

Author Talks: Gillian Tett on looking at the world like an anthropologist

Gillian Tett, the *Financial Times* markets and finance columnist and US managing editor, presents a radically different strategy for making sense of the business world today: anthropology.



In this edition of *Author Talks*, McKinsey's Raju Narisetti chats with award-winning financial journalist and anthropology PhD Gillian Tett. In her new book, *Anthro-Vision: A New Way to See in Business and Life* (Simon & Schuster, June 2021), Tett explores how anthropologists get inside the minds of people to help them understand other cultures and appraise their own environment—from studying big-box warehouses to shedding light on practical questions such as why corporate projects fail and how companies sell products like pet food. An edited excerpt of the conversation follows.

Why did you write this book?

I believe that so many of the mistakes that came out of the great financial crisis and so many of the other mistakes that have beset both companies and countries in recent years have occurred because of tunnel vision and a lack of lateral vision, or as I call it, “anthro-vision.”

When the pandemic hit in 2020, there was a lot of discussion about life postpandemic and building back better. And I believe passionately that to build back better, we don't just need policy debate or gazillions of dollars of stimulus or things like that.

We also need to change the way policy makers, business leaders, financiers, and executives actually think and look at the world around them. And, in a nutshell, people need to move from tunnel vision to lateral vision. The late 20th century was

marked by a time when we created these fantastic intellectual tools to navigate the world.

Like economic models, like corporate balance sheets, like big data sets. And they are all brilliant and useful. Let me stress that. But they're limited. Because you can only use them effectively if you look at context—if you look at the wider environment and culture and issues like that, particularly where that context is changing. And right now the context is changing. So I say we need to look beyond just narrow tunnel-vision models and actually try to look at the wider environment we're operating in.

Behavioral science can't be ignored

Why can't medicine alone stop pandemics?

The core message of the book is that social science, anthropology need to be combined with medical science, computer science, economic science to really create an effective new way of building back better and looking at the world. And what's happened with the pandemic is a classic example of that.

Because to fix the pandemic, you definitely need brilliant medical science. The geniuses who came out and collaborated on the vaccines did an incredible service to humanity. What we learned in the pandemic is that medicine alone doesn't work unless you also understand the social and cultural context and the incentives shaping people.

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Because you can have all the vaccines in the world, but if you can't persuade a population to take them, then you can't beat a pandemic. In the UK, Gus O'Donnell, the former head of the British civil service, lamented the fact that although the UK government had devised its policy on the back of medical science, it took a very long time for the UK to get ahead of the pandemic because it didn't look at the social-science component or how humans behave.

Or, to take a more positive example, if you look at why masks are so effective, one way to explain that is because the physical fabric stops germs. Another equally important way to explain it is because the act of putting on a mask is a powerful psychological prompt that reminds people to change their behavior. It's also a group's thinking device that tells people, other people and yourself, that you're adhering to civic norms. And that is incredibly important in a pandemic. Actually, we have known that from anthropology for a long time in Asia. If only Western leaders had not been so full of hubris and learned lessons from Asia earlier on, we probably could have beaten the pandemic a lot earlier.

When COVID-19 started, there were social scientists and doctors who said, "We have to learn the lessons from Ebola as well as from SARS in Asia and apply them to how we devise pandemic policy in the West."

Now, in some cases, the lessons were learned the same way that New Yorkers were persuaded en masse to embrace masks, which was such a completely alien concept a year ago, particularly because in New York mask wearing wasn't imposed by rules or laws, as it was in other parts of the world, but instead by social norms.

But in other cases, the issues of social behavioral science were sadly ignored. And the converse of New York's mask-wearing culture, which I do think has really helped to fight the pandemic, has been London, where the behavioral science was essentially ignored.

The communication went back and forth and back and forth in a completely confusing way. And you ended up with a population that was so grumpy, so angry, that you had a flare-up toward late 2020, which was very damaging indeed for Britain.

Why do bankers misread risk?

Well, I find the issue of high finance fascinating because I'm trained as a cultural anthropologist. I did a PhD out in the mountains of Hindu Kush, in Tajikistan, looking at Tajik wedding rituals, which seems like an exotic type of topic that is utterly unrelated to Wall Street and Washington and things like that.

But when I actually moved on in my career and ended up running the financial-markets section for the *Financial Times*, I was stunned by the training in Tajik anthropology—a training that teaches you to look at everything and look at social silences, the parts of the world we don't talk about, but which are often expressed in rituals and symbols.

