Draft for discussion

Teaching Students How to Make Strategic Choices[1]

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The goal of teaching our students business strategy is to enable them to make better strategic choices after they graduate, when they hold positions of influence in organizations. Toward this goal, faculty can—in concept—improve student thinking in two ways. First, they can help students understand and analyze all the factors they should weigh when making a strategic choice—for instance, industry conditions, implications for a firm's relative cost and willingness to pay, and likely reactions of rivals, to name just a few. I refer to these factors as *choice-making content*. Second, faculty can give students an effective series of steps they should follow when making a strategic choice. I call this *choice-making process*.

This paper aims to make three points. First, choice-making process matters for strategy. Indeed, some common processes for making decisions can fail when the decisions at hand are strategic. Second, most core strategy courses in leading MBA programs emphasize choice-making content and say far less about choice-making process. Third, a choice-making process that is tailored to strategic decisions exists and can be taught in core strategy courses. I outline this process and illustrate it with a concrete example.

Process matters

If strategic choices were like all other choices, there would be little need for business strategy faculty to teach a bespoke process for making strategic choices. Instead, we could rely on separate, dedicated courses that teach techniques for decision-making in general. Students could take what they learn in such courses and apply those learnings to make sound strategic choices.

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In contrast, if strategic choices are somehow different from other choices, then they might require a tailored process, taught in business strategy courses.

This logic raises a key question: what makes a decision strategic? In an article with precisely that question as its title, Leiblein, Reuer, and Zenger (2018) argue compellingly that strategic decisions have a hallmark: they are highly *interdependent* with other decisions in their impact on an organization's value creation. They do not stand alone. Rather, they have far-reaching implications for other decisions in three ways. First, strategic decisions shape the impact of other decisions made by the same organization at the same time. Second, they interact with the choices made by other actors such as customers, suppliers, or rivals. Third, they echo over time, affecting decisions made far into the future. Because of these internal, external, and dynamic interdependencies, strategic decisions powerfully guide the making of other choices, as Van den Steen (2017) highlights. Once leaders have made their strategic choices, other choices follow naturally and should fall into line.

Consider just one of the three types of interdependence that Leiblein, Reuer, and Zenger (2018) highlight: contemporaneous interaction across decisions within a firm. The notion that decisions made in different functions of a company affect one another and should be aligned is perhaps the oldest idea in the teaching of business strategy (Harvard University, 1915).[2] A line of strategy research in recent decades has emphasized the far-reaching impact of this form of interdependence on firm adaptation (Levinthal, 1997), imitation (Rivkin, 2000), the challenge of change (Siggelkow, 2001), the evolution of firm activity systems (Siggelkow, 2002), effective organizational design (Rivkin and Siggelkow, 2003; Siggelkow and Levinthal, 2003), and other matters (Siggelkow, 2011).

This line of research emphasizes that interdependencies among strategic choices transform the character of the mapping from choices to payoffs that business leaders face—the "performance landscape" in the language that Levinthal (1997) borrowed from evolutionary

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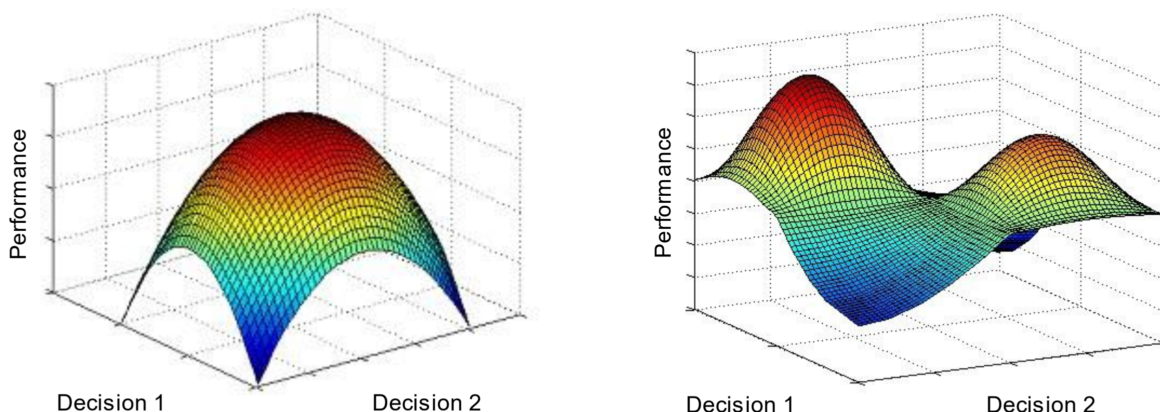
[2] For instance, the 1915 description of Harvard Business School's Business Policy course—the earliest precursor of graduate-level strategy courses—emphasized:

