

White
Paper

Business at War



***Insights into the
Adapted Situational
Analysis Technique***



Contents

| | Page |
|--|-------------|
| Executive summary | 2 |
| Introduction | 2 |
| The business of war | 3 |
| Common misconceptions | 4 |
| The “winds of change” | 5 |
| The BMLS solution – background | 6 |
| The Adapted Situational Analysis Technique | 7 |
| ASAT benefits | 8 |
| Solutions portfolio | 8 |
| About Battlefield® Management & Leadership Solutions | 10 |
| Contact us | 10 |



Business at War

Executive summary

Battlefield® Management & Leadership Solutions (BMLS) has created a unique, comprehensive and fully integrated solution that addresses and supports executive development, leadership training, team building and business improvement projects in today's complex and intensely competitive global trading environment.

The solution is based on a methodology, processes and techniques derived from the exploitation of a combination of adapted military doctrine and proven business principles that are applied to strategic and tactical planning and dramatically improved operational efficiencies based on effective monitoring and evaluation. The solution is supported by inspired leadership development.

This "White Paper" provides the reader with brief insights into the concepts and principles used by BMLS to develop a carefully-researched and proven solution that is described as the "Adapted Situational Analysis Technique" (ASAT).

Introduction

Business in today's global economy can be directly compared to warfare – the challenge of fighting extremely complex campaigns and battles across a multitude of "fronts" in a trading environment that is characterised by dynamic and constant change.

The purpose of war according to Mao Tse-tung, one of the world's all-time greats in the art of conflict, is "to preserve oneself".

Self preservation in military terms is defined by a single AIM – to win the war.

Self preservation in business terms is defined by a single AIM – to create wealth for all stakeholders.

Mao goes on to state what may be regarded as being blindingly obvious: "Self preservation is achieved by destroying the enemy." He qualifies this by saying that "to destroy the enemy means to disarm him or deprive him of the power to resist and does not mean to destroy every member of his forces physically."

Based on this philosophy, the purpose of business is to preserve wealth by outperforming competitors in the market. It does not mean to destroy them physically or to disable them unethically.

The ultimate consequence of failure in military terms is death.

The ultimate consequence of failure in business is bankruptcy.

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The business of war

Successful military commanders have been managing self preservation and the art of war for centuries. They do so by applying tried, tested and proven standardised processes and techniques to every aspect of what today constitutes a global “industry” that is conservatively estimated at being worth more than US\$5-trillion a year. History shows that those military commanders who failed – who lost the war – did so because they did not apply themselves to the basics of military doctrine that help to guarantee success on the battlefield.

Businesses address the art of self preservation by outperforming competitors using a wide variety of processes, methodologies and techniques that will more often than not differ significantly from one manager to another, at different levels within a company, between companies and throughout industry sectors.

The military planning process is universally defined as the “Military Appreciation”.

The business planning process is internationally described as the “Situation Analysis”.

Despite what may at first glance appear to be an obvious parallel, any similarity between the two techniques is almost inevitably purely coincidental.

However, what is particularly significant is that business has identified the military as an extremely valuable reference point when it comes to a number of issues.

For proof of this look no further than the ubiquitous “Vision” and “Mission” statements that were first popularised as “cutting-edge” management tools among professional consultants and academics in the business world in the 1980s.

Hijacked from very specific and clearly-defined military terminology, “Vision” and “Mission” statements in business have been corrupted to the point where they have become virtually meaningless. Generally speaking, they represent little more than a collection of highly creative and emotional statements that attempt to inspire staff and to convince customers of how great the company is and how it would like to be perceived in an ideal world.

Similarly, business has adopted or plagiarised other military terms that have passed into the lexicon of “business speak” and corporate jargon without any thought having been given to the true meaning of the term concerned or how it should be applied.

The most obvious of these are words such as “strategy” and “tactics”.

The word “strategy”, for example, according to its origins and its most narrowly defined meaning is: “The art of the general.” The definition of tactics owes its roots to: “The craft of the soldier.”

In many instances business people are unable to understand the difference between strategy and tactics, despite these words as well as other phrases with a military pedigree having become firmly entrenched in the vocabulary of business leaders, MBAs, academics and strategy consultants.

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Clem Sunter, former chairman and CEO of Anglo Gold and Mining and one of South Africa's most admired "captains of industry", offers the following explanation of the difference between "strategy" and "tactics":

"Strategy is direction. Tactics is how to get there."

While this very simple definition goes a long way towards explaining the fundamental difference in meaning between the two words, it is nothing more than a starting point when it comes to developing a clear, in-depth understanding of how strategy and tactics should be developed and applied in business.

And while on the subject of Clem Sunter, let us not forget that he has built an international reputation as one of the leading "scenario planners" of his time. What few people may know or appreciate is that scenario planning as a technique has a direct parallel in military doctrine that has been an integral part of the Military Appreciation process for several centuries.

Common misconceptions

Despite selected aspects of military terminology and doctrine having been used as a model for business for many decades, there are several reasons why military principles often have only a limited positive impact when applied to business.

