

## About *Field Position*

*Field Position* is a long, detailed chapter that focuses on evaluating our potential positions in terms of how easy it is to make our next move. Think of field position in terms of offering a new proposal or planning a new project. “Field positions” directly affect what we can do next, what our options are for the future. Sun Tzu develops a way of evaluating our potential field positions in three different dimensions. Sun Tzu calls these dimensions obstacles, dangers, and space. This map allows us to compare the strengths and weaknesses of various field positions or proposals before we move into them.

Our ability to capture a specific field position comes both from our current location in the territory and the capabilities of our organization. A proposal to move to a new position only makes sense in the context of our current position and our capabilities.

After defining the issues that arise from the physical territory, Sun Tzu enumerates the limitations that come from the weakness of any organization. Though these weaknesses are related to various field positions, he makes it clear that they don’t come from a position; they come from poor leadership. Again, we are given a method to evaluate the various dimensions of organizational weakness or health.

The chapter brings all these ideas together in describing how we deal with managing people and making them successful. The chapter ends by reviewing the concepts of victory in terms of field position.

## Lesson 181

**When you develop a position in a market, how does it affect what you can do next in business?**

- A. Your current position has very little effect on future choices.**
- B. All positions provide a defense against attack.**
- C. All positions limit you in one direction or another.**
- D. Different positions affect you in different ways.**

*Some field positions are unobstructed.*

*Some field positions are entangling.*

*Some field positions are supporting.*

*Some field positions are constricted.*

*Some field positions give you a barricade.*

*Some field positions are spread out.*

**From *The Art of War***

Answer:

- D. Different positions affect you in different ways.

Positioning means establishing a relationship with the ground. The ground can give us a number of different types of advantages. In this chapter, we look at one specific class of advantages. What does our current position allow us to do next? This means looking at the ground (marketplace) from a long-term perspective.

Positioning is a skill. Positioning means that we use the territory to find advantage. Our “field position” is the location that we have *currently* chosen to develop. Sun Tzu teaches that we must see each position as a stepping stone to our next position. Any given position must be evaluated in terms of how easy or difficult it makes our next step.

In the dynamic environment of business, any given position will degrade over time as our competition maneuvers against it. Because of this, we must see clearly how our current position enables us to move forward. Sun Tzu saw clearly that not all positions are equal in this regard. Some positions give us a great deal of freedom; others give us no freedom at all. Some positions are easy to defend; others are open to attack.

## Lesson 182

### What is the disadvantage of unobstructed position?

- A. You have to choose a direction.
- B. The enemy can attack you easily.
- C. The position is easy to block.
- D. There are no disadvantages.

*You can attack from some positions easily.*

*Others can attack you easily as well.*

*We call these unobstructed positions.*

*These positions are open.*

*On them, be the first to occupy a high, sunny area.*

*Put yourself where you can defend your supply routes.*

*Then you will have an advantage.*

From *The Art of War*

Answer:

- B. The enemy can attack you easily.

The topic of the above stanza is the *open* or *unobstructed* position. Any position that makes it easy for us to change our position is also an easy position to attack. Absence of barriers works both ways. If we can move out of a position easily, people can move into it easily as well. In business, an unobstructed position is easy to attack because it doesn't define us specifically. Competitors can claim the same position, or, more likely, claim that we are not very dedicated to our position.

Since open positions offer us options for the future, they are inherently good, but we have to manage them well. We must get to these positions first and successfully claim "the high, sunny areas," that is, market visibility and the best customers. We must also continually make sure that we can defend our revenue sources (supply routes) so that the competition doesn't start poaching on our open territory.

Positions are defined by the number obstacles they contain. The *unobstructed* position is one extreme with no obstacles. The *barricaded* position (discussed latter) is the opposite extreme with many obstacles.

## Lesson 183

**There are some position you can't move back to once you have moved away. How do you use these positions?**

- A. Never leave them.**
- B. You can't use them, avoid them.**
- C. Leave them as soon as possible.**
- D. Leave them only when you are sure to win.**

*You can attack from some positions easily.*

*Disaster arises when you try to return to them.*

*These are entangling positions.*

*These field positions are one-sided.*

*Wait until your enemy is unprepared.*

*You can then attack from these positions and win.*

*Avoid a well prepared enemy.*

*You will try to attack and lose.*

*Since you can't return, you will meet disaster.*

*These field positions offer no advantage.*

**From *The Art of War***

Answer:

D. Leave them only when you are sure to win.

We would never choose an *entangling* position, and should generally avoid them, but we sometimes find ourselves in these positions. Some business positions are so specialized that any move out of them destroys our ability or credibility to compete there. For example, if we define ourselves by our location or city, we cannot open branches in other cities and then return to our previous position. We can't define ourselves as a wholesaler and then start selling retail without losing our credibility with our old customers. We can move from entangling positions, but we must be careful. We must make sure that our new position is successful because moving to it in effect destroys the old.

