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■ Ajit Nayak 2010

Book Review:

Strategy without design: The silent efficacy of indirect action – Robert Chia and Robin Holt, Cambridge University Press, 2009.

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Book review

*Strategy without design:
The silent efficacy of indirect action*
Robert Chia and Robin Holt, Cambridge University
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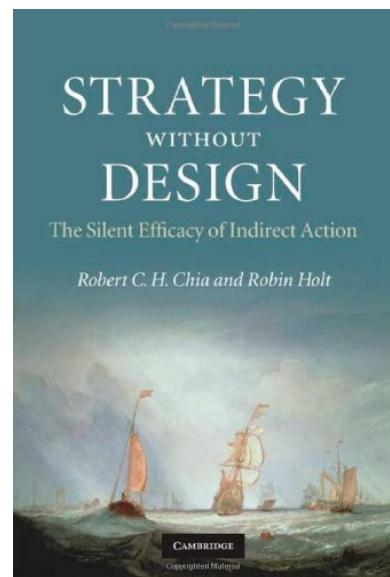
Ajit Nayak
University of Exeter Business School
A.Nayak@exeter.ac.uk

In *Strategy without design* Chia and Holt's starting point is that the notion of emergent strategy articulated by Mintzberg and Waters (1985) has not received sufficient scholarly attention. Although mainstream researchers recognize that strategy is a retrospective pattern in a stream of action, the focus has been on identifying these patterns, fixing them, and creating models to find linkages to performance. In contrast, Chia and Holt argue for a way of engaging with emergent strategy that is closer to the 'doings' of strategy, one that looks towards the emergent future and is 'about embracing the uncertain, the ambiguous and the unknown as a pervasive human condition without persistently hankering for clarity and certainty' (p. 210). The authors provide an alternative view to the grand strategy, heroic action and celebrity CEOs that dominate this field. They provide an intriguing and counter-intuitive perspective, one that emphasizes the unspectacular, locally adaptive and timely responses to the situation-at-hand which resonates closely with the lived experience of human action. In contrast to the elegant economic models and theories of planning, design and strategy-making, they point to the subtle, messy, and indirect ways in which strategies emerge.

The book is fluid in its attempt to open up new avenues for thought to flow. In the mode of Canetti's writer (the Dichter), Chia and Holt allow an impressive range of ideas to speak. The book is a gift from the authors. It demonstrates a passion for scholarly imagination which is rare in the goal-driven institutionalization and specialization of academic knowledge. As Canetti remarked:

That gift, once universal, but now doomed to atrophy, has to be preserved by any means possible; and the Dichter, thanks to that gift, ought to keep the access between people open. He should be able to become anybody and everybody, even the smallest, the most naïve, the most powerless person. His desire for experiencing others from the inside should never be determined by the goals of which our normal, virtually official life consists; that desire has to be totally free of any aim at success or prestige, it has to be passion in itself, the passion of metamorphosis. (Canetti, 1979, p. 160; cited in Elbaz, 2003, p. 144)

Embodying 'the passion for metamorphosis', Chia and Holt dazzle the reader with their restless movement to engage with ideas. This book



is not for easy consumption. It contains many fascinating detours, not least within the various endnotes. I hope readers explore these various avenues and become infected by the joy of ideas.

The book is divided into seven chapters along with an introduction and an epilogue. In the Introduction, Chia and Holt recount popular examples such as the Grameen Bank, Dr Martens and Toyota to outline their case for strategy without design. The Grameen Bank example illustrates the difference between distant engagement with economic issues versus 'ground-level' contact with the plight of the poor experienced by Mohammad Yunus, the founder of the bank. . The Dr Martens story emphasizes the non-deliberate beginnings and seemingly unconnected events that led to its success. The Toyota example illustrates how organizations focus on 'self-cultivation' and 'the most mundane and, hence, seemingly unimportant aspects of business operation' (p. 15). The use of Toyota is interesting, since it was chosen prior to the company's problems in 2010. However, it is precisely the move away from the mundane to grand strategies of high growth that led to its problems. As Akio Toyoda, the group CEO explained:

Toyota has, for the past few years, been expanding its business rapidly. Quite frankly, I fear the pace at which we have grown may have been too quick. I would like to point out here that Toyota's priority has traditionally been the following: First, Safety; Second, Quality; and Third, Volume. These priorities became confused, and we were not able to stop, think, and make improvements as much as we were able to before, and our basic stance to listen to customers' voices to make better products has weakened somewhat. We pursued growth over the speed at which we were able to develop our people and our organization, and we should sincerely be mindful of that. (Akio Toyoda, CEO of Toyota, Testimony to US Congressional Panel, Feb 24 2010)

By 'confusing' its priorities and targeting planned growth, Toyota appears to have moved away from its local adaptive approach to top-down directed strategy. Chia and Holt remind strategists and strategy practitioners that 'emphasizing the non-deliberate character of much of strategy-making enables us to see how it is that a 'bottom-up', more 'indirect' or circuitous approach to strategy ... can often prove more efficacious' (p. 24; italics original). To understand this alternative perspective Chia and Holt reconceptualize issues of human agency, action and practice in the subsequent chapters.

In Chapter 1 Chia and Holt address the issue of 'spontaneous order'. They argue that when we find 'orderliness and patterned regularity, the default explanatory setting is to attribute their existence to a deliberate design authored by reasoning human beings' (p. 26), and in doing so we tend to ignore spontaneous order in understanding economic and social phenomena. Spontaneous order occurs:

non-deliberately and undesigned, emerging serendipitously through the actions and interactions of the multitude of individuals, who 'mindlessly' coordinate their actions with

each other solely for the purpose of attaining their own self-interested outcomes and satisfying immediate needs. (p. 27; italics original)

Chia and Holt emphasize that significant human institutions such as language, markets and law have evolved and emerged over time without any deliberate plan, coordination or design. They trace this line of thinking to Heraclitus within the Western intellectual tradition and to Lao Tzu in Chinese thought which eschew grand plans and formal interventions in favour of 'small, seemingly insignificant but aggregative actions [through which] mighty outcomes are quietly accomplished, often unnoticed' (p. 31). Without external rules and interference, the roots of spontaneous order lie in the 'invisible hand' through which human action tends towards reciprocity and mutual benefit.

In Chapter 2 Chia and Holt address the issue of agency in light of spontaneous order. They argue that methodological individualism and 'entitative thinking' dominate our understanding of agency. We tend to 'think of the world in terms of discrete and isolatable entities that can be linguistically captured, classified and conceptually represented unproblematically in the mind' rather than appreciate reality as 'an intricate, fluxing and ever-changing web of interconnections' (p. 66). Much of social science theorising is based on treating social phenomena as distinct entities. 'Thus, instead of thinking about both individuals and collectives as secondary emergent effects of social actions and interactions, they are now construed as primary concrete entities in their own right' (p. 65). The authors draw on the work of Gregory Bateson to argue for 'systemic wisdom' and to develop a way of thinking that moves away from entitative thinking. As well as offering a rigorous theoretical critique of entitative thinking, in this chapter Chia and Holt draw on the credit crisis of 2008 to illustrate the dangers of focused and purposeful pursuit of performance measures solely aimed at maximizing individual and organizational returns. The credit crisis demonstrate that there was 'no wider wisdom; understanding is confined to the purview of explicit knowledge, and what lies outside this is unclear or not rational and hence ignored' (p. 80). Examining the case of UBS, the Swiss financial services firm which suffered one of the biggest losses in Europe, Chia and Holt illustrate the perils of simplifying interconnections that are 'dynamically complex' to be captured and made amenable to control, and ignoring the 'universe of relevance'. The challenge is to 'apprehend life not as a problem of realizing ever more refined human purposes in inherently complex and uncertain contexts but as a shifting array of potential value of which we humans are but one expression' (p. 90).

