



## Decoding Decision Making: AI Sensemaking and the Authenticity Dilemma in IS Strategy

# WELCOME

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An abstract graphic on the left side of the slide, featuring a dense network of white lines connecting various points, resembling a neural network or a complex web, set against a dark purple background.

# Abstract

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- Exploration of generative AI's strategic implications
- Introduction of the 'Authenticity Dilemma' framework
- Examination of AI's role in organizational decision-making and sensemaking

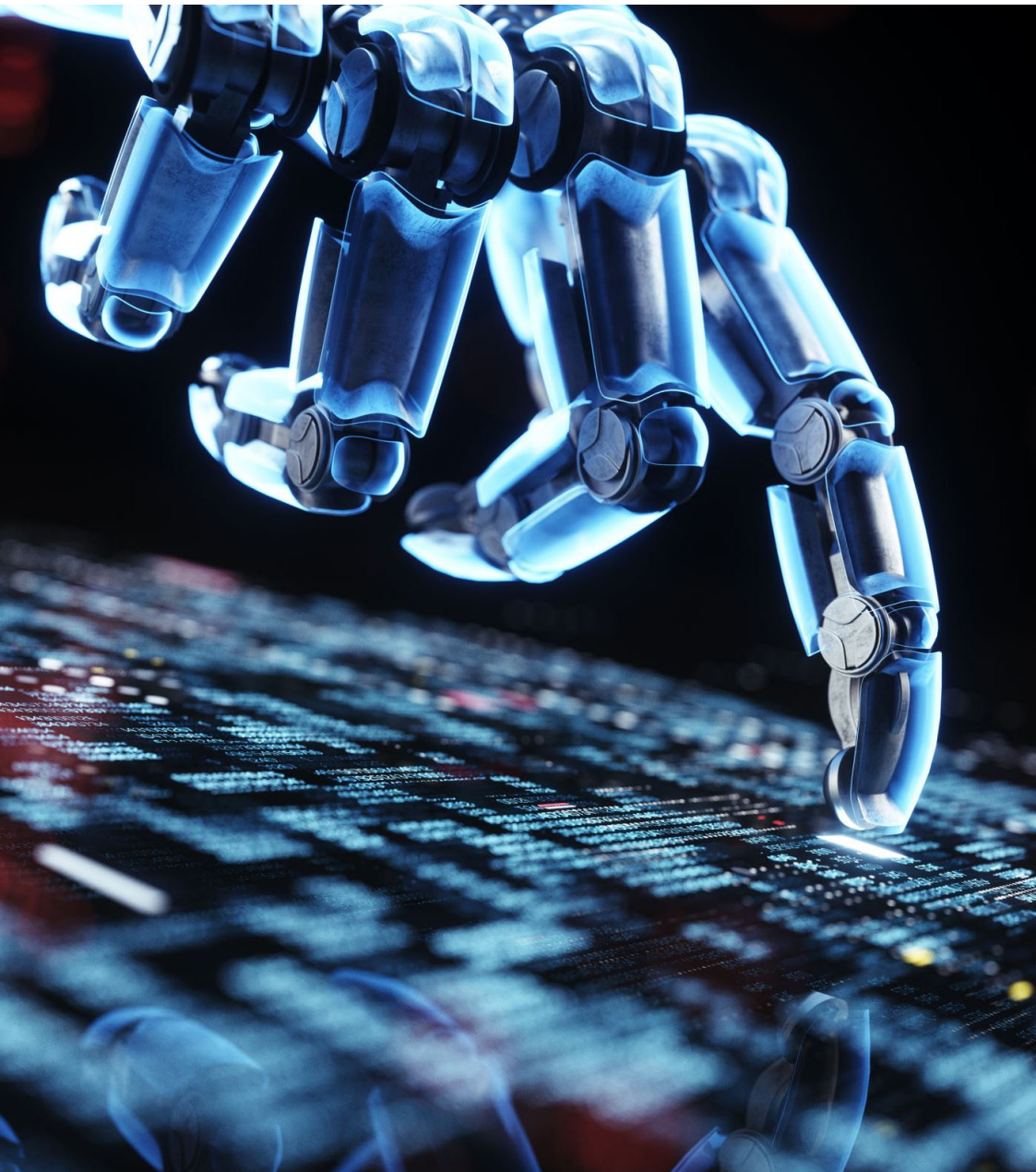




# Introduction

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- Historical evolution of AI from the 1950s
- Significance of machine learning, deep learning, and GANs
- The transformative impact of AI technologies on modern industries



## Generative AI's Transformative Role

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- AI's capability to create personalized content and innovative product designs
- Acceleration of drug discovery and development through AI