Positions can endanger future movement. *Entangling* positions prevent a return. *Supporting* positions (discussed next) prevent an exit. We must understand the dangers of any position before getting into it.

## Lesson 184

**What do you do if a position supports you so well that you simply can't move out of it?**

- A. Never leave it.**
- B. Search for an exit.**
- C. Leave it as soon as possible.**
- D. Leave it only when you are sure to win.**

*I cannot leave some positions without losing an advantage.  
If the enemy leaves this ground, he also loses an advantage.  
We call these supporting field positions.  
These positions strengthen you.  
The enemy may try to entice me away.  
Still, I will hold my position.  
You must entice the enemy to leave.  
You then strike him as he is leaving.  
These field positions offer an advantage.*

**From *The Art of War***

Answer:

- A. Never leave it.

Remember when Coca-cola tried to bring out New Coke? They were in a *supporting* position and tried to move away from it. They soon discovered that you can't move from these positions. Fortunately, supporting positions are not entangling. Coke was able to quickly move back into their traditional, strong position as "the real thing." When a position is as well-defined and successful as the Coke's in the beverage market, we can not afford to move from that current position and do it successfully. The position prevents further movement.

If we find ourselves in a *supporting* position, we should simply enjoy it. We must recognize when the position we are in is so good that moving away from will always be a mistake. It traps us but in a good way. If our opponents are in a supporting position, we must patiently wait for them to make a mistake of trying to move from it. If we can encourage them in this mistake, so much the better. If they move, we should be prepared to take over their old position as quickly as possible.

## Lesson 185

**When you find yourself in a market of strictly limited size, what should you do?**

- A. Get out of it quickly.**
- B. Get 100% of its business.**
- C. Take whatever business comes easily.**
- D. Avoid getting pigeonholed.**

*Some field positions are constricted.*

*I try to get to these positions before the enemy does.*

*You must fill these areas and await the enemy.*

*Sometimes, the enemy will reach them first.*

*If he fills them, do not follow him.*

*However, if he fails to fill them, you can go after him.*

**From *The Art of War***

Answer:

- B. Get 100% of its business.**

A common small business mistake is focusing on markets that are too large. Many companies avoid completely filling small niches because they are afraid of being “pigeonholed” in the market. Being pigeonholed is less of a problem than being overwhelmed in large markets. Small, constricted markets are the ideal building blocks of a large company.

We should always be looking for a dominant position. It is easier to dominate limited markets than it is to dominate large, open ones. If we are fortunate enough to discover a small niche first, we should immediately try to satisfy all the demand in that niche before anyone else discovers it. These niches are extremely easy to defend once we fill them completely. This is why we should never try to take away such a niche from a competitor if they have filled it completely.

Field positions cover a certain amount of space. *Constricted* positions are the positive extreme, consisting of limited space. *Spread-out* positions (discussed later) are the negative extreme consisting of too much space.

## Lesson 186

**When an area is naturally difficult to get into, how should you react to it?**

- A. Get into it first.**
- B. Wait for others to develop it.**
- C. Wait until the costs of entry have been reduced.**
- D. Avoid it entirely.**

*Some field positions give you a barricade.*

*I get to these positions before the enemy does.*

*You occupy their southern, sunny heights and wait for the enemy.*

*Sometimes the enemy occupies these areas first.*

*If so, entice him away.*

*Never go after him.*

From *The Art of War*

Answer:

- A. Get into it first.

We have all heard the term “barriers to entry.” It is easy to say that we should look for markets with barriers to entry so that we can easily defend ourselves against the competition. In real life, entering a barricaded area is much more difficult.

Areas that provide barriers to entry are, by definition, difficult to enter. When we first encounter them, we don’t see their defensibility. Instead, we see the difficulty and cost of getting into them. Sun Tzu’s system is opportunistic, but this doesn’t always mean following the path of least resistance. To be of any value at all, businesses must solve problems. The more difficult these problems are, the less competition we have in our market. If an area is difficult to get into when it is empty, it is much more difficult to get into once someone else had entered it.

