strong introduction—I particularly appreciated the triangulation of sources—
and an in-depth analysis of purpose.

The quality of the analysis varies across sections.
-The Leading section would benefit from clearer referencing and a more direct focus on empowerment.
- The Organizing section needs more nuanced analysis and stronger justification of your arguments.
- In contrast, the Controlling and purposesection offers interesting insights and makes good use of Thinkers50.

Finally, remember to clearly acknowledge how you used AI, particularly if it helped you identify
relevant Thinkers50 (see purpose)

Good work overall, with room for improvement in the depth and consistency of your analysis!

# Management Diagnostic Report Supercell

Course: Management 2026 – 5th Semester
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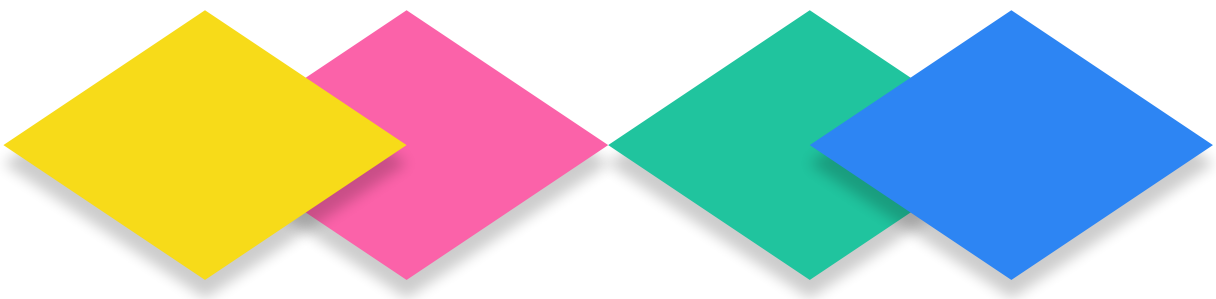
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## INTRODUCTION

In 2016, Supercell was the leading mobile-game publisher in the world. By 2023 it had fallen outside the top 10 and had not launched a new game since Brawl Stars in 2018. This was not said by a critic: it was said by its own CEO, Ilkka Paananen, in a public letter (Paananen, 2024). Few companies publish such a verdict about themselves. Even fewer run an organisation where the cancellation of a game is celebrated with champagne. Supercell looks like the management model every start-up dreams of, yet a model built for a handful of small teams does not automatically hold once the company is global, dependent on a few long-running hits and expected to produce the next one. This report asks a simple question : **what does Supercell do exceptionally well, and where could its own strengths become its next risk?**
This report carries out a management diagnosis of Supercell and proposes actionable recommendations to improve its management practices. We analyse four dimensions in turn: purpose (Part 1), empowerment (Part 2), structure (Part 3) and control (Part 4). Each part describes what the company actually does, identifies one managerial problem and proposes recommendations with their benefits and limits. The conclusion is a position paper addressed to the CEO.
Supercell is an unusually good case for a management diagnosis for four reasons :

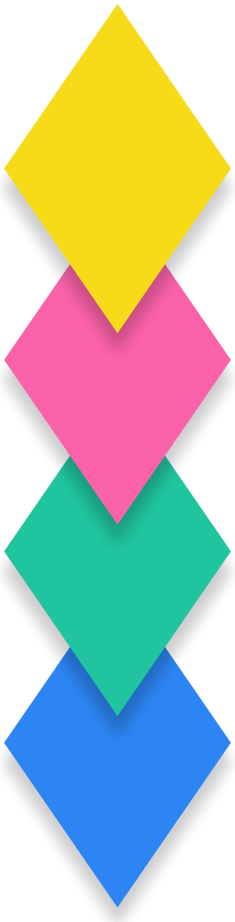
- **Strategy :** it bets on a small number of high-quality games, each aimed at a very long life, instead of a wide portfolio of titles.
- **Structure :** it is organised in independent “cells”, small teams that decide for themselves whether a game is launched or stopped, with leaders who describe their role as serving the teams (Supercell, n.d.-b).
- **Innovation profile :** hits are rare and unpredictable, so management practices around risk, failure and learning matter more here than in most industries.
- **Growth stage :** the company has moved from start-up to mature business. Its own CEO has written that its market position slipped and that larger teams sometimes need more structure (Paananen, 2022, 2024), which tests whether a founder-era culture can scale.

Supercell is a mobile game developer founded in 2010 in Helsinki, Finland. It operates in the free-to-play mobile gaming industry, a highly competitive market where revenue comes mainly from in-app purchases and where success depends on keeping players engaged over years. Its main titles are Clash of Clans, Hay Day, Boom Beach, Clash Royale and Brawl Stars, followed more recently by Squad Busters. The company employs a few hundred people, organised in cells that design, launch and maintain individual games. SoftBank acquired a majority stake in 2013, followed by a Tencent-led consortium in 2016, and Ilkka Paananen is the CEO. Today Supercell must manage two kinds of activity at once: building new games, and operating mature, long-running games with larger teams.

The problem is not that Supercell's management is weak. It is that a management model designed for small teams creating games may not be enough for the organisation Supercell has become. Four contextual factors define this problem:

- **Market position.** The CEO acknowledged that Supercell had not released a new game since Brawl Stars in 2018 and had fallen outside the top 10 mobile-game publishers in 2023, after leading in 2016 (Paananen, 2024).
- **Adaptation and strain.** In 2022 he admitted that the company had not adapted fast enough to changing player expectations and that ambitious, small, independent teams sometimes pushed themselves too hard (Paananen, 2022).
- **Size and complexity.** Some live-game teams have grown, and Supercell has tested sub-cells, leadership teams and some middle management (Paananen, 2024).
- **Signals from new games.** Squad Busters attracted millions of pre-registrations and installs, but its retention did not meet expectations, which revealed weaknesses in early testing (Supercell, n.d.-c).