> "An analysis of any business problem shows not only its relation to other problems in the same group, but also the intimate connection of groups. For example, not only is any problem of factory management related to other problems in the factory, and any problem of selling related to other problems in the sales department, but also the groups of problems are interdependent. Few problems in business are purely intra-departmental. Furthermore, within each department there must be preserved a uniform principle of balance in accord with the underlying policies of the business as a whole" (Harvard University, 1915: 36).

biology (e.g., Kauffman, 1993) and brought into management science. **Figure 1** shows two different landscapes.[3] Both diagrams in the figure display a situation in which a firm makes two decisions that jointly determine performance. In the left diagram, the decisions do not interact. That is, the choice made with respect to decision A does not affect the marginal impact of changing decision B. (Any cross-section perpendicular to the decision-A axis results in the same shape with respect to decision B.) The resulting performance landscape is smooth and single-peaked. It provides "one right way" of doing business. In contrast, in the right diagram, decisions do interact. A change in decision A alters the marginal impact associated with decision B. Now the performance landscape is rugged with two local peaks—each an internally consistent configuration of choices, a different way of doing business.

Figure 1: Performance landscapes without and with interdependencies



The impact of interdependencies on the performance landscape—the creation of multiple local peaks—has profound consequences for the processes required to make strategic choices well. Seeking out high performance on the left landscape in **Figure 1** is straightforward. A leadership team that optimizes each choice in isolation, just responding to incremental opportunities for upward movement, will arrive atop the global peak. In contrast, it is much harder to find high ground on the landscape on the right. A team that climbs upward without accounting for interdependencies can wind up stranded on a low local peak.

[3] This example and the following paragraphs draw from Rivkin (2006a) and Rivkin (2006c).

In fact, the image on the right in **Figure 1**—with just two choices and two local peaks—understates the challenge. An image like this one is all we can represent on a two-dimensional page. In reality, business leaders are operating on a landscape with far more dimensions than anything we can show on paper. When setting strategy, leadership teams have to make dozens of decisions—about what advantage to pursue, what markets to serve, what products to offer, how to arrange each of many functional activities, and so forth. Conceptually, they are searching in a high-dimensional space of decisions for a set of choices that, together, yield high performance. Because each choice affects many others—because production decisions influence distribution choices, say, or because sales and human resource choices affect each other—the landscape on which senior executives search is rugged with lots of local peaks. Each local peak is an internally consistent set of choices. Starting at a local peak, a change in any single choice in isolation will make the firm worse off, but coordinated change along many dimensions may bring a big improvement.

Most industries have a number of different local peaks. In the airline industry, for instance, full-service airlines like British Airways occupy a peak characterized by choices like multiple classes of service, hub-and-spoke operations, high average fares, a range of in-flight amenities, service to primary airports, global reach, fleets of diverse aircraft, and so on. No-frills carriers like Ryanair sit on a very different peak with one class of service, point-to-point operations, very low fares, almost no amenities, service to secondary airports, regional focus, simplified fleets, etc.