- Enhancement of customer service with AI-driven chatbots and virtual assistants



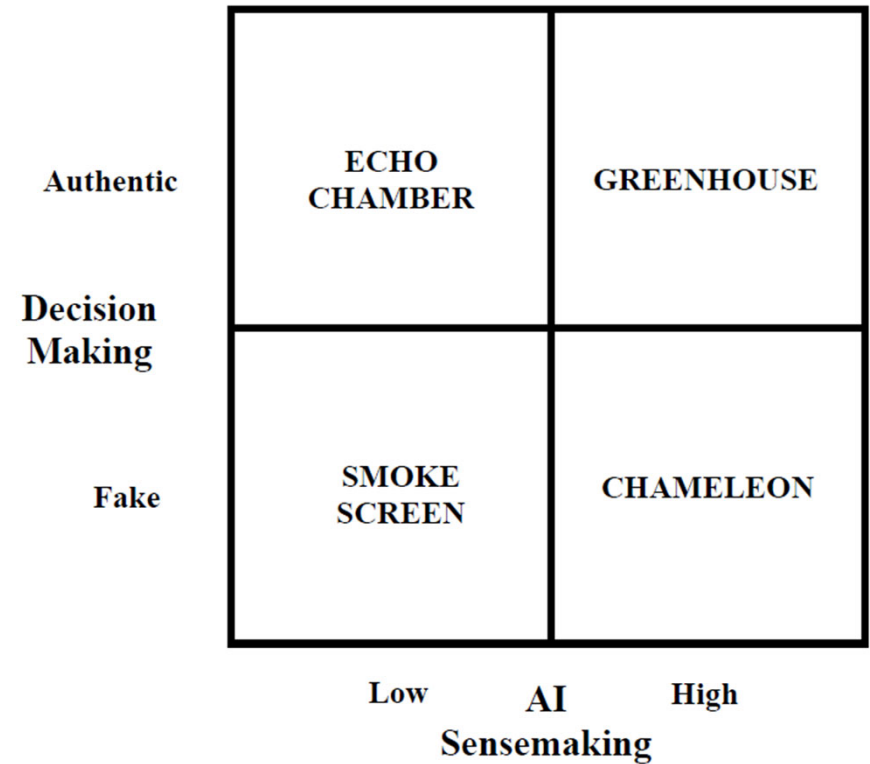
# Challenges of Generative AI

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- Addressing inherent biases and the generation of fake content
- Navigating privacy concerns and ownership issues
- The ethical implications of AI's strategic application in organizations

# The Authenticity Dilemma Framework

- Definition and importance of decision-making and sensemaking in AI
- Distinction between authentic and fake AI processes
- Strategic positioning through the lens of the Authenticity Dilemma





# Strategic Positioning in AI

- Description of the four strategic positions: Smoke Screen, Echo Chamber, Chameleon, Greenhouse
- Impact of AI sensemaking level on organizational strategy
- Adaptive strategies for leveraging AI in diverse organizational contexts







## Knowledge-Based View of the Firm

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- The role of knowledge as a core strategic resource
- The dynamic and proactive approach to leveraging internal capabilities
- Comparison with the Industrial Organization perspective