Our central question is therefore : how can Supercell keep the autonomy, creativity and accountability of its cells while making its purpose, empowerment, structure and control work for a larger, more mature company? The four parts that follow each answer one side of this question.



# PART 1: PURPOSE

## 1. Supercell's official purpose

### 1.1 The purpose as stated by the company

On its "About us" page, Supercell states its purpose as a dream : "Our dream is to create great games that as many people as possible play for years and that are remembered forever." (Supercell, n.d.-a)
The same idea appears in other official channels :

- The careers page calls it Supercell's **mission**: games for as many people as possible, played for years and remembered forever (Supercell, n.d.-b)
- The CEO's annual letter says the company was founded to create such games (Paananen, 2025)

The statement is therefore stable across channels, which is already a point in its favour.
The rest of the "About us" page (the "Why we are here" section) adds important nuances :

| **Element on the website** | **What it adds** |
|---|---|
| Independence of teams | Supercell was founded to give developers and teams the independence to decide which games they make and how. |
| Social belief | The company believes games bring people together and closer to each other. |
| Audience | It designs games that excite wide and diverse player communities, and tries to widen the audience for smaller "niche" concepts. |
| Players first | Without players Supercell does not exist; lovable worlds and characters that make people come back are at the heart of its design. |
| Not about money | The company says it was not created to make money; financial success allows patience and big risks. |
| Wider stakeholders | The ambition is to be a company that does good for players, employees, shareholders and the wider community. |

The careers page completes this with three values: independence and responsibility, ambition and risk-taking, humility and kindness (Supercell, n.d.-b)

### 1.2 Breaking the statement into testable components

| Component | Meaning | What it leaves open |
|---|---|---|
| “Our dream” | Emotional, creative tone, not financial | Whose dream : founders, employees, players ? |
| “Great games” | Quality first | Great by whose standard, and how is it recognised early? |
| “As many people as possible” | Maximum reach | For whom first? Reach in downloads or in players who stay? |
| “Play for years” | Long-term engagement | What keeps people playing? |
| “Remembered forever” | Emotional memory, legacy | Remembered for the game, or for the people played with? |

### 1.3 Company context in 2026 (why the purpose matters now)

| Fact | Source |
|---|---|
| More than 1,000 employees, 5 offices, 60+ nationalities, 5 global live games and about 290 million monthly active players | Supercell (n.d.-a) |
| 2025 revenue of $3.01 billion (€2.65 billion) and EBITDA of $1.06 billion: close to a record year, driven by a historic year for Clash Royale | Paananen (2026) |
| 2024 revenue before deferral of €2.8 billion, up 77% from €1.6 billion in 2023; Brawl Stars grew spectacularly | Paananen (2025) |
| In 2023 Supercell was outside the global top 10 publishers, after being number 1 in 2016, and had launched no new game since Brawl Stars in 2018 | Paananen (2024) |
| Squad Busters (development started in 2020, global launch in May 2024) reached 40 million pre-registrations and 75 million downloads, then became Supercell’s first game ever killed after global launch | Paananen (2025, 2026) |
| Supercell says it has killed over a dozen games to make six; Smash Land, Rush Wars and Hay Day Pop are examples | Supercell (n.d.-b) |
| Supercell has reorganised into separate organisations for live games and for new games, with different spaces, cultures and ways of working | Paananen (2026) |

The context is therefore a paradox: Supercell has some of the best “forever games” in its industry, yet it still struggles to launch new outlier hits.

## 2. Note to the CEO

**To:** Ilkka Paananen, CEO, Supercell
**From:** Management consulting team
**Subject:** Is Supercell’s purpose helping your teams make the hardest decisions?

### 2.1 The lens : Montgomery and the Thinkers50

We analyse the purpose with the three questions of Cynthia Montgomery (2012), as presented in class : **Who are we ? What makes us distinctive ? What do we exist for ?** For Montgomery, a purpose describes the unique value a company brings and involves a real choice: what we do and, by implication, what we do not do (Montgomery, 2012).
We complete this with thinkers from the **Thinkers50 Ranking 2025**, the most recent edition (Thinkers50, 2025). Each one tests a precise point :

| **Thinker Thinkers50** | **Idea used** | **Question it helps answer** |
|---|---|---|
| **Ranjay Gulati** | “Deep purpose”: many leaders confuse purpose with mission, vision and values, and fail to build it into every key function and into what people do on the job (Gulati, 2022) | Is Supercell’s purpose merely stated, or embedded in its decisions and its own communication? |
| **Paul Polman & Andrew Winston** | “Net positive”: a company improves the wellbeing of everyone it touches and thrives as a result (Polman & Winston, 2021). The ranking summarises it with the question of whether the world is better off because the business is in it (Thinkers50, 2025). | Does the purpose cover players, creators, employees and the community, or only the players’ memories? |
| **Adam Grant** | Meaning at work: contact with the people who benefit from our work raises persistence and performance (Grant et al., 2007) | Do cell members feel the human impact of their games? |
| **Linda Hill** | “Collective genius”: innovation happens in communities held together by shared purpose, shared values and rules of engagement (Hill et al., 2014) | Does the purpose work as the glue between independent cells? |

| | | |
|---|---|---|
| **Wendy K. Smith & Marianne W. Lewis** | Paradox: lasting performance comes from "both/and" thinking about tensions, not from picking one pole (Smith & Lewis, 2022) | How does the purpose handle the tensions between breadth and depth, new and live games, independence and common direction? |
| **Roger L. Martin** | Strategy as a cascade of choices: a winning aspiration, where to play, how to win (Lafley & Martin, 2013) | Does the purpose say *where to play*, i.e. for whom? |
| **Sheena Iyengar** | Choice: too many options can paralyse decisions, and choice is linked to meaning (Iyengar, 2010) | Do teams have enough constraints to choose? (used as an analogy, since her studies concern consumers) |
| **Amy Edmondson** | Psychological safety: people take interpersonal risks and learn when the team feels safe (Edmondson, 1999) | Can teams safely use a demanding criterion such as "Will we be proud?" |
| **W. Chan Kim & Renée Mauborgne** | Blue ocean strategy: growth comes from reaching non-customers and creating new demand (Kim & Mauborgne, 2005) | When does broad reach make sense? (boundary condition) |