In Chapter 3 Chia and Holt take up the challenge of nurturing systemic wisdom. They distinguish between 'purposeful' and 'purposive' action by rethinking agency and self-interest. For them agency is 'inextricably embedded amidst a plethora of social practices and conventions' (p. 103). Self-interested actions are not egoistic preoccupations with one's own separate needs and goals; 'interest ... reflects an empathetic urge to be in sympathy with and in the midst of significant others in one's social and economic relationships (p. 103). They argue that human actors are:

relationally constituted, dispositionally inclined social being equipped with a purposiveness of action, rather than as a purposefulness-goal-oriented individual engaging in affairs of the world. (p. 105; italics original)

The distinction between purposive and purposeful is an important one and is central to the authors' critique of dominant views of agency and the arguments developed subsequently. As a reader I felt that this discussion (pp. 105-108) was too brief to allow the significance of the distinction between praxis/phronesis/purposive and poesis/techne/purposeful to germinate. Without examples to illustrate the distinction, the reader is urged to fend for herself amidst the rough ground of the philosophical debates. There are hints that this discussion connects with other uses of phronesis and wisdom in organization studies, issues of care and compassion, and how we acquire dispositions. However, these detours are left unexplored. This chapter culminates with the argument that 'phronesis and praxis are non-instrumental forms of action: action that unwittingly produces a coherent strategy through merely striving to cultivate oneself without any regard for a tangible output' (p. 107). In contrast to 'act of production', where there is a separation between the producer and the product, the 'act of disclosure' emanates spontaneously from internalized dispositions.

In Chapter 4 Chia and Holt engage with the 'practice turn' in strategy. Strategy-as-practice (S-as-P) represents a growing body of researchers who, despite aiming to move away from sterile models and theories and engage with the everyday doings of strategy fall short because they 'retains an observational logic in accounting for and explaining the 'doings' of strategists' (p. 124). Chia and Holt draw on their distinction between purposive and purposeful to argue that S-as-P researchers are wedded to viewing strategy and strategy practitioners as separate, and assigning purposeful action to strategists. Whilst appreciative of such an attempt to engage with strategic reality the authors, drawing on Bergson, warn:

[T]here is more to explaining strategy-in-practice than ... waving a conceptual net in front of a passing reality ready to analyse what lies caught in its mesh. The issue is not how close you stand when you wave the net, but whether in waving your research net at all you really 'get at' the lives of strategy practitioners or simply locate what your own technologically embroiled epistemology allow you to. (pp. 125-6)

Chia and Holt argue that S-as-P researchers need to abandon their methodological individualism and become 'intuitively sensitized to this transmission of background practices that engender the simultaneous materialization of both strategy and individual identity' (p. 129). In order to develop this sensitivity, they briefly (pp. 131-132) argue that researchers should develop an 'absorptive mode' or a 'near documentary' stance. The authors, however, do not engage in demonstrating such sensitivity to strategy-in-practice (a term they use in contrast to strategy-as-practice) themselves. Instead they withdraw into the world of philosophical ideas, disclosing their uneasy and ambivalent relation-

ship with strategy practitioners and mainstream strategy academics as well as their identity as explorers of ideas who 'comment upon experience without fixation' (p. 209).