# AI Sensemaking

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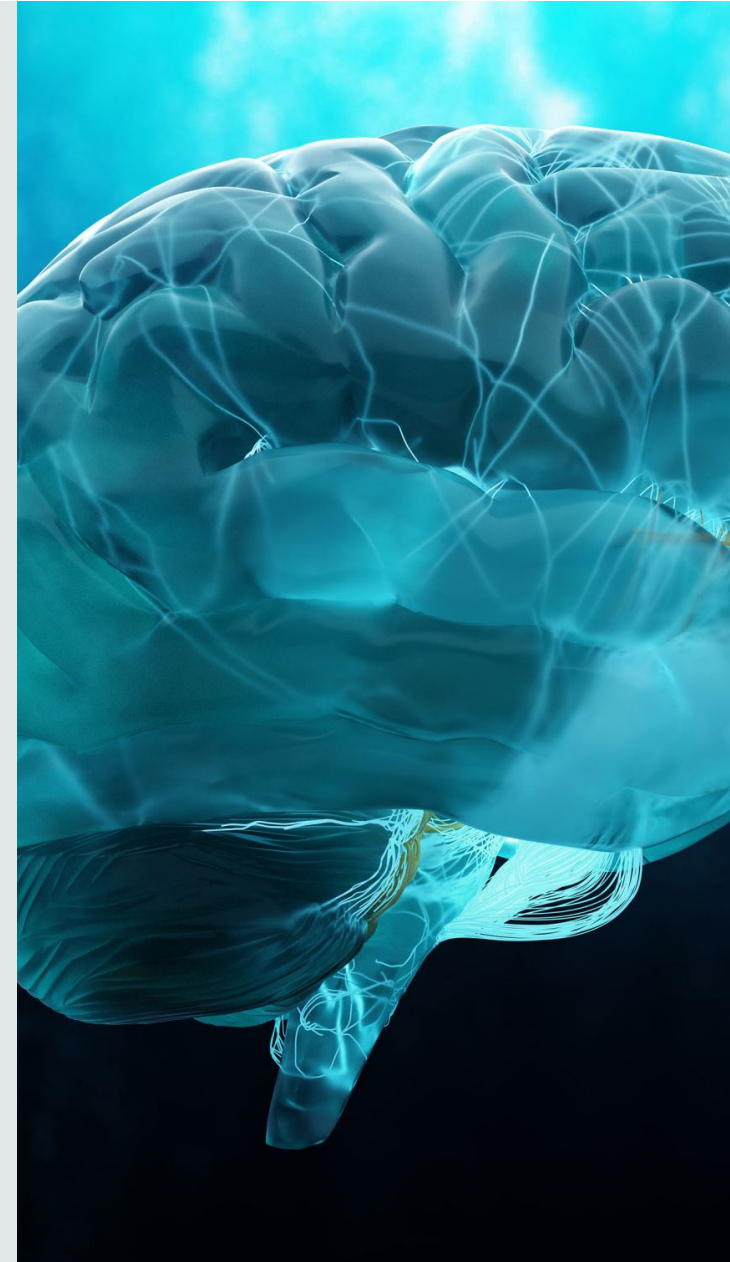
- AI's capability to interpret complex data sets beyond human ability
- The contrast between AI and human sensemaking processes
- The role of AI in enhancing organizational decision-making



# AI Decision Making

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- The dual nature of AI decision-making: authentic vs. fake
- The ethical considerations in AI-driven decisions
- The balance between AI enhancement and human intuition





## Smoke Screen Strategy

- Characteristics of fake decision-making with low AI sensemaking
- The illusion of progress and security
- Risks of strategic misdirection and lack of genuine commitment





## Challenges of Smoke Screen Strategy

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- Consequences of suboptimal decision-making
- Erosion of trust among stakeholders
- Competitive disadvantages in the market