**Radar 2026 :** Camilla Kring and Alex Budak belong to the Thinkers50 Radar Class of 2026 (Thinkers50, 2026). Their ideas concern working rhythm and leading change, so we use them in Parts 2 and 3, not here.

### 2.2 Analysis with Montgomery's three questions

- **Question 1: Who are we?** Supercell is a game company, founded on the idea of independent teams (Supercell, n.d.-a). But the headline statement says only "create great games". The identity that really defines Supercell is spread across several pages. The purpose is on the "About us" page, the values (independence and responsibility, ambition and risk-taking, humility and kindness) are on the careers page, and the rule of "disagree and commit" is on the careers page too (Supercell, n.d.-a, n.d.-b). Hill et al. (2014) say that innovative communities rest on a shared purpose, shared values and rules of engagement. Supercell has all three, but they are not joined in one statement, so the purpose is not "deep" in Gulati's sense (2022): it is stated, but not integrated into one coherent expression. *Partly met.*

- **Question 2: What makes us distinctive?** Using Roger Martin's cascade (Lafley & Martin, 2013): the statement has a *winning aspiration* (great games, remembered forever). The *where to play* is "as many people as possible", which is not a choice. The *how to win* (small independent teams, killing what is not great) lives elsewhere (Supercell, n.d.-b). Smith and Lewis (2022) add a second reading: the statement picks one pole of a paradox, breadth, without managing its opposite, depth. The "About us" page itself holds both poles, since it speaks of wide and diverse communities and of broadening the audience for smaller niche concepts (Supercell, n.d.-a), but it does not say how to reconcile them. *Not met in the statement; met in practice.*
- **Question 3: What do we exist for?** To create games that last and are remembered. Success is measured by reach and duration, which puts long-term engagement ahead of short-term results. The wider page goes further: it says the company wants to do good for players, employees, shareholders and the wider community, and that games bring people together (Supercell, n.d.-a). This is close to Polman and Winston's net-positive logic (2021), but only in the body text, not in the headline. Grant et al. (2007) add that employees draw meaning from seeing the people their work helps, and the headline does not speak to them. *Partly met.*

| **Montgomery's question** | **Strength** | **Weakness** | **Verdict** |
|---|---|---|---|
| Who are we? | Clear game company; strong values and rules elsewhere | Purpose, values and rules are not joined (Hill et al., 2014) | Partly met |
| What makes us distinctive? | Real choices in practice (few launches, many kills) | No "where to play" in the statement (Lafley & Martin, 2013); breadth/depth paradox unmanaged (Smith & Lewis, 2022) | Not met in words |
| What do we exist for? | Long-term over short-term; wider stakeholders on the page | Value for players' communities and for creators missing from the headline | Partly met |

### 2.3 The issue : "as many people as possible" is not a choice

**The problem.** Supercell's purpose is a powerful ambition, but it **does not make a choice about for whom the games are made**. In Martin's terms (Lafley & Martin, 2013), it has an aspiration without a "where to play". In Smith and Lewis's terms

(2022), it names one pole of a paradox, breadth, and leaves each team alone with the tension. This matters most where Supercell is weakest: **launching new games**.
**Evidence and context :**

1. **Squad Busters.** The team's own diagnosis was that trying to appeal to everyone made the game perfect for no one: casual players did not find it and mid-core players found it too simple (Paananen, 2025). The audience came, but most did not stay: 75 million downloads, then a shutdown (Paananen, 2026).
2. **Tests that missed the social engine.** Squad's betas mostly validated core gameplay and 7-day retention, not longer-term retention (Paananen, 2026). Yet Supercell explains its biggest growth stories through word of mouth between friends (Paananen, 2026). The social dimension drives the "forever games" but is absent from the headline statement.
3. **A perfect record can hide a purpose problem.** Before Squad, Supercell's last five launches were all successes. The CEO wonders whether that meant too little risk, and the Squad lead said risk appetite had become too constrained (Paananen, 2025, 2026). A purpose that does not say what to risk, or for whom, leaves each team to guess.
4. **Autonomy needs a sharper common reference.** Cells decide alone whether to launch or kill their game (Supercell, n.d.-b). Hill et al. (2014) show that independent innovators need a shared purpose; the more independent the teams, the more explicit it must be.
5. **The purpose is not embedded in the website.** The "About us" page still says the company's explicit goal is to stay as small as possible and mentions 340 employees, while its own statistics show more than 1,000 Supercellians (Supercell, n.d.-a). For Gulati (2022), purpose must be lived in practice, and a contradiction on the company's own page weakens it.
6. **Employees are absent from the headline.** Grant et al. (2007) show that meaning comes from the contribution to others, which the statement does not link to the creators' own work.

**Counter-argument and answer.** One could argue that a short, open dream is a strength and that practices already provide the distinctiveness. We agree that the dream is memorable and that practices matter more than words. Our point is narrower: in a company that gives total independence to teams, the shared reference needs one explicit choice, and the Squad Busters case shows what it costs to leave it out.

