

Re-thinking strategic thinking

What if Gregory Bateson taught Business Strategy?

In the business school, we, I even, taught a lot of stuff which was supposedly good practice. And yet you can't help but walk away from that thinking it's wrong....

00:00 If Gregory Bateson had taught strategy, if Gregory Bateson had taught business organisation, I wonder how he'd do it and I wonder what he would do. You see, in the business school, we, I even, taught a lot of stuff which was supposedly good practice. And yet you can't help but walk away from that thinking it's wrong.

01:06 For me, the first reason, the first thinking of it, it's wrong, is that the stuff that we were doing was so much based on Michael Porter's work. And Michael Porter's work, he is the master, the exponent of strategy as positioning. Why, why, why, why, why, why does that feel bothersome to me?

01:42 Well, when you're teaching strategy, it's all, it's fine, you've got all your pretty diagrams, you've done all your reading, you've tried to make it as comprehensible as you can [*Noises off.*] to the students. And yet when you actually try and apply it, you know, the students would have to apply it to some specifically written case study. But if ever they came across a situation as we would put them in, where they had to apply it to a real business, how do you do that? We just, we just did not, and could not even, within the repertoire of stuff that we had as a business school, enable or equip students to operationalise that stuff.

02:43 So here I am in retirement, reflecting some, getting on five or six years later, about teaching strategy. And I've come back to this key question. **If Gregory Bateson taught it, how would he do it, or what would he do?**

Well, the first thing is he would challenge the word **taught**. Gregory Bateson really, really, really, really had commitment to learning, and therefore he also had commitment to how you think, and how you learn.

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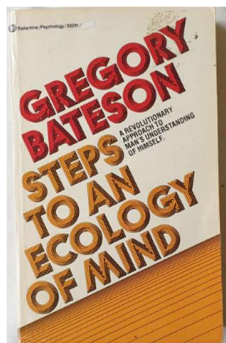
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03:26 So what I want to do in these ramblings, they're unscripted, because every time I try and write this stuff, something gets in the way.

03:39 What do I mean by that? The need to be ordered in what you write, so that the reader can follow it, and it looks a bit clever, it looks a bit academic....

03:49 This blows away the kind of creativity, exploring, which is central to what Gregory Bateson was thinking about, and actually to what strategy might be.

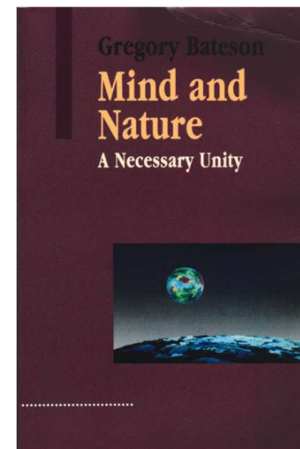
Why do I say that? Well, first, I have several authors that I really, really love, and I find them so helpful and informative, and I am reaching for the books. The first one, obviously, is Bateson, and they're two of his books or collections of essays that I will be relying on. This one, well-thumbed, well-worn, well-annotated. I



hope you can see it. Gregory Bateson, **Steps to an Ecology of Mind**. I managed to buy this years and years ago, for £4.95. Oh dear, oh dear. I don't know what it is on

Amazon or the other book sites these days.

05:01 Anyway, Steps to an Ecology of Mind. Really, really important reading.



05:07 The second one. Gregory Bateson, **Mind and Nature**. The tagline on the back is here.

“Here is, Mind and Nature. Bateson reveals the pattern which connects man and nature, and shows how we can preserve ourselves and our planet.”

Shame not many people listen.

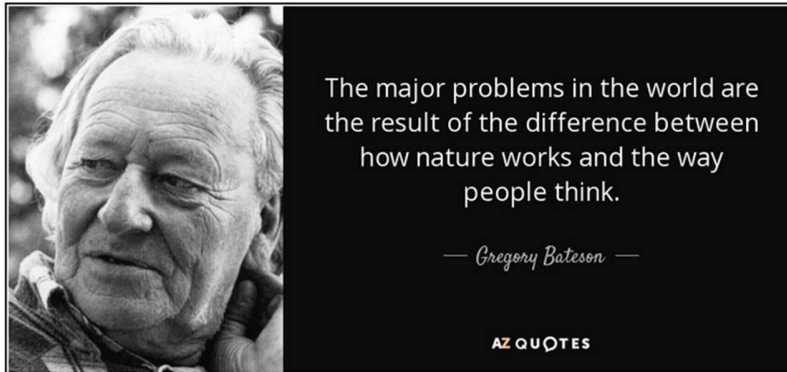
What is the pattern that connects the crab to the lobster and the primrose to the orchid, and all of them to me, and me to you?

— Gregory Bateson —

05:35 It's this idea, the pattern which connects, okay?

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So, these things, these two books, are about thinking and about understanding the way that you understand your environment, using environment in the broadest possible way, not just where you are.

- 06:01 Understand your environment, and the way in which you *dwell* there.
- 06:10 That's an old English word, isn't it? I don't think, until I started reading in this particular area, I don't think I'd come across the idea of dwell, and a dwelling, ye gods, probably since the 1970s, I don't think I'd really heard the word used.
- 06:31 And it was in the late 70s, early 80s, that I graduated and I started working, first of all in systems work, and then in human resource development.

