The Strategist:

Strategy from Context

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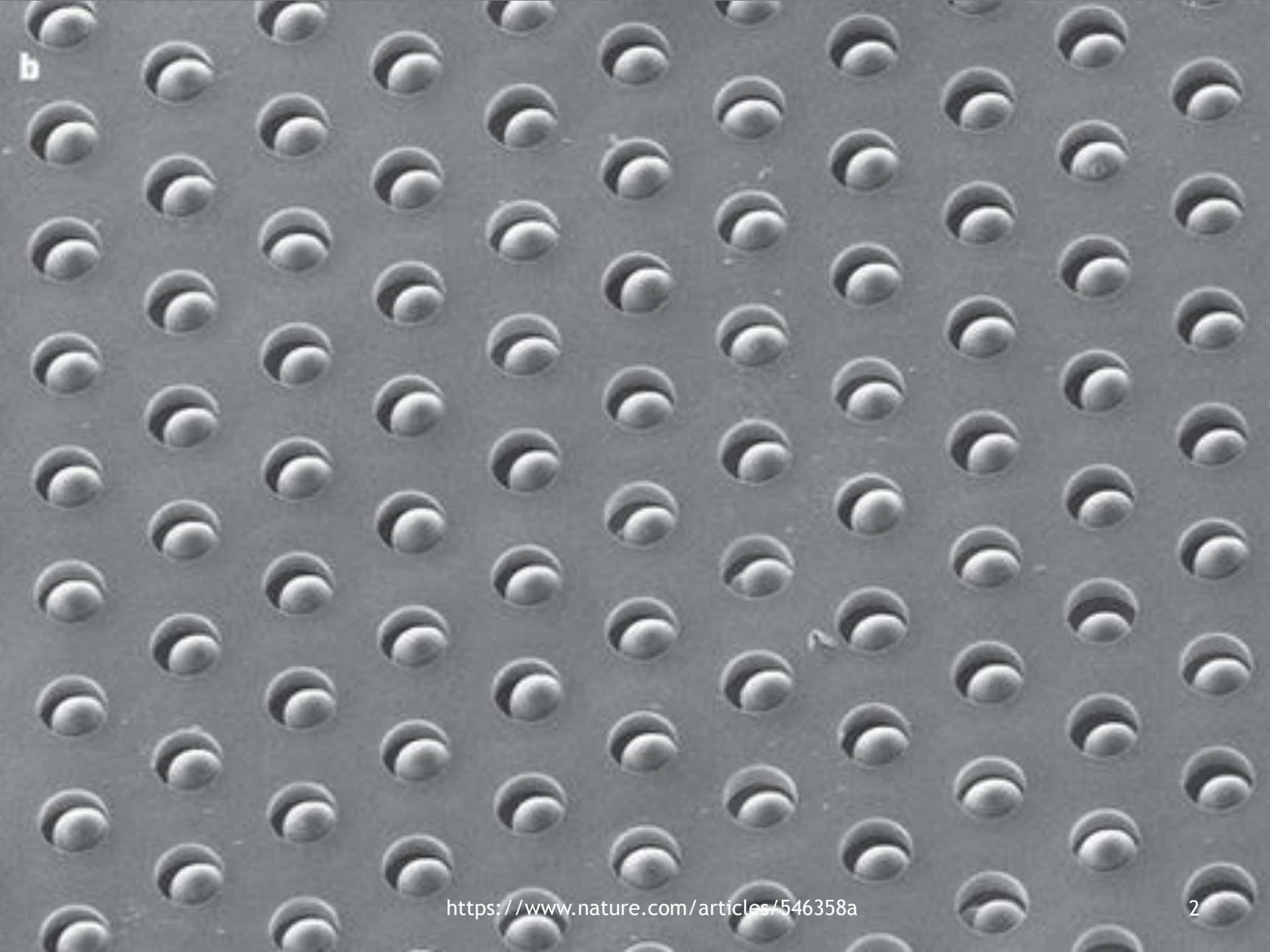


https://www.nature.com/articles/546358a

Sangyul Baik et al., “A Wet-Tolerant Adhesive Patch Inspired by Protuberances in Suction Cups of Octopi,” *Nature*, 546, 2017, 396-400; summary at “How to Suck Like an Octopus,” *Nature*, 546, 2017, 358-359

“Strategy Needs Creativity”
Adam Brandenburger
Harvard Business Review, March-April 2019

Context — how to begin?