In sum, strategic decisions are inherently interdependent with other choices; that is what makes the decisions strategic. These interdependencies create distinctive challenges for leaders who are searching for effective combinations of choices. Such leaders must "think in bundles of decisions" rather than optimize choice by choice. To meet these challenges, leaders who are setting strategy may need decision-making processes that are tailored to the special task at hand. And business faculty seeking to train effective strategists may need to teach their students approaches that are handmade for the job of making strategic choices.

Process gaps

Do existing business strategy courses teach students a process or processes for making strategic choices? To find out, I contacted colleagues at 15 leading business schools and asked

about the core MBA strategy course.[4] To each colleague, I introduced a distinction between decision-making content (what factors a business leader should consider when making strategic decisions) and decision-making process (what steps a business leader should follow when making strategic decisions). Judging from their replies, the colleagues found this distinction clear and intuitive. I then asked, "Does your core MBA strategy course teach students a particular process for making strategic decisions? If so, what is the process?"

Colleagues at 11 of the 15 schools reported that their core strategy courses included little material on the steps a leader should follow when making a strategic decision. As one individual put it, his class is "a content course with process moments." The "process moments" that colleagues mentioned included sessions on how to use hypothesis testing or analogical reasoning to choose among alternative strategies, for example.

Among the other four schools, one colleague described a course with one-third of the material devoted to choice-making process, including a rigorous framework for generating strategic options and a capstone project that applied the process steps. Another colleague estimated that 40% of his course was devoted to process, but he added that his process was for "marginal decisions over continuous attributes," not the discrete choices that often characterize strategies. At two schools, colleagues reported wide variation across different instructors—with one instructor emphasizing choice-making process but the others focused almost exclusively on content.

Colleagues at a few schools mentioned capstone projects in which students make recommendations about how leaders of real businesses should address their strategic challenges. Implicitly in such projects, students must devise a process for making strategic choices. At most schools, however, the projects did not prescribe an explicit process.

The overall impression one gets is that MBA instruction in business strategy is dominated by content, not process. As a field, we tell students far more about the factors business leaders should weigh when making strategic choices than about the steps they should take to make those choices.

[4] The schools were Chicago Booth, Columbia, Dartmouth Tuck, Duke Fuqua, IESE, INSEAD, London Business School, Michigan Ross, MIT Sloan, Northwestern Kellogg, NYU Stern, Penn Wharton, Toronto Rotman, UCLA Anderson, and Virginia Darden.

This does not necessarily mean that the field is making a collective error. After all, instructional time is a finite resource: courses are only so long. More time spent on process would presumably mean less time devoted to content, and perhaps the power of content knowledge is so great in terms of delivering future business success to students (relative to the power of process knowledge) that our emphasis on content is wholly appropriate.[5] Indeed, a few colleagues implied as much when they told me that they would love to teach more on process but they don't have time in class.

Another possibility, however, is that our students would benefit from more and better instruction on the steps they should take when facing strategic choices, even if it comes at the cost of less content instruction, but that the "technology" for such instruction has not yet spread enough among business strategy faculty. Betting on that possibility, I now turn to one such technology.

A process proposal

Returning to **Figure 1**, I ask: what decision-making approach works well when business leaders face a performance landscape like the one on the right? What approach is likely to lead to success when a leader, or a leadership team, faces a large set of choices that interact to drive company performance and create multiple, distinctive ways of doing business?

My candidate answer is what I call *an options-led approach to making strategic choices*. Upfront, let me give three caveats about this approach.

First, by no means do I claim that this is the only or the universally best approach for making strategic choices. To the contrary, I'll argue in the concluding section below that, as a field, we need a *toolkit* of process tools. I submit the options-led approach as a candidate tool in the kit, and one that can be taught effectively in the MBA classroom.

