What do the Atlanta Braves, Microsoft, 3M, Nike, and Intel all have in common? According to Shona Brown and Kathleen Eisenhardt, authors of Competing on the Edge: Strategy as Structured Chaos, each of these organizations are predictably unpredictable. Theyre leaders not because of their ability to predict the course of their markets; rather, these companies have learned to embrace the notion of change. Theyre successful because theyve learned to find that edge between structure and chaos that allows them to be innovative and creative, while maintaining just enough discipline to focus on executing a plan. The authors contend that competing on the edge is not an efficient or predictable way to do business. Instead, its learning how to adapt and lead in a business environment thats in a constant state of flux. The underlying insight behind competing on the edge is that strategy is the
result of a firms organizing to change constantly and letting a semicoherent strategic direction emerge from that organization. In other words, it is about combining the two parts of strategy by simultaneously addressing where you want to go and how you are going to get there. Brown and Eisenhardt offer dozens of examples of companies that are successfully and not so successfully finding that balance between anarchy and order. If, on the one hand, you feel like your company is bogged down by rules and bureaucracy or if, on the other, it seems like no one in your company knows exactly what they’re doing, you’ll find that Competing on the Edge is a valuable handbook for change. The book is clearly written, full of insight, and belongs on every manager’s bookshelf. Highly recommended. --Harry C. Edwards

**Personal Review: Competing on the Edge: Strategy as Structured Chaos by Kathleen M. Eisenhardt**

One of the things I found most objectionable back in MBA school or today in reading/writing business plans is the orientation towards thinking that all those beautiful numbers predicting the future had any meaning whatsoever.

If you think fancy long range planning makes sense, just go ask the American auto manufacturers what went wrong. We’ve known that oil is getting in short supply, that its source of supply is in an unstable part of the world and that something drastic will have to be done. So what do they do - build more factories to build pickups and SUV’s.

Where are the fuel efficient diesel engines? (My daughter’s Volkswagen diesel from 20 years ago got 42 miles per gallon.) Where are the hybrids? (Oh, they are manufactured in Japan.)

The computer industry learned to think in terms of rapid change a long time ago. (Those companies like DEC, Honeywell, RCA, GE and many, many more are defunct or out of business.) You would think that a book like this one would concentrate on the computer business. To some extent it does, but it also talks about companies like 3M, Nike, the San Francisco Symphony, the airline industry. It also talks about companies like Sears.

This book cannot give you specific advice about what the future holds, but you can make some guesses - energy costs are going to go up, global warming is going to cause water levels to rise (a bunch), overseas competition is going to go up, we may see a major religious war. How will your company react?