## 2.4 Recommendations

These are specific to Supercell, go beyond “rewrite the purpose”, and each states its boundary conditions.

| | Recommendation | Evidence and theory | Benefit | Boundary conditions | Risk |
|---|---|---|---|---|---|
| 1 | **Add a “core players first” rule.** Before a new game’s first beta, the team names the player group it serves first and the group it chooses *not* to serve yet. Reach is built afterwards. | Squad Busters (Paananen, 2025, 2026). Martin’s “where to play” (Lafley & Martin, 2013). Smith and Lewis (2022): turn the breadth/depth paradox into a *sequence*, core first, then wider. | Gives “as many people as possible” an order and makes the trade-off visible | Applies mainly to *new* games. For mature, broad-audience games it is less relevant. Kim and Mauborgne (2005) remind us that long-term growth also comes from non-customers, which fits the CEO’s call for new genres that bring new players in (Paananen, 2026). The rule is for launch, not for the whole life of a game. | A narrow definition could kill a concept that would have grown with a wider audience |
| 2 | **Turn “played for years” into early signals.** In betas, track beyond 7-day retention: friends invited, groups or clans formed, return after a break. At each continue/kill decision ask: “Would this still be played in five years, and with whom?” | Squad’s betas validated only 7-day retention and core gameplay (Paananen, 2026). Gulati (2022): purpose must be built into key processes, here testing and kill/ launch reviews. | Links the purpose to the evidence teams actually collect | Even betas of more than 100,000 players do not predict global behaviour (Paananen, 2026), so signals reduce risk but never remove it. Longer tests cost time and money, in tension with Supercell’s tight constraints. | “Analysis paralysis”, which the Squad team explicitly wanted to avoid (Paananen, 2025) |
| 3 | **Put the social dimension in the headline purpose.** Games exist to bring people together; being remembered forever means being remembered *with* the people we played with. | The website body already says so (Supercell, n.d.-a). Growth stories depend on friend groups (Paananen, 2026). Polman and Winston (2021): value for everyone the company touches. | The strongest driver of Supercell’s successes becomes part of what teams are asked to build | Fits the multiplayer games; a very different future game would need an exception. Gulati (2022) warns against superficial purpose, so each claim in the statement must be backed by a practice. | Teams may add social features that do not fit their game |

| | | | | | |
|---|---|---|---|---|---|
| 4 | **Add "Will we be proud?" beside "Will it work?"** at continue, kill and launch decisions. | The cancelled campaign and Hay Day Pop (Supercell, 2026). Edmondson (1999): a demanding standard only works if people feel safe to apply it and to be wrong. Iyengar (2010), as an analogy: Clash Mini's lead said that fewer options made decisions possible (Supercell, 2026). | A recognisable, Supercell-specific standard that goes beyond metrics | Works best in a high-trust culture of experienced creators. Subjective, so it must be combined with constraints, as in Clash Mini where limited time and updates helped the team decide (Supercell, 2026). | Perfectionism and killing too early |
| 5 | **Let creators meet players.** Short, voluntary sessions where cell members hear from players or creators what the game changed for them. | Grant et al. (2007): contact with beneficiaries raised persistence and performance. Supercell already works with tens of thousands of creators (Paananen, 2026). | Connects employees to the human impact of their work, which the headline does not mention | Grant's effect depends on task significance and emotional attachment to the beneficiaries. Supercell employees are already highly motivated, so the gain may be smaller than in a call centre. | Exposure to an unrepresentative or toxic community; keep it voluntary and curated |
| 6 | **Make the website coherent and join purpose, values and rules.** Update the outdated statement on size and present the purpose, the three values and "disagree and commit" together. | The "340 employees" text vs. more than 1,000 employees (Supercell, n.d.-a). Hill et al. (2014): shared purpose, values and rules of engagement. Gulati (2022): embedded purpose. | Credibility for candidates and employees; one reference for independent cells | Needs a real position on size: the 2024 letter accepts bigger teams but warns against uncontrolled growth (Paananen, 2024) | Updating the page without clarifying the stance would just move the contradiction |

**Implementation and follow-up** (unchanged): workshops with the cells, announcement at the offsite and in the CEO's annual letter, new questions in new-game reviews, and a review after 12 months.
**Overall benefits:** a purpose that makes a choice, uses the social engine of Supercell's successes and stays actionable. **Overall limits:** Supercell is already successful financially, so the change should be light and tested before it is generalised, and a purpose cannot replace the judgement of teams, it can only sharpen it.

### 2.5 Revised purpose statement

“We are a company of small, independent teams that creates original games for players who love to play together. What makes us different is that we trust our teams to take bold bets, to stop what is not great and to keep improving what they launch for years. We exist so that communities of players around the world share experiences they will remember forever.”
How it answers Montgomery’s three questions :

- Who are we ? A company of small, independent teams that creates original games
- What makes us distinctive ? Trust in teams, bold bets, killing what is not great, improving games for years; for players who love to play together
- What do we exist for ? So that communities of players share experiences they will remember forever

### 2.6 Other relevant thinkers from earlier Thinkers50 rankings

The class studied the 2025 Ranking and the 2026 Radar, but several thinkers from earlier editions also bring relevant ideas to this part. We use them as a complement, not as the main framework.