These reasons relate primarily to the following misconceptions:

- ❑ Many who try to translate military thinking into business practice fail to understand and successfully apply various very specific processes and techniques used in the military. Instead, they take general concepts of how the military operates and then attempt to translate and apply these to selected aspects of business in a totally different, often inappropriate context.

This is, perhaps, best illustrated by the corruption of terminology such as "Vision" and "Mission" but can, more importantly, be directly attributed to a totally misguided perception that military style "command and control" has absolutely no place whatsoever in the business world.

Many business people, including top executives, consultants and academic institutions, firmly believe or assume that the military operates according to a male-dominated, top-down command structure based on blind, unquestioning obedience to "orders" that are handed down and strictly enforced by authoritarian discipline that is delivered via the parade square, the assault course and a court-martial.

Nothing can be further from the truth in the modern military.

- ❑ This misguided perception of how the military command structure works and operates effectively also explains why the business world tends to ignore or totally dismiss the uncompromising attention to detail that the military places on leadership training and development at every level – from the General Officer Commanding, through all ranks to the lowest level of enlisted soldier.

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While leadership qualities are regarded and widely acknowledged in the corporate world as being the ultimate key to success, the development of these qualities among executives and managers at all levels is subjected to an almost limitless array of so-called “interventions” – training, development and mentoring programmes that attempt to cover everything from scientifically-based psychological assessments of the individual to team-building exercises based on adventure activities.

Leadership and leadership development in the military is a vital line management function and is built on trust, integrity, fierce loyalty and, above-all, team work.

- ❑ A perception that the military is focused only on conducting warfare tends to persuade business people that it offers only limited value when it comes to providing lessons for commercial operations.

What is very seldom realised or acknowledged is that the military applies standardised planning processes and techniques to every aspect of its existence – many of which do not involve warfare. These include activities ranging from human resource recruitment, training and development; financial management; the procurement and logistical supply and management of equipment, fast-moving spares and perishable goods; to the building and maintenance of leading-edge technological systems and large-scale infrastructure.

“The planning cycle will not, on its own, guarantee a good plan. What is required, instead, is an open mind, objective thought, thorough knowledge, validity, depth of argument, realistic conclusions, and an aggressive yet balanced approach.”

- Military Staff College Manual

The “winds of change”

As famously coined by British Prime Minister Harold McMillan in the early 1960s, the “winds of change” are blowing through the corridors of academia and the corporate world when it comes to the military and the role that can be played by the adaptation of military principles for use in business.

Interest in the concept has reached unprecedented heights. World-famous educational institutions in the United States, including Ivy League schools such as Harvard, Yale, Princeton and Columbia as well as the Wharton School of Business at the University of Pennsylvania, City University of New York, and Ohio State University, are actively recruiting retired military officers to deliver lectures and seminars on leadership and problem solving to students.

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The seminar circuit on American campuses includes General Stanley McChrystal, former four-star general in the US Army who served as the commander of Special Forces in Iraq and as commander of the International Security Assistance Force and US forces in Afghanistan; Admiral Mike Mullen, the former chairman of the Joint Chiefs of Staff; Admiral Eric T. Olson, the former head of the military's Special Operations Command; and David H. Petraeus, a former US Army General and ex-director of the Central Intelligence Agency.

The New York Times reports that McChrystal's seminar at Yale on leadership is "nearly as hard to get into as Yale itself".

These as well as a growing legion of former high-ranking military officers are being engaged by leading corporations all over the world to provide expert counsel, professional advice and business consultancy services in order to improve efficiency and gain competitive advantage in the market.

Other organisations such as the Institute of Directors (UK), are actively promoting the use of military principles as being at the cutting edge of executive training and business best practice methodology in today's global economy.

Leading multinational corporations such as Walmart, PepsiCo and General Electric are actively and aggressively targeting military personnel for their value as fully-trained and experienced leaders. And although this trend has received widespread coverage in leading publications such as Harvard Business Review and Fortune Magazine in recent years and months, two of the world's premier information technology brands, IBM and SAP, have pursued this policy with outstanding success for several decades.

The BMLS solution – background

It is against this background that BMLS has created a unique and comprehensive executive management development programme and business improvement consultancy methodology.

The team behind the development of the programme and the consultancy service methodology was drawn from individuals with extensive business experience across multiple business sectors at both local and multinational level in executive positions.

The group included individuals who served as high-ranking, commissioned officers in Commando, Special Forces and Military Intelligence units in combat in high-intensity, extremely complex battle situations and who then moved on to pursue successful careers in business.

Professional expertise consulted by BMLS included attorneys, chartered accountants, advertising and marketing communications specialists, engineers, distribution, supply chain, manufacturing, and information and communications technology professionals.

Based on these resources the BMLS team carried out extensive research into the question of how to adapt and apply military principles to business.