We said earlier that positions are defined by the number of obstacles they contain. *Unobstructed* positions and *barricade* positions are the two extremes. Both types of positions have their positive sides. The first because we can enter easily. The latter because the competition cannot enter easily.

## Lesson 187

**When you are as large as your competitors but involved in many more widely separated areas, what should you do?**

- A. Look for more areas to get involved in.**
- B. Recognize that you are weaker than the competition.**
- C. Use the diversity in your business as a strength.**
- D. Abandon many of your businesses.**

*Some field positions are too spread out.  
Your force may seem equal to the enemy.  
Still you will lose if you provoke a battle.  
If you fight, you will not have any advantage.*

From *The Art of War*

Answer:

- B. Recognize that you are weaker than the competition.

Remember, unity is the key to strength, not size. When we evaluate how strong a company is, the first question we should ask is how unified its business focus is. Larger firms tend to become more diversified, but this is not a strength. Companies that can grow large and yet remain focused on a clear, core business are much stronger.

Growth in many different areas is not an inherently bad thing, but we cannot fool ourselves about our strength versus that of the competition. We must recognize that in a competitive battle against a more unified enemy, we are at a serious disadvantage. In a *spread-out* position, we cannot defend all the space we occupy. If more focussed competitors come after us, we must move out of their way.

As businesses grow, the need for focus creates competitive problems. For example, Barnes & Noble is focused on the book business, but it is split between selling on-line and selling from its stores. Their competitor, Amazon.com, is clearly focused on on-line sales, but Amazon has spread out from books into records, toys, tools, and everything else. Both companies are spread-out dangerous ways.

## Lesson 188

**Does every position we develop fall into one of the six types of field position?**

- A. Every position falls into one of these six types.**
- B. Every position is a combination of types.**
- C. These six types are generalities, and each position is unique.**
- D. We must be able to categorize a position to understand it.**

*These are the six types of field positions.*

*Each battleground has its own rules.*

*As a commander, you must know where to go.*

*You must examine each position closely.*

From *The Art of War*

Answer:

- C. These categories are generalities, and each position is unique.

Each position is unique. Field positions can be categorized by their number of barriers, dangers of movement, and size. The six positions that he describes—*unobstructed*, *barricaded*, *entangling*, *supporting*, *constricted*, and *spread out*—are the extremes. These extremes allow us to gauge other positions. How many barriers does a position offer? How spread-out or constricted is it? Can we leave it and, if we do, can we return?

It helps if we think of this as a three dimensional map in the form of a pyramid. The three dimensions—barriers, danger of movement, and size—make up the three faces of the pyramid. At the narrow top, we have the rarer extremes: *barricaded*, *supporting*, and *constricted* positions. At the broad bottom, we have *unobstructed*, *entangling* and *spread-out*. Every field position, that is, every proposal or planned project can be evaluated on this pyramidal map.



## Lesson 189

**What is the most common “field position” problem that organizations encounter?**

- A. Good positions are not available.**
- B. They don’t know how to use their position.**
- C. They have problems with their organizational structure.**
- D. They are too small for their position.**

*Some armies can be outmaneuvered.*

*Some armies are too lax.*

*Some armies fall down.*

*Some armies fall apart.*

*Some armies are disorganized.*

*Some armies must retreat.*

**From *The Art of War***

Answer:

- C. They have problems with their organizational structure.

As we move along in the evolution of a business, we can always find viable new positions. One of the basic tenants of Sun Tzu’s system is that the ground is infinite. If we can’t find a position, it is simply that we fail to see it. This is the leader’s failure, not that of the organization.

Certainly organizations fail to properly utilize their position, but usually people understand at least some of their position’s possibilities. Those who are poorly trained in competitive skills are likely to overlook possible uses of their position, but most find some way to use their position. The inability to move into a new position is much more common than the difficulty of using a position that we are in.

The most common problems in organizations are with their internal structure. Sun Tzu describes six categories for such problems. The types of organizational problems seem similar to the six categories of field position that begin the chapter, but the only connection is that certain field positions will expose some of the problems within the organization.

## Lesson 190

**What is the source of the six possible weaknesses in your organization?**

- A. Your philosophy.**
- B. Your leader.**
- C. Your people.**
- D. Your position.**

*Know all six of these weaknesses.*

*They lead to losses on both good and bad ground.*

*They all arise from the army's commander.*

*From The Art of War*

Answer:

B. Your leader.

We describe the six weaknesses as organizational flaws because they describe various types of breakdowns in the organization, but as we learn more about these problems, they are all clearly the failure of a leader to correctly manage the organization.