**Earlier Thinker50 editions :**

- Michael Porter (2005 and 2015) :
    - Idea : Strategy is a distinctive position built on trade-offs : choosing what not to do (Porter, 1996)
    - How we use it in this case : Confirms our issue: a purpose without a trade-off cannot differentiate. Supercell makes trade-offs in practice, which the statement does not show.
- Porter & Kramer :
    - Idea : Shared value : companies create lasting advantage by creating value for society and communities (Porter & Kramer, 2011)
    - How we use it in this case : An earlier version of the “net positive” argument for adding the communities around the games
- C. K. Prahalad & Gary Hamel (2007 and 2009) :
    - Idea : Strategic intent : a stable, ambitious aim that stretches the organisation (Prahalad & Hamel, 1989)
    - How we use it in this case : “Played for years, remembered forever” fits this definition, which explains why the statement motivates even if it does not guide choices
- Jim Collins (2011 and 2013)

        - Idea : A vision combines a core purpose that does not change and a bold future goal (Collins & Porras, 1996)
        - How we use it in this case : Suggests that Supercell's headline mixes both: "remembered forever" reads more like a bold goal than a reason for being
- Daniel Pink (2013 and 2015) :
        - Idea : Autonomy, mastery and purpose drive intrinsic motivation (Pink, 2009)
        - How we use it in this case : Supercell offers autonomy and mastery; the purpose is the missing link for employees
- Simon Sinek (2021) :
        - Idea : Great organisations start with *why*, then how and what (Sinek, 2009)
        - How we use it in this case : The headline statement says mostly *what* (great games); the *why* (bringing people together) sits in the body of the page

**Boundary condition for this section.** These ideas date from 1989 to 2011, before mobile free-to-play and creator communities became central to Supercell's growth. We use them to confirm the diagnosis, and we rely on the 2025 and 2026 thinkers for the recommendations.

# PART 2 : EMPOWERMENT

## 2.1 – Analysis

At Supercell, employee empowerment is rooted in a radical governance model: executive leadership explicitly forfeits the right to overrule frontline creative decisions. By decentralizing ultimate decision-making rights to autonomous "cells," the company establishes genuine accountability and ownership. To sustain this "minimal hierarchy and zero bureaucracy" philosophy, Supercell institutionalizes psychological safety through rituals that openly celebrate failures, transforming inevitable project setbacks into collective learning rather than organizational liability.

Daniel Pink's research further confirms why this work strategy thrives within the company. According to Pink, the intrinsic motivators cannot be implemented as long as the other needs are not satisfied, which in this case they are. Beyond the basic physiological needs, Supercell checks the box of every other need in Maslow's pyramide.

Safety: Supercell's policy of celebrating failures and transform that celebration into a positive learning experience is meant to prove and ensure psychological safety for the employees. Employee evaluations confirm that Supercell encourages taking risks by having introduced the « Friday status meetings » in which cells explain what they are currently working on or what they learned from past mistakes. During that same meeting, cells announce whether they will « kill » their project or not. The psychological safety allows them to openly talk about mistakes/cancelling projects without fearing backlash or criticism from the leadership.

Love&belonging: The concept of working in cells creates tight bonds , shared accountability and deep mutual trust between the employees. They also have the « killed games rituals » on Friday company meetings to share all together what they learned from their project and this way they support each other instead of feeling personal shame. This creates even greater trust and intimate relationships can evolve from there. Employee evaluations confirm that the company is filled with « smart, kind, genuine, hardworking people who care and are passionate about games ».

Esteem: It is said that the top-management considers every employee « the expert in their field to move things along ». Also, the cells don't have to ask for approval when they work on their projects, which means that the leadership fully trusts its teams and their decisions. Also, the « killed games rituals » displays the courage of the team by taking such risks and promotes a healthy image of the company compared to others, where failures damage the company's image.
In this particular category off Maslow needs, you can also recognize the theory of X and Y. Indeed, the esteem not only comes from the unconditional trust or celebrating

mistakes but also from the fact that the company only hires people who show a type Y behaviour. The employees show early on that they want responsibility and that they take their work very seriously.

Self-actualization: Thanks to the organization in small cells, the employees are free to be creative, knowing they can create legacies for years to come. This incites the employees to give their best because they have little to no barriers that could prevent them from doing that. This means that they can literally create anything they want and they are the sole decision makers of the project.
This analysis shows us that Supercell is indeed creating a safe environment for employees to thrive in.

Therefore, the intrinsic motivators of Daniel Pink's extended theory of Maslow's pyramide, are reachable by the employees:
Employees will enjoy working autonomously because they won't fear to make mistakes.
Then, employees will thrive to become better at their jobs, pushing their creative limits and experimenting new concepts.
Finally, employees will align with Supercell's ultimate goal, which is to create memorable and lasting games for everyone to play.



## 2.2 – Problems

Problems that can be encountered with a high level of empowerment like the one in Supercell can be multiple and almost all are directly linked to « too much freedom »:

A problem the company is currently encountering is the lack of new games. Surely, having independent and autonomous working cells has its benefits but for the leadership, trusting the cells to create new games also means hoping that it will happen regularly. Long pauses between releases could impact the company's image and implicate the decline of Supercell's efficiency.

A few employee reviews also state that the company is slowly changing, from letting the cells work freely to becoming a company with more layers and potential middle-management. This could mean that the freedom and trust the cells previously had, could be changing and become more restricted. It would give the leadership the control needed to influence the creation/release of new games but it would also impact the quality and authenticity of the games because deadlines and pressures will alter the decisions leading to the final game results.

There is also a boundary condition to Maslow's hierarchy of needs. The independence of the cells promotes the free flow of their creativity and cross-organizational collaboration is important for the reviewing and improving of

prototypes. The risk is that, too much freedom could impact the cell's relationship with other cells, isolate them and negatively impact the collaboration system between them.

Another risk of too much freedom is self-imposed pressure. Since Supercellularians have the leaderships trust hanging over them, it can sometimes feel like unintentional pressure to create the « next global hit » game. Because of that unconditional trust, disappointment can impact more people than just the leadership but also themselves. In addition, the implementation of new operational structures can feel like they are even less trusted by the company's leadership.

Moreover, less trust from the leadership could push employees to prove themselves harder and occasionally lead to burn-out instead of success. Consecutive failures will also only frustrate the Supercellularians.