Explain your business to an outsider in another industry — fresh eyes from a different context can help uncover new answers and opportunities

Engage with lead users, extreme users, and innovation hotspots

Context — what to watch our for?

Businesses need to focus on internal processes to deliver on their current value propositions — but the pressure to focus internally can get in the way of learning from the different contexts in which other players operate

"How Strategists Really Think"
Giovanni Gavetti and Jan Rivkin
Harvard Business Review, 2005

What different types of reasoning about strategy are mentioned?

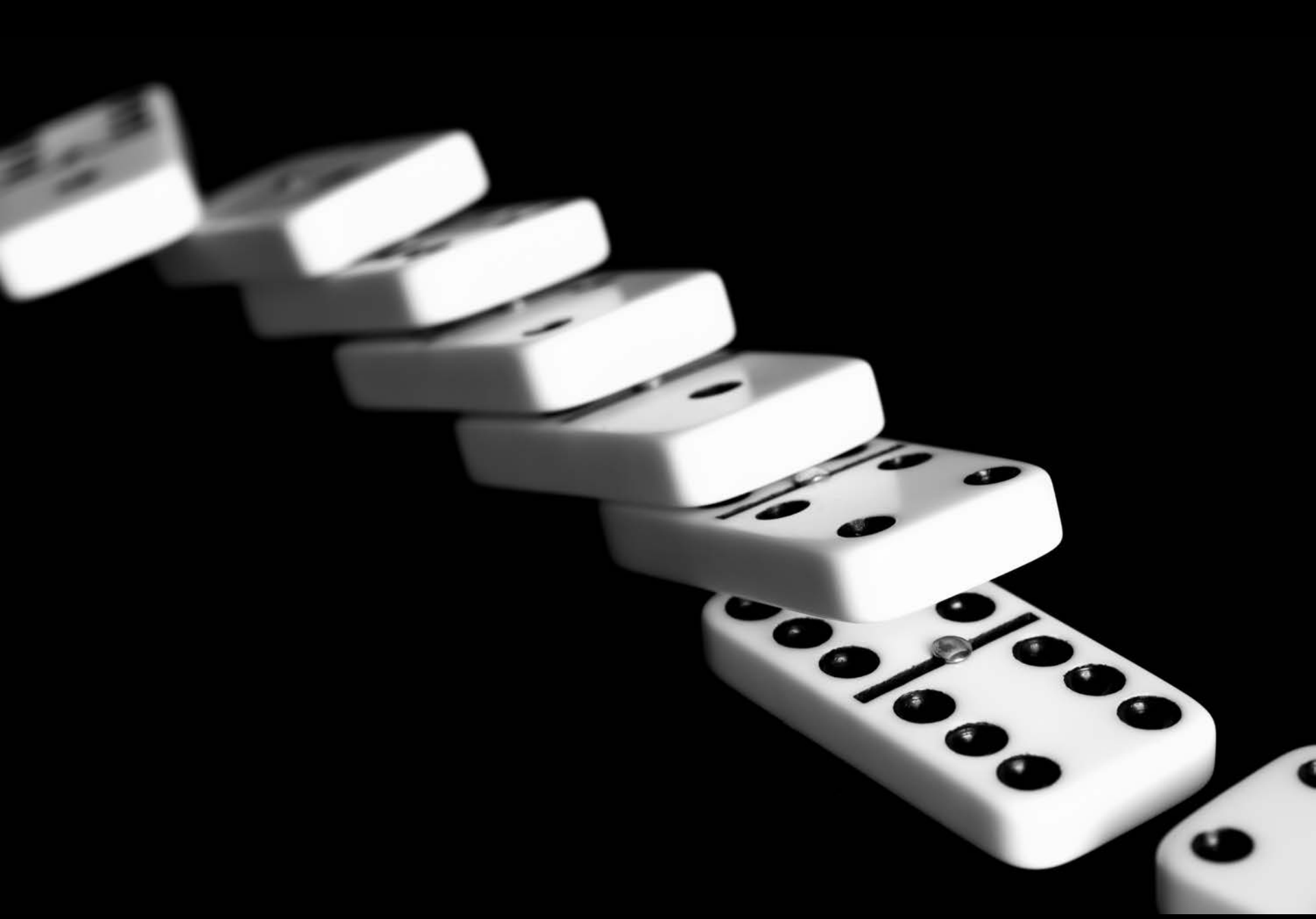
- Deduction — starting with general principles or laws and reaching conclusions about the specific situation
- Trial and error — experimenting with various methods of doing something until one finds a successful one
- Analogy — coming up with an approach in one domain by noting or developing an approach in another domain

What environments are associated with each approach?