06:40 Why do I bring that up? Well, the other two authors that I am drawing on heavily, and I am using to think, and when I say that, I am using them as a stimulus. Sometimes I say yes, I go with that, and I like it, and sometimes I'm thinking about it in a way which, oh no, no, no, no, that challenges a bit, that challenges a bit.

07:04 But, the first piece by Robert Chia and Robin Holt, excuse me, I've reprinted it, and I will find the formal reference.

[07:24.360 --> 07:32.120] **Strategy as Wayfinding.** Now, it's in this paper from the year dot, (I think about 2008, but I'll find the formal reference and put it in notes) captures, or sets out, but in a rather academic-y way, my feelings of yuck.

“Introduction. Perhaps one of the most compelling questions popularised by strategy textbooks and ostensibly practised by management practitioners and consultants is that of where are we now?”

“The emphasis is where. What we question in this paper is the stubbornly held routine of conceiving this question entirely in determinable spatial terms, either as a point

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along a continuum, or as a coordinate point in a two-dimensional spatial grid.”

The understanding of strategy making has been captured by the notion of simple location, and as such has nearly always been posed as a navigational fixing of positions of concern. This is me, not them, but anyway.

08:43 The first few sentences of their book. So, what they're speaking of is trying to represent the environment of a business in some grid. They're saying two dimensions because that was popular, but we can handle more dimensions with modelling. Trying to represent it in that space, and then saying we need to move from this part of space, where there's too few customers, to this part of space, where there's lots and lots of customers, and we need to *manage the change to configure the organisation to move in that way.*

09:32 Gregory Bateson. Gregory Bateson, would have the screaming, hab-dabs!

Because he would be saying, hang on a minute, hang on a minute.

We do not know and experience the world directly. Everything we come to know and understand about the world, about our environment, is screened or set through our own perceptual processes.

10:07 Okay? It's difficult in one way, but what you know about your environment because you've seen it, is what you have seen with your own eyes.

10:20 Excuse me. It's a bit crude, but all you can see of where I am right now is what is within the screen that you're able to look at.



Are you aware that I've chosen this place because, A, I like it, B, there's sunshine, C, it's outdoors, and D, I've

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got some of my favourite plants around me. It's a place that I feel comfortable and relaxed so I can talk.

It's not the best, it's not a studio, and there are noises, but there you be, what you see, and there are noises, what you hear.

Now, this is the more difficult one.

11:06 We would say that we heard something. We would say, John said, duh, duh, duh, duh, duh, duh. Now the issue is with the **statement that you remember as the fact,**

“John said, duh, duh, duh, duh, duh.

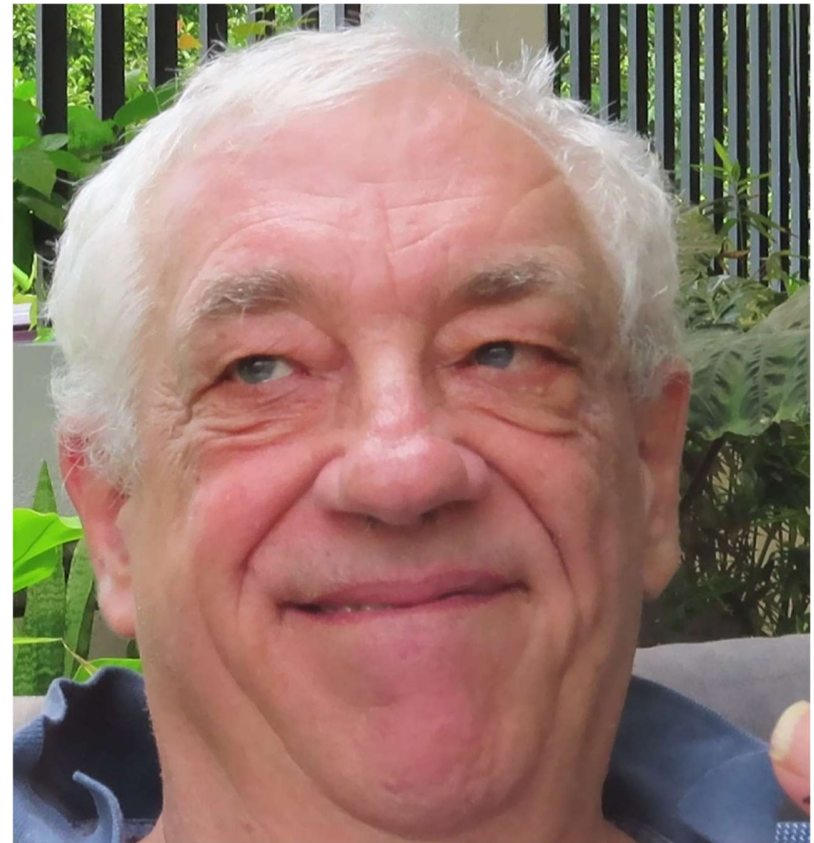
Because actually, what happens is, even as we're listening...