### 2.3 – Recommendations:

As we can see, many problems are linked to « too much freedom » which means that that's the first difficulty Supercell has to overcome by regulating it. In fact, the freedom that Supercell grants its employees is the very key to its success but it has to be supervised in some way to ensure the continuation of that very success.
For example, to keep the creativity flowing but still have a regularity in the results, the leadership could implement weekly achievements/tasks to reach/accomplish. This way, the cells stay on track with the development of their project but also keep a paper trail of their evolution. This could help the leadership avoid to have too long pauses between game releases and still let the team act how they see fit.

Next, keeping the hierarchy low ensures the withstanding of the trust between employees and leadership. Adding middle-management to the company could signal that the leaders don't trust their employees enough anymore and could impact their dedication and psychological safety. Instead of boosting the company's productivity, it will more likely reduce it.

Also, « too much freedom » could be counterproductive if that freedom is not used for cross-organizational collaboration. The purpose of the independency of the cells is to let them test out their prototype freely, whenever and with whomever they want. To ensure that cells really use that opportunity, Supercell could introduce rotations between the cells who test out the prototypes, to keep track of the collaborations.

Moreover, excessive autonomy carries the risk of self-imposed psychological pressure and eventual burnout. To mitigate this tension without compromising creative freedom, Supercell could implement Camilla Kring's concept of

chronoleadership: the practice of synchronizing work schedules with individuals' natural biological rhythms.

Because Supercell’s cells already possess high operational independence, formally adopting chronoleadership would empower Supercellians to structure their deep-focus work around their personal peak productivity windows. This would improve both productivity and well-being because aligning high-demand cognitive tasks with optimal energy states reduces mental fatigue, alleviates the self-imposed deadline stress and prevents late-night overtime sessions spent compensating for daytime productivity slumps.

In conclusion, employees having « too much freedom » can be counterproductive if not supervised correctly but also, leadership showing a lack of trust is also detrimental. Supercell has to both, regulate the cells’ autonomy and their show of support through actions. The bigger the company gets, the more difficult it will become to fix the current situation and prevent further complications.

# PART 3: STRUCTURE

**Supercell: Organizational Structure and CEO Recommendations**

## Task 1: Characterizing Supercell's Structure

### 1. Organizational structure and design

On the one hand, organizational structure defines the way responsibilities and authority are distributed. On the other hand, organizational design concerns how these elements are organized to achieve the goals of the company.

Supercell's model relies on small and independent teams. New-game teams experiment with ideas, while other teams responsible for established games focus on the updates and the long-term performances. There are also shared functions which support the teams when needed.

Let's analyze the five building blocks of the company.

-Specialization: There is a very high degree of specialization. Employees are working in small teams focused on particular games or projects which encourages expertise.

-Formalization: The degree of formalization is low. Teams have a lot of freedom, and a few strict procedures. They have the possibility to experiment and find their own solutions.

-Centralization: The company has a very low degree of centralization. Many operational decisions are made directly by the teams, and not by top management. It allows faster response and more autonomy.

-Hierarchy: There is a low degree of hierarchy. The structure is relatively flat with limited management layers.

-Coordination: The degree of coordination is high. Teams coordinate through communication, shared values, and mutual adjustment.

This model supports speed and creativity. However, autonomy can make it harder to share knowledge between teams and coordinate when they need similar skills or resources.

### 2. Mintzberg's organizational theory

Mintzberg identifies different coordination mechanisms: direct supervision, standardization, and mutual adjustment. In the case of Supercell, mutual adjustment

is particularly important because the employees are coordinated through direct communication rather than relying only on formal rules.

Supercell's structure is described as an adhocracy. There are flexible teams which work creatively in changing environments. Some features may also look like a divisionalized structure because teams focus on distinct games.

Mintzberg's six organizational parts can also help analyze Supercell: the strategic apex, middle line, operating core, technostructure, support staff, and ideology. However, these are analytical categories, they should not be treated as a confirmed description of Supercell's organization.

### 3. Humanocracy and Teal organizations

Gary Hamel's *Humanocracy* promotes organizations that are less bureaucratic and give employees more responsibility. Supercell reflects these principles with team autonomy, experimentation, and low managerial control.

Frederic Laloux's *Reinventing Organizations* describes Teal organizations through self-management, wholeness, and evolutionary purpose. Supercell shares some of these characteristics, especially self-management, but there is not enough elements to classify it fully as a Teal organization.

## Task 2 : Note to the CEO

### Subject: Strengthening collaboration while preserving team autonomy

Supercell's decentralized structure encourages creativity, fast decisions, and ownership. Nevertheless, autonomous cells may duplicate work in certain cases. They can struggle to share expertise, or experience difficulties when the company is forming new teams. The objective should not be to create a heavy hierarchy, but to improve cooperation without reducing independence.

### Recommendation: Create a Cell Learning Network

I recommend a voluntary network that allows all the cells to exchange knowledge and solve common problems.

Three actions could support this initiative :

- Knowledge-sharing sessions: Teams could periodically share some lessons they learn from successful projects and failed experiments.

- Two-week cross-cell trials: Employees from different cells could temporarily collaborate to test their ideas or exchange expertise.
- Weekly disagreement sessions: Teams would discuss coordination problems early and agree on practical solutions.

These measures are propositions based on mutual adjustment, and the principle that leaders should not take part of every decision.

## Implementation and evaluation

The initiative should begin with a small test involving a few cells. The participation would remain voluntary, and the teams would keep authority over their own games.

The success of the experiment could be measured through employee feedback, the amount of useful practices shared, and the time needed to resolve problems. Management should also monitor whether meetings create unnecessary workload.

New-game teams need flexibility to experiment, while established-game teams need reliable coordination for ongoing updates. Both should share the same principles of trust, learning, and autonomy.