Second, the options-led approach is *not* my original invention, by any stretch. Most prominent strategy consulting firms use some variant of the approach, though they use different names for it and sometimes don't codify it formally. Personally, I learned the options-led approach at the feet of Roger Martin, when he was a senior partner at Monitor Company and I was a junior strategy consultant in the 1990s. (Martin later became Dean of the Rotman School

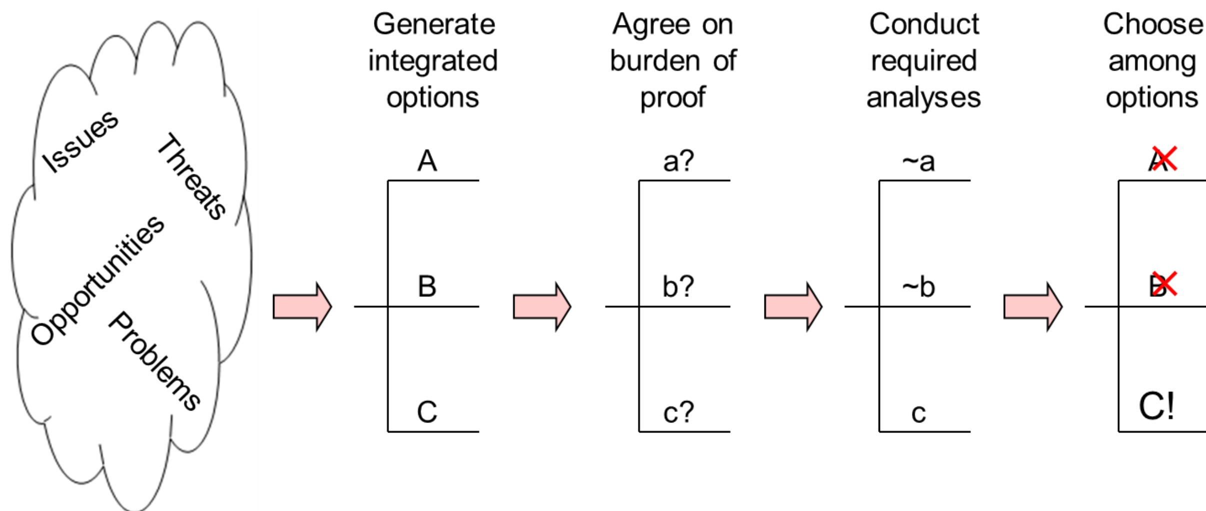
[5] To put it more precisely, the marginal return to content instruction equals the marginal return to process instruction when most instruction is devoted to content rather than process.

of Management at the University of Toronto and a prolific, popular business strategy author.) Early versions of the options-led approach appeared in Martin (1997) and Martin (2002). Later versions appeared in Lafley and Martin (2013) and Lafley, Martin, Rivkin, and Siggelkow (2012).

Third, though my focus here is on the process of making choices, the options-led approach works well only in the hands of individuals who also have a strong grasp of the content side of strategy. Knowledge of the factors business leaders should weigh when making strategic choices is crucial in the process described below. Process skill and content expertise should travel hand-in-hand.

The options-led approach is typically activated by the arrival of a true strategic choice.[6] It comes into play when senior executives feel that their company faces a fork in the road (or when junior managers can convince their seniors that they are at a fork). Once activated, the approach involves the four steps shown in **Figure 2**. These steps are usually iterative in real situations, but I'll lay them out here in simple order. I describe the steps as a company's leadership team would undertake them; the "translation" to what a student or a student team would do in a course is straightforward, and I return to that topic below.

Figure 2 Steps in the options-led approach to making strategic choices



[6] The text of this section draws from Rivkin (2002) and Rivkin (2024).

Generate integrated options. First, a cross-cutting team of decision makers convenes. The team represents all the major parts of the firm and consists mostly of operating managers, not staff alone. The team may gather some basic background information initially, especially about changes in the environment. Very early on, however, they *generate a set of integrated strategic options.* That is, the team lays out multiple, internally consistent alternatives for moving forward. They sketch out each option in some detail: what would each option imply about target customers and product lines? About procurement, production, and distribution? About sales, marketing, and service? About human resource management and technology development? And so forth. The detail here is crucial: if the team simply lists different mottos or goals and does not flesh them out, then it has not articulated true strategic options.