In Chapter 5 Chia and Holt distinguish between two ways of understanding strategy: building and dwelling. A building mode sees everything as a tool or resource to be used and controlled in order to achieve pre-determined ends. In contrast, 'dwelling is accepting one's place in a nested system, or context, and from within this location recognizing how things might exist in themselves, rather than just as things-in-relation-to-human-design' (p. 139). The problem lies in not recognizing the 'angst and resistance' (p. 139) that is prior to the building mode. They draw on De Certeau, Ruskin and Heidegger to elaborate on the notion of dwelling. Using De Certeau's example, the authors contrast a detached 'bird's eye' view of looking down below at New York city from the top of one of the World Trade Centre towers, with experiencing the city at street level. In contrast to knowing about the city from a detached perspective, to know 'at street level' is 'to experience a series of migrational outlooks, generating horizons of comprehension that are continuously evolving and changing as they actually walk the streets at 'ground zero'' (p. 141). The city dweller does not have an overview or a map of the city, but responds unthinkingly, yet purposively to the situation she finds. This street-level messiness and imperfection, rather than being viewed as negative, affords hidden benefits. The authors expand on the theme of messiness using Ruskin's notions of 'Gothic sensibility' and 'noble picturesque' and illustrate the 'nuanced, the imperfect, the inherent frailties and the limits of human comprehension as well as its unconscious appreciation for the 'unpretending strength of heart'' (p. 150). They muse on Heidegger's essay on Van Gogh's Peasant Shoes to illustrate how a mundane object such as shoes 'resonates with an entire history and prospect of use, and ... as an image, also resonates with viewers with their own constituting powers' (p. 155). The descriptions of Gothic architecture and Van Gogh's paintings will make every reader wonder and perhaps lead to exploring these buildings and paintings for themselves. The invitation to participate is hard to resist.

In Chapter 6, the authors expand on purposeful/building/techne and purposive/dwelling/phronesis by distinguishing between 'navigation' and 'wayfinding'. Navigation represents the purposeful man in-charge of his ship, armed with navigational instruments, who knows where his ship is on the map and knows where he wants to go. Chia and Holt liken the dominant description of strategists to being the captain of their ship/company with 'recourse to models, maps and classifications that represent the topology of the strategic terrain to be negotiated' (p. 160). Wayfinding, in contrast, 'is characterized not as a plotted sequence of static positions but as the coming-into-sight and passing-out-of-sight of various contoured and textured aspect of the environment' (p. 163). In wayfinding, I do not locate my place in the map-world. Instead I recount my intimate engagement with the place I find myself. This reminds me of how one of the authors, Robert Chia, opportunistically found a way of expressing the distinction between navigation and wayfinding just

before his presentation at the EGOS conference in Vienna in 2007. We had met for breakfast. I was busy going through the conference pack making sure I could navigate my way to the main conference hall. Suddenly his eye caught the title of one of the leaflets in my information pack – ‘know before you go’. He immediately took hold of this to use in his presentation to illustrate, locally connect and adapt his presentation. It is this distinction between ‘know before you go’ which relies on external maps, instructions and pre-planned presentation slides, and ‘know as you go’ which is ‘an ambulatory form of knowing’ (p. 164) that Chia and Holt emphasize. Later on at the same EGOS conference in Vienna, I caught up with the Robin Holt, the other author. He had spent his pre-conference day wandering the city in search of Wittgenstein’s house. He delighted in recounting how the building is now the Cultural Department for the Bulgarian Embassy, and how he walked around the house while the people went about their daily work. Robin, like Robert, was busy with local connections. The wayfinding metaphor also comes into play with the Chia and Holt’s choice of book cover: they use Turner’s *Helvoetsluys: Ships Going out to Sea*, which conceals an interesting story of Turner’s wayfinding, his desire to prove that he was a better painter than his rival, Constable. The story goes that Constable’s painting of *The Opening of Waterloo Bridge* was to be displayed at the Royal Academy in 1832. The rivalry between the two painters was a long-standing one, and at the previous year’s exhibition Constable had moved one of Turner’s paintings and replaced it with his own. When the two paintings were being prepared for the exhibition, in a remarkable twist, Turner, having seen Constable’s painting with its prominent use of red, added a small red buoy to his rather bland-looking painting. The effect was startling. Constable’s painting looked over-worked and excessive in its use of colour. With minimal intervention, Turner had found a way to upstage his rival. Constable had spent over ten years on his painting, and with a blob of red, Turner had opportunistically got even. The Turner and the Masters exhibition at the Tate Britain (23 September 2009 – 31 January 2010) which displayed the two paintings together, accidentally provided Chia and Holt with a timely opportunity to recount this story (p. 206). Again, the invitation to explore these paintings is hard to resist. To shed further light on the wayfinding metaphor, Chia and Holt use three examples in this chapter: the Phillips machine, Graeme Obree and Google. The example of the Phillips machine demonstrates how an abstract debate between Keynes and Robertson about ways to stimulate the economy led Phillips and Newlyn to create a machine to bring the economy to life. Although still an abstract representation of the economy, ‘like all good abstractions it pinpointed and condensed elements of experience held in some kind of relational balance, rather than removing them for isolated inspection’ (p. 170). The Obree example illustrates how an individual inventively coped with the attempts by the cycling institution to curtail his deviance. For Chia and Holt, Obree’s example is a reminder of how achievements are an outcome of coping rather than planning. Whilst all readers will be familiar with Google, the authors highlight the unintended outcomes: the name was the result of an error, revenue streams were an afterthought, and wayfinding and

