Leading the Digital Enterprise

• How Artificial Intelligence will redefine management
  Vegard Kolbjørnsrud, Assistant Professor, BI Norwegian Business School Senior Research Fellow, Accenture

• Break

• Building a culture for trial and error at FINN.no
  Anders Skoe, CEO Finn.no

• Strategy as disciplined experimentation
  Vegard Kolbjørnsrud

• Discussion
How do you develop and execute strategy when the environment is changing fast and unpredictably?
The strategist – planner or researcher?
Dynamic strategy development: Generate and test hypotheses

Generate hypotheses

Test hypotheses

Explore

Experiment

\[ x = \frac{-b \pm \sqrt{b^2 - 4ac}}{2a} \]

New questions

Learn
### Strategizing under rapid change and uncertainty

#### Strategy as experimentation

**Scenario planning**

- **Description**
  - Hypothesis-testing approach
  - Launch series of high speed and low cost experiments; learn fast and reiterate
  - Inspired by lean startup (MVP), rapid prototyping, design thinking

- **Illustration**

- **Applicable when...**
  - ...rapid change and high uncertainty

- **Description**
  - Strategize for alternative futures (scenarios)
  - Scenarios developed based on analysis of trends, driving forces, and key uncertainties

- **Illustration**

- **Applicable when...**
  - ...high uncertainty and large, long-term investments
Finn.no: Data-driven experimentation

“'The swirl’ – conceptualizing how we work to ensure user value, innovation and performance”

“Experiment to reduce risks”
A good experiment…

- A clear purpose of learning something that can yield better outcomes
- Specific, with observable (preferable measurable) outcomes
- Can be executed fast, with low costs
- Has a plan for how to learn from the experiment
- Share the lessons learned (also when the experiment did not give the desired result)
- Revise hypothesis, start next experiment
A challenge to your management team...

- Identify something you want to find out (issue/hypothesis) over the next 6 months
- Set up an experiment that can test the hypothesis
- Execute swiftly, and put as much effort into learning from the experiment as in conducting it
- Share insights widely and openly
- Execute change/scale (if successful experiment)