It is essential that the team devise a number of viable options, not a single course of action. After all, if there are not multiple options, then the company does not truly face a choice. This step requires the first of three fundamental shifts in mindset. Too often, leadership teams jump quickly to the question, "What should we do?" In contrast, the options-led approach starts with the query, "What *might* we do?" This opens the door to creative alternatives that require systemic change. In terms of the landscape imagery used before, this step requires that the team envision multiple peaks, not just the one they currently occupy or instinctively prefer.

Creativity enters the strategy-making process at this step. Three types of probing questions can help executive teams generate creative integrated options (Rivkin, 2006b). *Inside-out questions* start with the company's assets and capabilities, and they reason outward: what does our company do especially well that parts of the market might value, that might produce an enduring competitive advantage? *Outside-in questions* start by looking for openings in the market: what are the underserved needs, what are the overserved needs, and what gaps or segments have competitors left open? *Far-outside-in questions* employ analogical reasoning: what would it take to be, in our market, the equivalent of a company we deeply admire in another market?

Agree on the burden of proof. Second, the team *agrees on the burden of proof* associated with each integrated option. That is, it states clearly what would have to be true for the team to prefer each option over the alternatives. What must be true about customers? About suppliers and competitors? About the company itself? About the future? And so forth. Before assessing the terrain, then, the team considers what the terrain would have to look like in order to favor

each peak. In essence, this step involves identifying the key unknowns that the team must resolve in order to choose among the options.

This second step, like the first, requires a shift in mindset. Often, a leader who faces a decision jumps immediately to the question, “What do I believe?” The options-led approach requires a leader instead to ask a very different question: “What would I have to believe?” This is a major, and often difficult, shift. It requires a leader to admit the possibility that each option is viable, at least for a short while. It forces the leader to imagine a world in which each option makes sense.

In my experience, this step allows creative options that would have been suffocated in a traditional strategic planning process to breathe for a while and gain strength. Take, for instance, a team of restaurateurs with whom I worked.[7] When the team was generating options, one of the younger members shared a reflection. “Our product has a lot of components. The food itself is the obvious part, but there are also all the aspects of service and ambience. We offer a wide menu and charge different amounts for different food, reflecting our costs. But we don’t allow differences in the other components. What if we allowed the customer to tailor her whole experience, not just her food, to her preferences, and what if we set prices accordingly? If the customer wants a quiet table, she pays one price; a loud table, another. If she wants a polite waiter, one price; a surly waiter, another. Fast service, one price; leisurely service, another.” This nutty option would have been squashed in the traditional strategy-making process, or more likely, it would never have come up. Forced to describe a world in which the option was viable, however, the team realized that this world resembled their reality in important ways. In agreeing on a burden of proof related to the option, the team played with it long enough to find valuable gems in the idea. The notion of tailoring a customer’s experience to her unique preferences played a major role in a creative option the company eventually adopted.

The key unknowns identified in this step typically fall into three categories—categories that match the three types of interdependencies that Leiblein, Reuer, and Zenger (2018) identify:

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[7] I have changed the industry in which this client competes in order to protect confidentiality.

- *External.* What would we have to believe about the external world in order for each option to be preferred? For instance, what must be true about customers, suppliers, rivals, new entrants, or substitutes?
- *Internal.* What would we have to believe about the situation inside the company in order for each option to be preferred? For example, what must be true about the company's capabilities, its employees, its financial and other resources, or its cost position?
- *Dynamic.* What would we have to believe about the dynamics of the future in order for each option to be preferred? For instance, what must be true about how competitors would respond to each option or how market conditions might evolve? What must we believe about the ability (or inability) of our people to grow and change?