- Deduction — information-rich, familiar, modular situations
- Trial and error — ambiguous, novel, complex situations
- Analogy — in-between situations

What leads to bad analogies?

- Seeing surface similarity between target and source
- Anchoring on a particular analogy
- Seeking confirmation for an analogy vs. testing it



shutterstock_462628399.jpg under license;
https://www.youtube.com/watch?v=hcAyzbMvF7k

“We’re the Uber of X”

https://medium.com/uber-design/designing-the-new-uber-app-16afcc1d3c2e

"Discovery Through Doing"
Roger Kneebone
Nature, 2017

What types of activity should be considered as sources for analogy?

- Thinking
- Doing
- Making … including "haptic learning"

What obstacles to benefiting from transfer by analogy are mentioned?

- Self-sufficiency … "a belief that everything that must be learned can be found in their specialized fields"

In-Class Exercise I

Each group will:

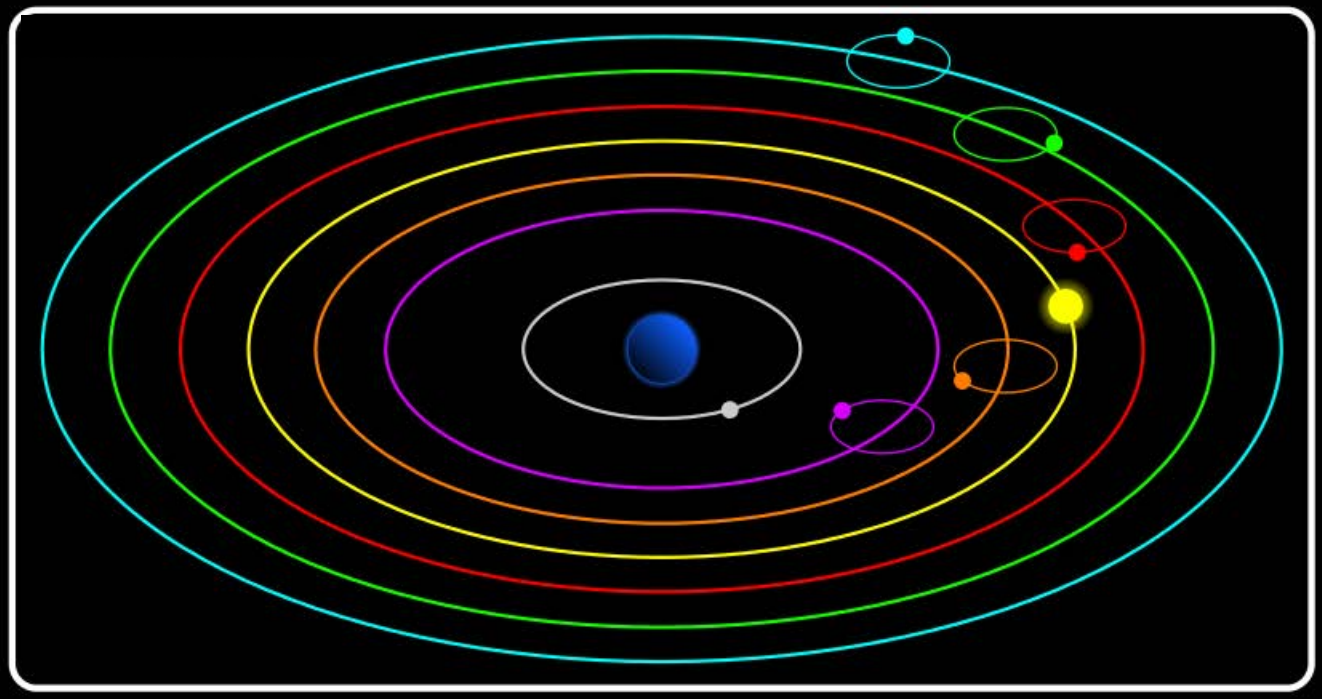
(i) compile a list of the industries in which members have worked or are working

(ii) For each industry, the group will determine what ideas or activities might be usefully imported from the other industries represented in the group into the industry in question

(iii) produce a mini-presentation on what you found in this exercise on shifting context

When you present, tell us both about the ideas or activities you came up with and the process that led to them