# Echo Chamber Strategy

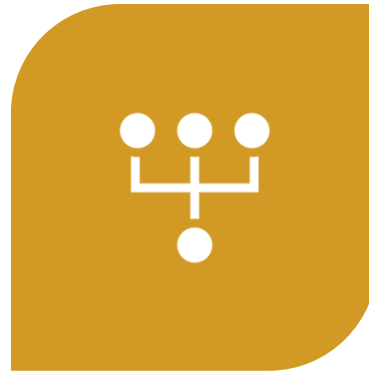
- Authentic decision-making with an underutilization of AI capabilities
- Reliance on existing knowledge and insights
- Limited exploration of AI's potential to generate new insights



# Challenges of Echo Chamber Strategy



PQQ@Q# 7#QS%8C%S#C#C0#  
B QQ20#MME PSTC S2Q



C277:..2C.\#C#2.Q#C#  
B %@.C8#MPE.2QQ2Q



A% .@# 7#CCE Y%S#C#C0#  
7% ATP2#E #A2Y2P%82# #E P#  
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# Chameleon Strategy

- High AI sensemaking paired with deceptive decision-making
- Adaptation and blending into environments with hidden agendas
- Strategic manipulation of AI capabilities for appearances





# Challenges of Chameleon Strategy

- Ethical dilemmas and disconnection between AI insights and actions
- Potential for reputational damage and stakeholder mistrust
- Missed opportunities for genuine innovation and ethical growth





# Greenhouse Strategy

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- Harmonization of high AI sensemaking with authentic decision-making
- Ethical and sustainable use of AI for strategic growth
- Fostering an environment of innovation and integrity

## Benefits of Greenhouse Strategy

- Strengthening of organizational competitiveness and reputation
- Ethical leadership and responsible AI use
- Long-term sustainability and stakeholder trust





# Authentic vs. Fake Decision-Making

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- Impact on organizational effectiveness and innovation
- Ethical implications and strategic outcomes
- Building a culture of trust and accountability through authentic decision-making





## Information Systems Strategy Framework

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- Strategic choices in leveraging AI for enhanced decision-making
- Alignment of AI strategy with organizational goals and values
- Prioritizing authenticity and ethical considerations in AI applications



# Integration of AI Sensemaking

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- Demonstration of how AI sensemaking enhances decision-making processes
- Examples of AI sensemaking providing actionable insights from complex data sets
- Balance between AI-driven analytics and human intuition for strategic advantage

# Ethical Integrity and Stakeholder Trust

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- Importance of ethical considerations in AI deployments for building stakeholder trust
- Impact of transparent and responsible AI use on organizational reputation
- Strategies for maintaining ethical integrity in AI decision-making processes







# Conclusions

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- Summary of the 'Authenticity Dilemma' framework as a guide for strategic AI integration
- Highlight of the paper's contribution to understanding AI's role in organizational strategy
- Call to action for managers and leaders to consider ethical and authentic AI applications