The important distinction made here is that these weaknesses do not arise from our field position, that is, our situation. A given type of field position may expose an organizational problem, but this does not mean that the problem arises from the position itself. Organizations frequently blame their internal weaknesses on their market positions. This is never the case. The problem was there all along. A given market situation just exposed it. Organizations can develop these problems on good ground or on bad, that is, in good positions or in bad positions. Internal weaknesses do not come from external causes.

If we are having problems, it is natural to blame the outside situation. However, only two field positions—the *entangling* position and the *spread-out* position—are negative. Two are positive—the *supporting* and the *barricaded*. And two others—the *constricted* and the *open*—are neutral. In every case, we can have problems in any of these positions if we don't have our organization working. Defects in organization are fairly simple at the root.

## Lesson 191

**When an opponent of equal size outflanks you, what is your flaw as a leader?**

- A. Not knowing how to handle unobstructed positions.**
- B. Not knowing how to handle entangling positions.**
- C. Not knowing how to handle spread-out positions.**
- D. Not knowing how to handle constricted positions.**

*One general can command a force equal to the enemy.*

*Still his enemy outflanks him.*

*This means that his army can be outmaneuvered.*

**From *The Art of War***

Answer:

- A. Not knowing how to handle unobstructed positions.

In the *unobstructed* position, we have a great deal of freedom to move. Unfortunately, our opponents also have a great deal of freedom to move. In open terrain, the group that makes progress most quickly wins, but how do we progress so quickly? We must know the territory and keep a careful watch on what the opposition is doing.

There are a variety of ways to be outmaneuvered in business, but perhaps the best way to think about this issue is to ask how we allocate resources. In open situations, we can go a number of different ways. Do we put our limited resources into product research? Do we put resources in manufacturing to reduce product costs? Do we put them into marketing? Sales? Such decisions about allocation determine our future capabilities. If we make the wrong decision about how to make the fastest progress in any open situation, we can find ourselves quickly falling behind the competition.

In an unobstructed position, we cannot afford to fall behind in any area. If progress in product development is possible, we have to match our opponents in research. If progress in sales is possible, we have to match their sales force. Only if we are certain that our opponents are making a mistake can we separate from them.

## Lesson 192

**What does it mean to be “too lax” in Sun Tzu’s system of competition?**

- A. Lack of energy.**
- B. Lack of management.**
- C. Lack of strength.**
- D. Lack of support.**

*Another can have strong soldiers, but weak officers.  
This means that his army will be too lax.*

**From *The Art of War***

Answer:

- B. Lack of management.

Laxity is associated with *supporting* positions. An organization is supported by its customers through its employees, but its managers lack the ability to move the organization. Only in *supporting* positions can an organization do well without strong management.

The strength of a lax organization is the initiative of its employees, but each employee is concerned only with their immediate responsibility. These organizations run into difficulty when decisions have to be made that affect more than one area of responsibility.

Since lax organizations do best in supporting positions, they are the most at risk in entangling positions. Unlike supporting positions, entangling positions should be left only when we are certain we can win a new position. Without strong management, the lax organization can never be certain of winning a new position. The vision to see a viable, new position and the responsibility for defining the roles in that position require management. These are typically the types of changes fought by lax organizations. These organizations are very uncomfortable with change.

The only solution to the problem of lax organization is to develop strong managers from among the strong employees.

## Lesson 193

**When your work force is under-performing, what is the effect of adding more management?**

- A. Better organization.**
- B. Better motivation.**
- C. Faster hiring.**
- D. Worse performance.**

*Another has strong officers but weak soldiers.  
This means that his army will fall down.*

**From *The Art of War***

Answer:

- D. Worse performance.

What does a “weak” work force consist of? Sun Tzu teaches that a work force can be weak because it is overworked or because people are too new. We are told in earlier chapters that when our human resources are stretched too thin, we must do less and refocus on hiring and training new people, especially winning victories with them so esprit de corps will develop.

One of the worst things that we can do when our work force is weak is add to much management. More management tends to create more work. Strong managers think their job is to change things and push people harder. When people are already stretched too thin, the result is that the organization will eventually fail.

