

Epilogue

I am inclined to believe that my beloved [King] Arthur of the Future is sitting this very moment among his learned friends in the Combination Room of the College of Life. . . . When [the world] is ready to listen to reason, if it ever is, they will issue from their rath in joy and power: and then, perhaps, they will give us happiness in the world once more and chivalry, and the old medieval blessing of certain simple people who tried at any rate in their own small way to still the ancient brutal dream of Attila the Hun.

—T. H. White, *The Book of Merlyn*, the unpublished conclusion to *The Once and Future King*

In the legend of King Arthur, T. H. White found the inspiration to tell a story that distills the dreams and flaws of mankind. *The Once and Future King* not only became a best seller, but later spawned the enormously successful musical “Camelot.” The word *Camelot* has become part of everyday vernacular, meaning a time or place in which the better part of human nature succeeds in setting higher values in spite of all mankind’s shortcomings.

This book began with two questions: why do businesses exist, and

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why, assuming there is a reason for their existence, are they relatively short lived? Control Data's journey through Strategic Space over some thirty-three years provides profound perspective on those questions. The company focused on meeting human need through innovation in computer and information technology. At the outset, that need was an urgent demand for vastly improved computation and communication. As the company grew in its power to innovate it developed a broader understanding of information as a vehicle to reclaim society's castoffs for productive contributions to societal and economic health.

Control Data not only survived the pioneering perils of Strategic Space, it charted a rewarding course because of a deep-rooted and intuitive understanding of the source of innovation—people. Because of that understanding it succeeded, in spite of shortcomings, in setting higher values and creating an extraordinary level of innovation. As a result it evolved with, adapted to, and effectively used technological change.

As we have seen from Control Data's strategic journey, seven simple and powerful principles of effective strategic management emerge.

THE SEVEN PRINCIPLES OF SUCCESSFUL STRATEGY

Innovators are made, not born.

Strategy is a step-by-step journey of innovation in processes, products, and targeted markets.

Strategy must co-evolve with the technological change and the changing nature of the world it addresses.

Technology is the strategic manager's best friend.

Collaboration, especially technological collaboration, is a powerful strategic tool.

Crisis is inevitable, but with innovative leadership it can be used for positive change.

Public—private partnerships present important but frequently overlooked strategic possibilities.

These principles have the common thread that strategy and strategic management are all about *people*. They also involve coping with uncertainty.

There is a particular emotional undertone to the word “uncertainty,” more than any other term in the strategic lexicon. Other words used in strategic analysis such as “capabilities,” “competitive threat,” “opportunity,” “strength,”

and “weakness” represent factors that may be positive or negative, pleasant or unpleasant in their implication, but the words in and of themselves do not evoke fear. “Uncertainty,” on the other hand, is something most of us fear. It directly implies not knowing exactly what’s going on, and thus not knowing exactly what to do.

The natural reaction is to invent prescriptions for coping with uncertainty—to fend it off, to box it in, to react in some way. Basically, however, defensive reactions are only temporarily effective. The underlying uneasiness is still present and most people remain hesitant and fearful. Those with courage, however, know that, contrary to conventional wisdom, uncertainty is a positive force. Uncertainty gives rise to opportunities, opportunities for innovation and regeneration. In the face of uncertainty, *the courage to dare is the courage to innovate.*

The fear of uncertainty and the anxiety it generates permeate our lives. The drive to dispel it is so great that we grasp at forecasts as *predictions* of things to come. So desperate are we to have somebody foretell the future that we place heavy measures of faith in our forecasts, forgetting the whims of the marketplace and the changing nature of reality.

The need for certainty is as old as man. In ancient Greece, oracles were held in awe because, seemingly, they had the ability to foretell the future. And many times—but not always—they did, for they were strategic thinkers, not forecasters. There was nothing mysterious about it. *The oracles were simply human databases.* People flocked to them. Rich men, poor men, kings, and slaves came, leaving behind their bits of knowledge. Using this vast resource of information, more often than not the oracles were truly able to advise people that certain things would happen unless steps were taken to change them. The oracles also knew very well how to put the appropriate spin and caveats on their predictions by means of ritual and clever wording.

Uncertainty was essential to the oracles. For quite different reasons, it is essential to us. Without it, strategic planning and its component forecasts will invariably become a purely mechanistic substitute for *thinking*. Uncertainty is different than *risk*. Risk is calculable based on known facts and probabilities. Uncertainty results from facing the *unknown*. It evokes not calculation but fear. Yet people do face and deal with the mysteries of the unknown. They overcome fear, they innovate, strategize, and improvise to find a path to the future. Thus it was with Lewis and Clark, with Benjamin Franklin, with Henry Ford, with Michael Dell, and thus it was with Control Data.

Essential to being able to deal with uncertainty is *trust*. Trust stems from