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Research included, among other sources, the following:

- Personal archives incorporating comprehensive notes and training manuals from leading Military Command and Staff colleges. Additional material to provide invaluable insights into military doctrine and management practices was sourced from countries such as the United States, the United Kingdom, Israel, Germany, South Africa and other selected countries in the British Commonwealth of Nations.
- Extensive reading and research based on the published works of pre-imminent authors of international best-sellers on business, economics, leadership and other topics as well as leading international business magazines such as Harvard Business Review and Fortune Magazine. This research also extended to military history and the works of world-famous wartime leaders such as Winston Churchill, Dwight D Eisenhower, Montgomery, Patton, Moa Tse-Tung, David Petraeus, von Moltke, Carl von Clausewitz, and many others.
- Business case studies compiled by members of the BMS team and associates based on personal experience as former executives of industry-leading blue-chip companies and as professional consultants to major companies and enterprises in South Africa.

The Adapted Situational Analysis Technique

The BMS research and development team focused its efforts on the creation of a planning and management leadership methodology that is now described as the “Adapted Situational Analysis Technique” (ASAT).

ASAT represents a unique and comprehensive integration of carefully-selected, standardised processes and planning techniques that have been adapted from both the military and business. Use of the word “adapted” is a polite way of saying that the methodology ruthlessly exploits the very best of what both worlds have to offer.

The outcome is a solution that enables executive teams and line managers in virtually any private or public sector organisation to successfully resolve business problems, including strategic and tactical planning.

ASAT very specifically addresses and overcomes all the major historical issues that may have hindered the successful application of military principles to business best practice. As outlined in “common misconceptions” (above), this includes how to overcome false perceptions about how the military deals with issues such as effective communication, planning processes, command and control, monitoring and evaluation, and leadership.

The design incorporates aspects of the business “Situation Analysis” methodology – a process pioneered by Cynthia Montgomery and fellow Harvard Business School professor Michael Porter in the 1980s and 90s and subsequently copied or advocated by virtually all business “gurus” for more than two decades.

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It's worth noting that Montgomery recently conceded that the methodology she worked on with Porter all those years ago concentrated too much on statistical analysis and did not pay enough attention to issues such as techniques, leadership and the importance of processes.

The BMLS methodology avoids such mistakes. It applies adapted military doctrine to both analytical and practical strategic planning, based on inspired leadership.

ASAT benefits

Used as a planning methodology or as a management development programme, ASAT offers immeasurable value to clients.

Benefits include:

- ❑ The ability to address strategic and tactical planning requirements using processes that are highly flexible and techniques that are easily understood, mastered and applied by all managers at every level throughout an organisation.
- ❑ The ability to formulate solutions to business problems that are guaranteed to be based on creative, lateral thinking and that deliver competitive advantage in any market or trading environment.
- ❑ The ability to develop and implement optimal plans that can be closely and consistently monitored and evaluated for their effectiveness at all levels of the business, and that can be seamlessly adapted – to take advantage of changing circumstances and unexpected threats or opportunities.
- ❑ Processes and techniques that promote and develop inspired, strategic leadership at all levels – from the CEO to the lowest levels of line management.
- ❑ Processes and techniques that support effective communication and team-work throughout an organisation.
- ❑ Consultancy and professional service business improvement engagements that deliver measurable outcomes in terms of business benefit and return on investment.

Solutions portfolio

The ASAT solution is delivered through a number of highly flexible, optional formats and service offerings, including:

- ❑ **Insights:** A thought-provoking and motivational presentation that provides delegates with invaluable insights into the ASAT background and the practical benefits that adapted military doctrine, management and leadership development techniques can bring to the business world. The presentation can be delivered to a relatively large number of delegates in a single session spanning no more than 60 minutes.

Business at War White Paper



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- ❑ **Management and leadership development:** A facilitated seminar and training programme designed for executive and senior management teams. Delegates are briefed on how and why military principles have been adapted for the benefit of business and are then instructed on how to apply the BMLS methodology to strategic and tactical planning as well as other situations within their own organisation. The programme can be designed for delivery from a half to two days.
 - ❑ **Strategic and tactical planning:** A classic strategic and tactical planning workshop facilitated by BMLS that is designed to provide executive management teams with practical and measurable outcomes to corporate planning and specific business improvement initiatives. Workshops are customised to address specific client requirements and designed to deliver measurable value and business benefit based on the ASAT methodology.
 - ❑ **Executive management battlefield breakaway:** A programme designed as a highly motivational skills development and team building “breakaway” for business executives. Conducted on actual Anglo / Boer or Anglo / Zulu historical battlefields, delegates are coached on how to use the BMLS methodology using military case studies. The programme is conducted over one, two or up to three days at one of four sites to be chosen by the client.

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**Business at War
White Paper**



About Battlefield® Management & Leadership Solutions

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The Adapted Situational Analysis Technique provides a platform used by BMLS to enable clients to focus on the health, enhanced profitability and long-term sustainability of their business through the provision of independent, objective and value-driven consultancy services ranging from high-level reviews, strategic planning, and leadership development to the implementation of operational and business improvement processes and projects.

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