendix explaining what AI tools you used and how you used them.

Additional Information

- *Student Wellness & Mental Health and Safety:* Please read the [Student Wellness](#) section of the course Canvas site. Those policies form part of this syllabus.
- *Academic Integrity and Community Values:* Please read the [Academic Integrity](#) section of the course Canvas site. Those policies form part of this syllabus.
- *Student Learning Considerations and Accommodation:* Please read the [Accommodations](#) section of the course Canvas site. Those policies form part of this syllabus.

Office Hours and Communication

Office hours will be conducted online, and detailed information (including meeting links and schedules) will be shared as an announcement on Canvas at the beginning of the term. For additional support, you may contact me via email.