That's incredibly helpful for looking at bankers for several reasons. First, because financiers make the mistake of thinking that finance is all about money. And your algorithm and model can explain everything. The reality is that how money moves, what goes wrong with money, is also driven by all the social and cultural patterns that shape financiers who are operating as institutions.

Your average investment bank is as tribal as any other society across the Hindu Kush. And you have all the tribal patterns playing out, which people often ignore or prefer to conceal from themselves and from others. The other problem of course is that financiers become beset with tunnel vision when they try to imagine the world of money. And they don't see the end users in the chain of any financial innovation they create or even have a joined-up vision of how risks are building, which may be building in places they avert their eyes from.

The value of incidental information exchange

Do we still need offices?

There's a lot of debate right now about whether people actually need to be physically in an office to get their job done. As you look at that question, it's worth thinking about one sector where there has been a complete paradox for the last 20 years in relation to that question.

That is finance. Because, technically speaking, around the turn of the century, financiers could have done a lot of their work at home. Because if you have a Bloomberg machine and a high-speed internet connection, you can trade. You can do a lot of what you need to simply sitting in your office.

Yet, as an anthropologist named Daniel Burns has pointed out, at the very moment that all of these digital tools were coming on stream in the early years of the 21st century, banks on Wall Street and the City of London started building bigger and bigger trading floors to get more and more people into the office.

So if you ask why that was, it becomes clear that what people are doing in offices is not just what they think they're doing, which is looking at a computer screen and trading in disembodied markets. They're also engaged in something that anthropologists call "incidental information exchange."

And that's the process by which teams or groups or departments that already know each other well bump into other teams, other sources of information, and really widen their vision and their gaze and their net on information, which enables them to do their jobs.

That leads to another point, which is what anthropologists call "sense making"—the idea that when we make decisions, we tell ourselves we're doing so on the basis of our wonderful linear rational thoughts or models, when we're actually absorbing information from our surroundings and

environments and from other people the whole time, which means that we often collectively make decisions as a group.

The reason it's called sense making is because there's a classic story from anthropology of the Chuukese Polynesian sailors who essentially navigate vast distances across the sea, not by using GPS, which is what modern sailors do. You basically create a course and impose that on your environment to work out where you're going. They instead read the wind and the wave and the water. And they smell their environment and talk to each other, and collectively they plot a course by reacting to their environment.

So we all think in the office that we're acting like modern sailors with GPS. And we are to a degree. But we're also acting like Chuukese sailors, essentially reading our environments and plotting a course collectively that way. That's one reason why banks have big trading floors. Also, many people find that not being in the office robs them of something in terms of doing their jobs.

Adjust your lens for better vision

Should CEOs think like anthropologists?

My advice about how CEOs can embrace anthropology or lessons from anthropology really falls into three key buckets. First, musings from anthropology help you to understand your customers much better and, above all else, do something that is in some ways the simplest thing in the world, but the hardest thing in the world to actually implement, which is to recognize that other people don't think like you.

It's so easy if you are a CEO or an aspiring executive who spends all your day basically in the office or working on a project to fall into the trap of assuming that other people have the same instincts and mentality as you. And it is so important in today's globalized world to recognize that it's simply not true.

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It’s important to learn to walk in someone else’s shoes and see the world differently. That way you avoid risks, but you also see new opportunities all over the place. The second point is you need to not just use anthro-vision to look at your own customers, clients, or suppliers, but flip the lens and look back inside your own organization and see all the things that are hidden in plain sight that are incredibly hard for insiders to see. There’s this wonderful Chinese proverb that a fish can’t see water. And it’s very hard for us to see ourselves unless we step out of ourselves and look back afresh.

That’s a second area. But the third area where anthropology is sort of helpful is in terms of recognizing that these bounded tunnel-vision tools that we use to navigate the world in recent decades, such as an economic model or a big data set or a corporate balance sheet, are wonderful, but they are also limited.

It’s becoming very clear that for a company, the corporate balance sheet isn’t the be-all and end-

all in terms of measuring the company. Because actually things that people used to consider as footnotes to the corporate accounts, like diversity issues, actually impact the company.

As for big data, they are only as good as the data you put into a model. And if the data are based on information collected about the recent past and the present, they may not work if the context is changing, so that the future may not be the same as the recent past.

So that three-part message is really at the core of what I think anthro-vision could offer: better understanding of other people outside of your company who are your customers and clients; better appreciation of what’s happening inside your company; and a realization about how you as a company sit within a wider ecosystem, and why you have to widen that lens.

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