Note that to identify key unknowns well, leaders need sophisticated content knowledge (or excellent instincts). Knowledge of classic strategy tools—such as the Five Forces framework (Porter, 1979), the value net (Brandenburger and Nalebuff, 1996), the strategy canvas (Kim and Mauborgne, 2005), added value (Brandenburger and Stuart, 1996), and game theory (e.g., Dixit and Nalebuff, 2008)—is powerful in pinpointing what must be true for each option to enable a company to create and capture more value than other options enable.

Conduct required analyses. In the third step in the options-led approach, the management team *conducts the analyses identified by the burden of proof.* That is, it undertakes whatever analysis is required to resolve the key unknowns and choose among the options. Conceptually, the team sends probes out onto the landscape to test the terrain and choose among suspected peaks. The probes might take the form of targeted market research, in-market experiments, analyses of current and future internal capabilities, competitor research, personnel assessments, or relative cost analysis, for instance.

Because the senior team has reverse-engineered the analyses from the options, this step is a targeted search for data to help the team choose among specific, plausible options. It is *not* an all-encompassing scavenger hunt for data that might or might not be helpful. This highlights a third shift in mindset associated with the options-led approach. Too often, business leaders leap quickly to the question, "What is the right answer?" In contrast, the options-led approach emphasizes, "What are the essential questions?" The third step is an effort to address those questions.

Choose among options. The final step is to *choose among the integrated strategic options.* The analyses have begun to make clear which option's burden of proof is best met. In practice, however, it is rare that the analyses point clearly and obviously to one option over the others. Instead, leaders must make a judgment—informed by the analyses—about the tradeoffs among the options. Three questions are often useful in this judgment:

- *External.* In light of the analyses, which option best taps the opportunities and neutralizes the threats posed by the outside world?
- *Internal.* In light of the analyses, which option can the company itself best pull off?
- *Dynamic.* In light of the analyses, which option will best meet the needs of the future?

These questions strike a balance between market and company considerations. For instance, they rule out options that look great from an external perspective but go beyond what a company can actually do—distant peaks that a team is not equipped to scale. Likewise, the questions disfavor easy-to-do options that will fail in the marketplace—convenient but low-lying peaks.

An important benefit of the options-led approach is that it closes the distance between strategy formulation and strategy implementation. By the time a management team has picked a peak, it has partially paved a path toward that peak, for two reasons. First, the options-led process begins with a very detailed description of each option. Early on, the team must lay out the implications of each option for each and every part of the company. The implications become only clearer and more detailed as the process continues. Forced to set burdens of proof and to conduct concrete tests, a team cannot pronounce a grand vision, then leave it to others "just" to implement. Second, the individuals who comprise the team are typically also the people who must march the company to the target peak. Because they have scanned the landscape themselves and have helped to pick out the target, they are more prepared and eager to lead the march.

As I mentioned earlier, the "translation" of the options-led approach from practice to the classroom is straightforward. In some class sessions, one can simulate the entire approach in one case discussion: students generate multiple options, identify the burden of proof for each option, conduct analyses implied by the burdens of proof, and make a choice. In other sessions, students focus primarily on one of the steps—for instance, fleshing out multiple options in detail or specifying burdens of proof in depth—and learn how to accomplish that step well.

The heart of this options-led approach is to *put last things first*—that is, to reason backward from multiple plausible options to analysis and then to choice. The "s" in "things" is crucial. It is the options-led approach's requirement for multiple options that fuels creativity and productive debate.

A process example

To illustrate the options-led approach in detail, let me use an example from the career of A.G. Lafley—a two-time chief executive of the consumer products giant Procter & Gamble who also helped to codify the options-led approach (Lafley and Martin, 2013; Lafley, Martin, Rivkin, and Siggelkow, 2012).[8]

In the late 1990s, when P&G was contemplating becoming a major player in the global beauty care sector, it had a big problem: it lacked a credible brand in skin care, the largest and most profitable segment of the sector. Without a strong skin care offering, P&G was unlikely to achieve its ambitions in the larger beauty care sector. All P&G had in skin care was Oil of Olay, a small, down-market brand with an aging consumer base. How could the company craft a winning strategy in a segment where it was so weak?