My thanks to Ida Li for this example



Earth
Moon
Mercury
Venus
Sun
Mars
Jupiter
Saturn

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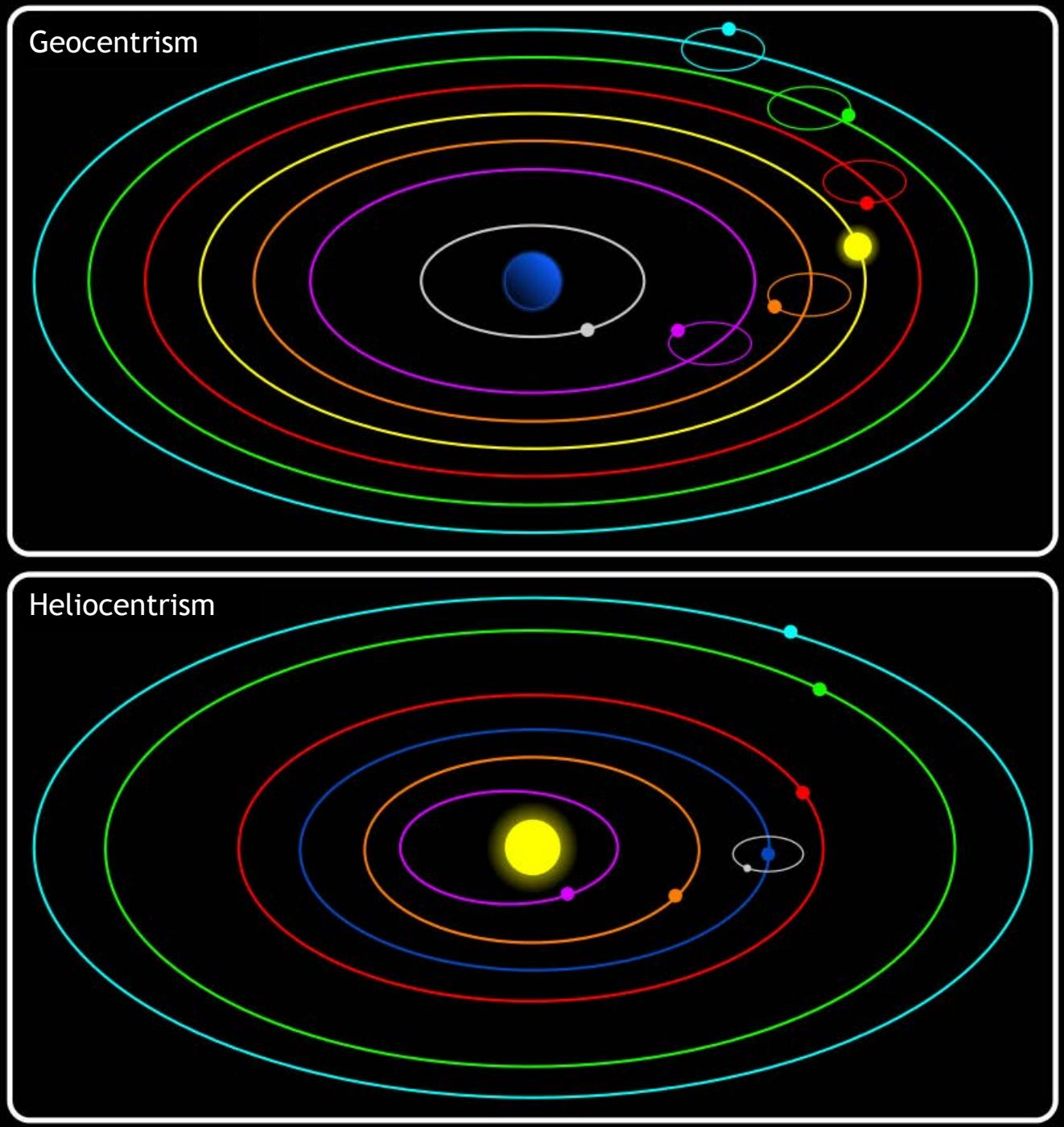

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In-Class Exercise II

Each group will:

(i) Review the list of industries it compiled in the first exercise

(ii) For each industry, identify lead users, extreme users, and innovation hotspots from whom/which you think industry incumbents can learn

(iv) produce a mini-presentation on what you found in this second exercise on shifting context

When you present, tell us both about the ideas you came up with and the process that led to them