curiosity are part of the Google culture.

In Chapter 7 Chia and Holt explore the issue of indirect action. They argue that local, adaptive, opportunistic action does not follow a plan or design, yet can indirectly lead to long-term sustainable outcomes. Tracing the roots of direct action to Greek warfare, the authors argue that direct confrontation on the battlefield, spectacular displays of skill and courage and competitive positioning still dominate our understanding of business leaders and organizations. 'The natural attitude, born of this [Greek] legacy, is to emphasize transparency of intention, openness of confrontation and the direct and deliberate mobilization of available resources and capabilities to achieve the desired end' (p. 188). In contrast, the authors draw on Detienne and Vernant's account of metis in Greek mythology to argue for an unspectacular yet more efficacious way of engaging with the world. They point to Jullien's work on 'blandness', 'the ability to absorb contradiction, to display an array of character and a multiplicity of traits, none of which dominate and all of which can be brought into play without any inner fixation that blocks the renewal of one's self' (p. 206). Chia and Holt conclude the book with a brief epilogue entitled 'negative capability' emphasising that strategy without design 'is about making room, the limits of which are not boundaries, but the edges where things begin their essential unfolding' (p. 211). I felt that the themes of 'blandness' and 'negative capability' were understated. In comparison with the previous chapters, in Chapter 7 and the epilogue, perhaps unintentionally, the authors withdraw from forging further connections.

Overall, each page of this book leaks ideas and connections. Chia and Holt disclose themselves as stylistic writers engaged in exemplifying their connections rather than establishing firm methodological foundations and deriving knowledge claims. There is no overall design or methodology underlying the contents of the book. In this spirit, I encourage readers to find their own connections with examples and their realities. For those comfortable with neat economic models, theories and equations this book is a reminder that real-life messiness is not to be ignored merely because it is not amenable to independent and control variables. Independence and control, which are considered central to management research, are aimed at narrowing and classifying our understanding of the field. Chia and Holt counter this dominant movement by challenging the theoretical foundations of such knowledge claims and at the same time showcasing how thought can be broadened to open up new connections. In tune with the theme of the book, the writing style is subtle and invites continuous engagement. No summary tables, no 2x2 matrices, no bullet-point or key 'takeaways': the narrative slowly but surely draws the reader into its fold and insists that she think. The argument unravels in ever-widening concentric circles, heightening the depth of insight into indirect action. One of the remarkable aspects of this book is the interweaving of examples from contemporary business (the financial crisis of 2008, Google's strategy, open source software and Grameen Bank) with accounts from Greek mythology, Chinese thought, the Scottish Enlightenment and Gothic architecture, as well as echoes of popular ideas such as Malcolm Glad-

well's 'tipping point', Naseem Taleb's 'Platonicity' and, more recently, John Kay's (2010) 'obliquity'. The book offers the reader a refreshing adventure of ideas, dwelling on the richness of ideas for its own sake, and through various detours insisting that strategy is about embracing the complexity, uncertainty and ambiguity of the human condition.

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