Generate integrated options. A team of P&G executives started their search for a strong skin care strategy by brainstorming a wide range of paths forward. Ultimately, they identified and fleshed out five options:

1. Acquire a major global skin care brand, like Nivea or Clinique, from another company—likely at a cost of billions of dollars.
2. Keep Oil of Olay positioned as an entry-priced, mass-market brand and strengthen its appeal to current older customers by using P&G's R&D capabilities to improve its wrinkle-reduction performance.
3. Move Oil of Olay into prestige distribution channels like department stores and specialty beauty shops as an upscale brand.
4. Reinvent Oil of Olay as a prestige-like brand that would appeal more broadly to women ages 35-50—younger than its current customers—and sell it in traditional mass channels

[8] The example and the text in this section draw heavily from Lafley, Martin, Rivkin, and Siggelkow (2012).

with retail partners willing to create a "masstige" experience in special retail display sections.

5. Extend an existing, successful P&G cosmetics brand—Cover Girl—into skin care and build a global skin care brand on that platform.

Agree on the burden of proof. Next, the team worked to pinpoint the conditions that would have to be true for each option to be preferred. For example, for the masstige option (#4), P&G executives focused on the following conditions:

- *External.* For the masstige option to win, mass retailers would have to embrace the idea of creating a masstige experience to attract prestige customers. Moreover, a pricing sweet spot would have to exist that would induce current mass-market customers to pay a premium *and* convince prestige shoppers to purchase in the mass channel.
- *Internal.* Looking inside P&G, executives realized that the masstige option would work only if P&G had, or could develop, the capabilities to create prestige-like brand positioning, packaging, and in-store promotion in the mass channel and only if its partnerships with mass retailers were strong enough to co-create a masstige segment. Moreover, P&G would have to be able to create a prestige-like product with a cost structure that could hit the pricing sweet spot.
- *Dynamic.* Looking toward the future, the masstige option required two conditions related to competitor response. First, prestige skin-care competitors would need not to follow P&G into the masstige segment, for fear of damaging their established positions in the prestige channels. Second, mass skin-care competitors would have to lack the capabilities to follow P&G up into the masstige segment.

Note the range of functional expertise that came into play as P&G executives set these conditions. P&G is famed as a strong marketing company, but the relevant conditions went far beyond classic marketing considerations like pricing, promotion, and product placement. For the masstige option and other options, P&G executives had to consider the company's R&D capabilities, its financial resources, its channel relationships, the management strength it had and could develop, its ability to negotiate and integrate acquisitions, and so on—the full array of business activities.

Among the conditions for the masstige option, the P&G team was especially dubious about the willingness of mass-market customers to pay a premium; the company's internal capabilities

to create the right positioning, packaging, and promotions; and the willingness of mass retailers to co-create a masstige segment.

Conduct required analyses. With the burden of proof laid out, the P&G team designed tests for each condition. In doing so, they paid special attention to the conditions they doubted the most. For the masstige option, for instance, the team explored whether the required pricing sweet spot existed for their proposed product. To do so, they experimented in the marketplace with premium prices from $12.99 to $18.99. At $12.99, there was good demand for the product among mass shoppers but no interest among prestige shoppers. At $15.99, demand dropped dramatically: the product was too pricey for mass shoppers and still not appealing to prestige shoppers. But at $18.99, demand shot up. Prestige shoppers saw the product as a great value but still credibly expensive; consumers crossed over from prestige department stores to buy Olay in discount, drug, and grocery stores. And for the mass shopper, the premium price signaled that the product must be considerably better than anything else on the shelf.