## Conclusion

Supercell's structure demonstrates how autonomy and experimentation can support the innovations of a company. Its main challenge is to ensure that their independent teams still learn from each other. A small Cell Learning Network could strengthen collaboration, and still preserve the flexibility that makes the company distinctive.

# PART 4 : CONTROL

## 4.1. Understanding Control at Supercell

Controlling is the managerial process of setting standards, measuring actual performance, comparing results with objectives, identifying discrepancies, and taking corrective action. It connects strategy to execution by ensuring that resources and activities contribute to organizational goals.

For Supercell, the challenge is balancing performance and accountability with the autonomy that supports creativity. The company publicly describes small, independent teams and different requirements for developing new games and operating established ones. However, its exact internal dashboards, review frequency, and employee performance procedures are not publicly confirmed. The analysis therefore distinguishes documented evidence from recommendations.

## 4.2. Assessing Supercell's Control System

### 4.2.1. The control loop

Control theory describes four elements: **reference standards** (expected results), **sensors** (performance measurements), **comparators** (the comparison between actual and expected results), and **effectors** (corrective action). Effective control also requires the resources and responsibility necessary to address discrepancies.

Supercell's experience with *Squad Busters* illustrates why this process matters. CEO Ilkka Paananen acknowledged that the company had not adequately tested long-term retention and monetization before the game's global launch. Although the game achieved approximately 75 million downloads, its long-term performance did not meet expectations. He identified a soft-launch period that was too short and marketing investment that came too early.

Day-seven retention reportedly rose from 29% in an initial closed beta involving approximately 5,000 players to 38% in a second beta involving more than 140,000 players. However, these results did not establish long-term viability.

The problem was therefore not simply a lack of data, but insufficient evidence to validate critical assumptions before a major decision. Downloads and early retention are useful indicators, but they cannot independently demonstrate sustainable engagement.

This example also illustrates the risk of measurement bias: managers may rely too heavily on positive or easily measured results while overlooking information that challenges their expectations. Effective control must measure what genuinely matters, not merely what is easiest to count.

### 4.2.2. Preventive, real-time, and corrective control

Control operates at three stages:

- **Preventive control:** Before a decision, teams establish standards, test assumptions, and identify risks. For Supercell, validating retention and monetization before a global launch could reduce uncertainty.
- **Real-time control:** During development or after launch, teams monitor indicators such as stability, defects, engagement, and player feedback. Supercell's exact monitoring procedures are not publicly confirmed.
- **Corrective control:** When results diverge from expectations, teams adjust the product, revisit assumptions, reallocate resources, or discontinue investment where appropriate.

The *Squad Busters* experience highlights the need to connect these stages. Preventive controls test assumptions, real-time controls reveal emerging problems, and corrective controls turn evidence into action. Measurement alone is insufficient if nobody is responsible for responding or lacks the resources to do so.

### 4.2.3. Main areas of control

**Financial and strategic control.** Paananen reported 2025 revenue of €2.65 billion and EBITDA of €930 million. He also described constraints on new-game budgets, incentives linked to successful launches, and separate organizations for new games and live games. Investment in new games doubled in 2025 compared with the previous year, with further increases planned for 2026. These disclosures demonstrate the importance of financial discipline and strategic resource allocation, but do not reveal the full internal budgeting process.

**Product quality and player experience.** Relevant indicators include technical stability, critical defects, player satisfaction, engagement, and long-term retention. *Squad Busters* shows why launch downloads should not be treated as proof of sustainable success.

**Project development and learning.** Milestones and experiments help teams assess progress, but control should also evaluate what teams learn. An experiment that disproves an assumption can generate valuable evidence even when the original plan changes.

**Employee performance and sustainability.** Workload and well-being can affect long-term performance. Excessive pressure may encourage short-term decisions or discourage employees from raising concerns. Public sources do not establish exactly how Supercell monitors employee workload or evaluates individual performance.

Supercell's control system must therefore balance financial results, product quality, strategic objectives, learning, and sustainable team performance rather than relying on a single measure.

### 4.3. Control by Domination Versus Self-Control

Management theory distinguishes between control by domination and self-control.

**Control by domination** relies on authority, rules, supervision, incentives, and sanctions. It can clarify expectations and ensure consistency, but excessive supervision may discourage initiative. Employees may prioritize measurable targets, conceal mistakes, or focus on short-term results.

**Self-control** emphasizes responsibility, empowerment, shared objectives, and independent decision-making. It supports ownership and adaptability, but requires clear expectations, reliable information, resources, and accountability. Without these, teams may make inconsistent decisions or intervene too late.

Supercell's publicly described emphasis on independent teams appears more compatible with self-control. However, autonomy does not remove the need for control; it changes how control should operate. The company needs clear strategic and financial boundaries while allowing teams discretion over how they achieve their objectives.

When a project underperforms, the response should examine whether objectives were understood, resources were sufficient, evidence was interpreted appropriately, and corrective action is possible—not simply assign blame.

**The aim is to control outcomes and support accountability without unnecessarily controlling how every task is performed.**

### 4.4. Amy Edmondson: Psychological Safety and Effective Control

Amy Edmondson's concept of psychological safety refers to a shared belief that people can raise concerns, ask questions, suggest ideas, and acknowledge mistakes without being humiliated or punished for speaking up.

This matters because control depends on accurate information. If employees hide problems or fear reporting disappointing results, formal indicators may appear satisfactory while serious issues remain unresolved.

Edmondson's research also challenges the assumption that teams reporting more mistakes necessarily perform worse. High-performing teams may report more errors because they discuss them more openly. Reporting can therefore reflect transparency rather than poor performance.

For Supercell, psychological safety is especially important in experimentation and game development. Teams must be able to challenge assumptions and communicate disappointing results early. The *Squad Busters* experience reinforces the value of recognizing when evidence does not support initial expectations.