Sorry, he's getting a bit of you, isn't he? I hope you can hear me above the saw.

As we are listening, we are actually asking, what did they say? Oh, they said this. What did they say? Oh, they said this. What did they say? Oh, they said this. What did they say? Oh, they said this.

12:02 Well, that might sound a bit strange to you, but we **transpose the words that they said into a sound image of what we think they were referring to.**

12:18 Okay. What's a happy face?



What is a happy face?

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[This one?]

What's a nice colour?

12:37 Oh, that sounds gorgeous. Oh, yeah. Yeah, yeah, yeah. I really like that.

12:43 These are judgments. They're questions about the original auditory stimulus, but they are not the thing in itself.

Okay. Right.

13:03 So, what we draw together as our collection and our understanding of where we are is actually set up by our way of seeing and our way of hearing. And actually, as it happens, our way of smelling and tasting and... I've had a good breakfast.

13:33 There's that as well. You know how I'm feeling because of my oral gustatory functions. Good.

13:42 So, what we're doing, as Bateson would have us worry, is we are dealing with representations and representations. So, if you start dealing with a map and a sense of a position on a map, then you really have to thoroughly understand how the map was constructed, how things are represented, and how you interpret the representation into your own experience.

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14:11 None of my strategy classes, none of my strategy classes from me teaching strategy, where are we, starting in 1989 and probably ending teaching the proper serious strategy stuff in 2008. None of it, the strategy elements, had anything to do with perception, had anything to do with understanding, had anything to do with the way in which we model the world. Because it is our model that we use to do our thinking and our planning and our working for action. I hope you're still with me.

So, Chia and Holt, make the observation that we should not...

15:09 *But all my camera's just beeped at me and I don't know what that is. My model of the world doesn't include that. Yep, still running. One reason I don't have a script is if you get interrupted you can find out where you are.*

15:30 Oh no, that was a terrible thing to say. Okay, so Chia and Holt, start to be involved with and make observations about is that going, allegedly, world to model, model to world, as does Bateson incidentally, just like that is risky. You have to understand how

these things are operating or rather how you're operating with these tools.

Okay.

16:07 Chia and Holt, explore the idea of dwelling. Sorry, I'm back at dwelling. And the key thing that they're talking about is you become immersed in where you dwell.

16:25 You are having a real detailed interaction, you yourself, with all of your perceptual set, all of your ways of looking and listening and tasting and smelling and remembering, because that's another set of strategies we've been paying attention to, all of those build up over time and you are using those to interact with where you are dwelling.

16:55 Your interacting with where you're dwelling is an interacting also with you, because you are learning and changing and responding to that environment that you're interacting with.

Okay, so it's not a cold business analyst, the strategist, what does strategy, it's you. And you bring everything that you've got from your experience of dwelling.

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17:24 If somebody else looked them over there, they can bring their experiences from where they're dwelling to exactly the same data, exactly the same models, apply them and come out with totally different stuff because of the way they're applying it.

17:51 I think at this point, if you can find them, there are some videos of M.E. Porter, I used to call him Michael bloody Porter, talking about his way of doing strategy, **strategy as positioning**, discussing a business in America called La Quinta Inns.

18:11 What he's very keen to do, and actually an inn fits well with the location metaphor, is to explain how La Quinta Inns gets a very, very low cost base. It locates at car parks, where there is a restaurant. And prices well below the mid to high market rate for hotels.

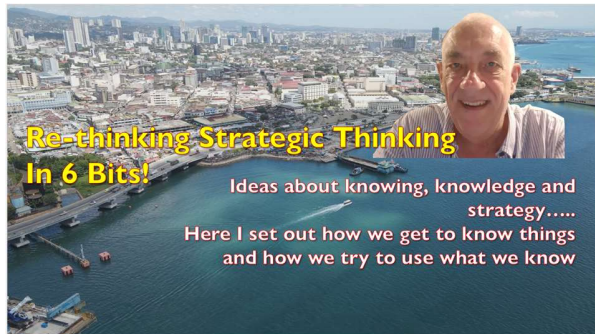
18:47 Shimples!

We have been exploring / explaining why Bateson would be so concerned about our impoverished understanding of the way we model the world and more so, the way we use inappropriate theory/models

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You take care. We'll see you next time.



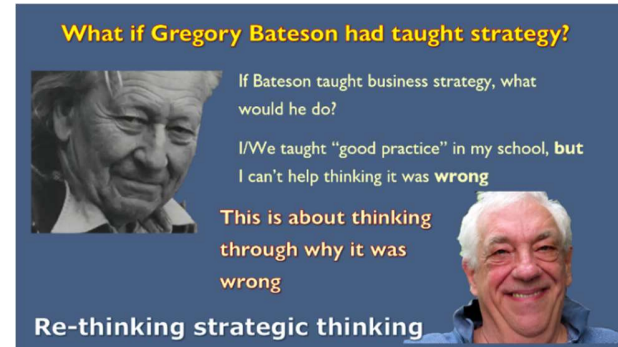
The playlist:

<https://www.youtube.com/playlist?list=PLOlzrdw8c9lxsImsgFsy7CO32-kTfqI4>



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