This pricing test was just one of many analyses the team conducted. Other tests looked at market conditions, internal capabilities, cost structures, competitor profiles, and the like.

Choose among options. After weighing the analyses, P&G's leaders decided that the masstige option was its best bet. The company started with the launch of an upmarket product called Olay Total Effects, priced at $18.99 in prestige displays within mass-market channels. The strategy worked: mass retailers loved the product because they saw new shoppers buying at higher price points in their stores. Dermatologists and beauty magazine editors saw real value in the well-priced, effective product line. In less than a decade, the Olay brand spawned a series of boutique product lines that attracted prestige shoppers to mass channels and surpassed $2.5 billion in annual sales. P&G's growing strength in skin care boosted its prospects in the larger beauty care sector.

In a classroom setting, students won't be able to match the depth and detail of P&G's executives in stepping through the option-led approach, of course. But with strong case material arrayed across a course, they *can* get practice with each step in the approach, understand how the steps fit together, and see the power of the approach for making strategic choices. **Table 1** lays out some cases taught in recent years in the required strategy course at Harvard Business School and maps each case to the steps it can be used to illustrate or practice (indicated by a blue rectangle).

A second toolbox

Over the decades, strategy scholars have developed, tested, and refined a powerful set of concepts and frameworks for pinpointing and analyzing the factors that business leaders should consider when making strategic choices—choice-making content. From strategy scholars, strategy instructors have gained a content toolbox they can share with their students—a box full of tools for understanding industries, competitive positions, resources, capabilities, competitive dynamics, and the like.

Table 1: Case studies that illustrate steps in the options-led approach

	Generate integrated options	Agree on the burden of proof	Conduct required analyses	Choose among options
Airbus versus Boeing (HBS case 716-436)			■	■
Ben & Jerry's Homemade Ice Cream (796-109)			■	■
Commonwealth Joe Coffee Roasters (719-451)		■		■
Extend Fertility (719-019)	■			
Hurtigruten: Sailing into Warm Water? (720-410)		■	■	■
LEGO: The Crisis (713-478)	■			
Levi Strauss: A Pioneer Lost in the Wilderness (720-405)	■	■		■
Ryanair: Dogfight over Europe (700-115)				■
SoundCloud: Subscription Streaming? (719-430)	■			
Thinx, Inc.: Breaking Barriers in Feminine Care (720-443)		■		■
Walmart USA: Searching for Growth (722-395)		■		■

The tools for grasping strategy content are most effective when paired with a clear process for applying the content tools—ideally, a process that is tailored to the special features of strategic decisions. In this paper, I've argued that the options-led approach is one such process

that can be taught to students. Other such processes surely exist. Analogical reasoning (Gavetti and Rivkin, 2004) is one candidate. The scientific approach to decision making (Camuffo, Cordova, Gambardella, and Spina, 2020)—explored so far mostly in the context of entrepreneurial ventures—is another candidate.

Perhaps a fitting ambition for strategy faculty, in their role as instructors, is to develop a toolkit of choice-making processes to complement the content toolbox. Ideally, we would know when to use each tool in the new kit, based on rigorous testing conducted on students and actual business leaders. Research about the effectiveness and impact of strategy teaching is rare, but examples exist to point the way (e.g., Heshmati and Csaszar, 2024; Yang, Christensen, Bloom, Sadun, and Rivkin, 2024).

In teaching our students about choice-making processes, we open the door to having a profound influence not only on their skill sets but also on their mindsets. My personal observation is that learning the options-led approach causes students to tackle problems in new ways. Such students grow to think in terms of bundles of choices rather than isolated decisions. They start their choice-making by asking “What might I do?” rather than leaping to “What should I do?” They pause to consider “What would I have to believe?” before jumping to “What do I believe?” They spend time seeking out the essential questions before looking for the right answers. I believe these mindset shifts are powerful in helping our students become better strategists.

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