Psychological safety does not eliminate standards or accountability. It improves control by making discrepancies visible and enabling organizational learning. Managers should distinguish between reasonable experimentation that produces an unsuccessful outcome and decisions that ignore available evidence or conceal known problems.

### 4.5. Alex Budak: Empowering Changemakers

Alex Budak describes changemakers as combining **mindset, leadership, and action**. They question the status quo, identify opportunities, mobilize others, and translate ideas into measurable impact. Leadership does not necessarily require formal authority.

This perspective is relevant to Supercell's decentralized teams. Employees need to take initiative, challenge assumptions, and act on information rather than waiting for every decision to come from the hierarchy. Influence without authority can help them raise concerns and mobilize colleagues around improvements.

However, identifying a problem is not enough: someone must take responsibility for addressing it. Budak's framework therefore complements the control process by connecting initiative to implementation and results.

For Supercell, this means empowering teams to identify discrepancies and propose solutions while maintaining shared objectives and clear accountability. Strategic alignment remains necessary, particularly when an issue exceeds a team's authority.

### 4.6. Recommendations to the CEO

The following proposals respond to the issues identified above; they are not claims about Supercell's existing internal procedures.

#### 4.6.1. Introduce lightweight, team-owned dashboards

Each team should monitor a small set of indicators covering player experience, retention and engagement, critical defects, progress against learning milestones, budget use, and workload sustainability.

Dashboards should distinguish **leading indicators**, which provide early warnings or show progress toward future outcomes, from **lagging indicators**, which measure results already achieved. For example, the number of assumptions tested indicates

learning activity, while long-term retention provides evidence of sustained engagement.

The objective is not to measure everything, but to provide timely information without creating unnecessary reporting work.

### 4.6.2. Strengthen evidence-based launch decisions

Before major launches or marketing investments, teams should agree on the evidence required to support the decision. This could include retention over an appropriate period, player feedback, technical reliability, and validated assumptions about engagement.

The *Squad Busters* experience shows why downloads and early indicators alone are insufficient. Decision gates should help teams decide whether to launch, continue testing, revise the product, or stop investing. They should reduce avoidable uncertainty without pretending that innovation can eliminate risk.

### 4.6.3. Make discrepancy reviews learning-oriented

Teams should regularly examine significant differences between expected and actual results: what was expected, what the evidence shows, why the difference occurred, and what should happen next.

Consistent with Edmondson's work, employees should be able to raise problems without automatically being blamed. Accountability should remain clear, focusing on decision quality, transparency, and follow-through rather than treating every unsuccessful experiment as misconduct.

Budak's approach can reinforce this process by encouraging employees to propose solutions and mobilize others, rather than merely report problems.

### 4.6.4. Clarify corrective-action ownership while preserving autonomy

For each significant discrepancy, the team should identify the corrective action, the person responsible, the resources required, and the next review point. Teams should retain discretion over implementation wherever possible.

Review frequency should depend on the issue: critical technical problems may require immediate attention, while strategic assumptions may be reviewed at agreed milestones. This is a proposed framework, not a description of Supercell's current schedule.

To avoid bureaucracy, reviews should remain brief, indicators limited, and escalation reserved for significant risks or issues teams cannot resolve themselves.

### 4.6.5. Evaluate the control system itself

Supercell should test the proposed approach through a limited pilot before expanding it. Evaluation should consider financial and product outcomes, how quickly problems are detected, whether corrective actions are completed, and whether employees feel able to raise concerns.

The company should also watch for unintended effects, including excessive reporting, short-term target chasing, and reduced willingness to experiment. The system should be adjusted if these emerge. A control process that generates data without improving decisions is not effective.

## 4.7. Conclusion

Supercell's public experience demonstrates that effective control requires more than targets and measurements. It depends on relevant standards, reliable information, thoughtful interpretation, and timely corrective action. *Squad Busters* shows how strong launch figures can coexist with insufficient evidence of long-term sustainability.

For an organization built around autonomous teams, the solution is not necessarily more hierarchy. It is a system that makes discrepancies visible, encourages honest discussion, and gives teams the responsibility and resources to respond.

Edmondson explains why psychological safety supports reliable information; Budak demonstrates how initiative becomes meaningful when people translate ideas into action. Together, their perspectives show that autonomy and accountability can reinforce each other.

**Supercell's central challenge is to measure what matters, make problems safe to discuss, and enable people to act on what they learn without turning control into bureaucracy.**

## Conclusion

Supercell demonstrates how management can be designed around innovation rather than traditional hierarchy. Its purpose provides direction, its leadership philosophy emphasizes empowerment, its autonomous cells give specialists the freedom to create, and its control processes connect decisions with results. Together, these elements form a coherent management model built around trust, responsibility, and experimentation.

However, **a management model's greatest strength can also become its greatest vulnerability**. Autonomy encourages creativity and ownership, but can make coordination, knowledge sharing, and workload sustainability more difficult as an organization grows. Similarly, ambitious objectives and performance controls can support progress only when they encourage learning rather than discourage experimentation or the reporting of mistakes.

The priority should not be to replace Supercell's philosophy with conventional management structures, but to strengthen the connections between its existing practices. Clear shared objectives, empowered leadership, cross-team learning, and evidence-based control can help independent teams remain aligned without sacrificing their freedom to innovate.

Ultimately, Supercell's challenge is not to choose between autonomy and accountability, but to make them reinforce each other. Its long-term success will depend on preserving the freedom that makes innovation possible while developing the collective learning and coordination needed to sustain it.

**This raises a broader question: As Supercell grows, how can it introduce enough structure to learn from failure without creating the very bureaucracy that could undermine its ability to innovate?**

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