## Limitations of the Framework

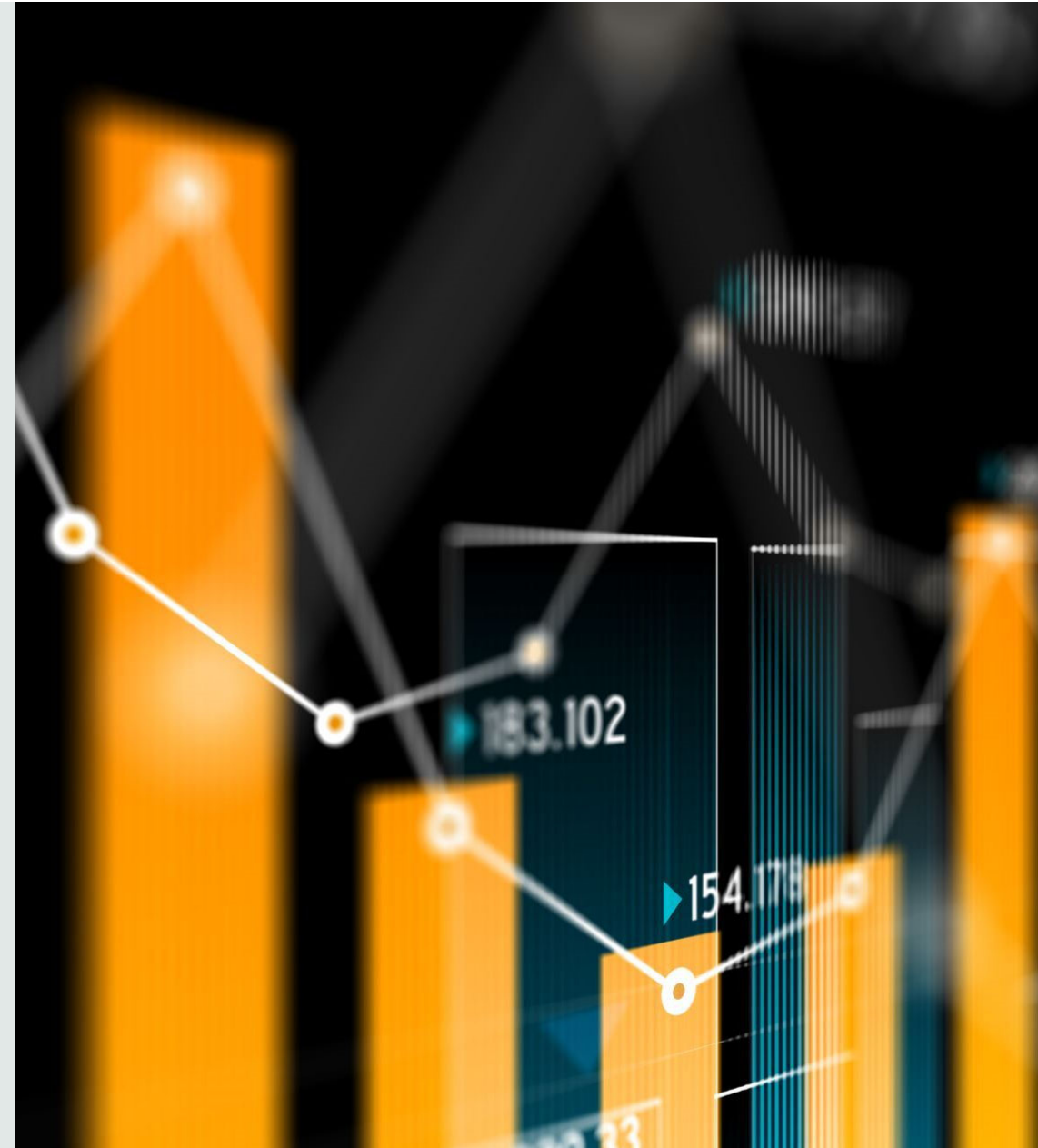
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- Acknowledgment of the framework's potential oversimplification of complex decision-making processes
- Discussion on the risk of technological determinism in emphasizing AI's role
- Consideration of the diverse perceptions of authenticity among stakeholders

# Future Directions

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- Suggestions for exploring the intersection of AI and decision-making in different organizational contexts
- Encouragement for further research on mitigating biases in AI sensemaking
- Call for studies on the long-term strategic impacts of authentic versus fake AI decision-making





## Key Takeaways

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- Recap of the strategic importance of distinguishing between authentic and fake AI applications
- Emphasis on the potential of AI sensemaking to transform organizational decision-making
- Highlight of the need for ethical considerations in the strategic deployment of AI



## Time for Your Questions? Potential Openers.....

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- How can organizations effectively balance the benefits and ethical implications of AI?
- In what ways can the 'Authenticity Dilemma' framework be applied across different industries?
- What are the potential risks and rewards of adopting a Greenhouse strategy in the context of AI?





## Contact Information

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Invitation for future collaboration