Organizations can have too little management, but they can also have too much management. Strong management also means overly optimistic management that tackles more than it can accomplish. Such organizations are not effective or efficient. This is a serious problem.

Over-managed organizations are associated with *entangling* ground. The risk in entangling ground is that, if we attempt more than we can accomplish, we cannot return. Entangling ground is a one-way trip to destruction if we are not careful matching our battles to our resources.

## Lesson 194

**What is the biggest problem with each manager in an organization tackling his or her own problems?**

- A. Priorities.**
- B. Communication.**
- C. Focus.**
- D. Cooperation.**

*Another has sub-commanders that are angry and defiant.  
They attack the enemy and fight their own battles.  
As a commander, he cannot know the battlefield.  
This means that his army will fall apart.*

From *The Art of War*

Answer:

C. Focus.

Though Sun Tzu describes the sub-commanders as “angry and defiant” a broader description might be “overly concerned with personal issues.” Emotions are personal. An organization has problems whenever its managers become more concerned with their personal issues than the well being of the organization as a whole.

Sun Tzu teaches that an organization’s philosophy is what holds an organization together. This philosophy or mission must be the focal of the organization. Once managers start pursuing their own personal goals, the organization’s focus is lost. It doesn’t matter if the managers involved are primarily concerned with their personal careers or their personal vision of what the organization should be. If they aren’t rallying around the shared vision of the organization, they will and do create problems.

The problem of different managers going different directions is associated with positions that are too *spread out*. Physical separation isn’t the only possible form of distance within an organization. More important is the distance between people who should all share in the same goals. Everyone in the organization must see that his or her self-interest is best served by working together.

## Lesson 195

**Other than managers who focus on their personal issues, what problem causes disorganization?**

- A. Poor training.**
- B. Unclear orders.**
- C. Few opportunities.**
- D. Lack of honesty.**

*Another general is weak and easygoing.  
He fails to make his orders clear.  
His officers and men lack direction,  
This shows in his military formations.  
This means that his army will be disorganized.*

From *The Art of War*

Answer:

- B. Unclear orders.**

Managers can pull an organization apart, but it is the leader's job to make the organization pull together. This requires training, but the basis of training, as Sun Tzu has told us before, is clear direction. If a leader fails to make his or her specific desires clear, people will not know how to work together despite their best intentions.

As leaders, we must feel certain about what needs to be done in every situation. This doesn't mean that we won't get better ideas tomorrow, but for today, we must be totally committed to what we feel is the right course. We must provide the focus around which our managers can prioritize their individual responsibilities. We can give our managers a lot of responsibility, but we must demand that they understand and share the organization's goals and focus. Everyone must work in the same, exact direction.

Sun Tzu associates disorganization with *constricted* position. While a constricted position is not necessarily a bad thing, a constricted organization certainly is. This constriction comes from a leader who fails to lead. This constriction is as damaging in its own way as the spreading out caused by managers following personal priorities.

## Lesson 196

**Why do some leaders always seem to find themselves fighting the wrong battles?**

- A. Their dreams are too large.**
- B. Their organizations are too small.**
- C. They fail to understand the territory.**
- D. They fail to predict their opponents.**

*Another general fails to predict the enemy.  
He pits his small forces against larger ones.  
He puts his weak forces against stronger ones.  
He fails to pick his fights correctly.  
This means that his army must retreat.*

From *The Art of War*

Answer:

- D. They fail to predict their opponents.

This verse brings us full circle through the problems of organizations. We started with leaders that are outmaneuvered because they are unable to make good choices about how to move. Here we have a leader that picks the wrong battles. His problem isn't the positions that he chooses. It is when and how he meets the competition. Both types of leaders have a problem seeing the opponent's capabilities. The first has a problem in understanding how an opponent can use space. The second has a problem understanding how to use time.

Again the issue is understanding our opposition. In business terms, this means understanding our customers' options. Our position in a market is as much defined by the competition's timing as it is by our own. Competitive organizations must consider what the competition is capable of in a given period of time.

Being outmaneuvered is associated with *unobstructed* positions. Picking the wrong battle is associated with *barricaded* positions. Barricades can obstruct the competition from coming after us, but the warning here is that all barriers to entry are temporary. Given time, the competition will tear down any barrier. Barricaded positions are inherently strong, but no matter how strong we are, we cannot survive if we do not master the skill of timing.

## Lesson 197

**What is the primary way that understanding organizational problems helps us succeed?**

- A. By helping us avoid these problems in our own organizations.**
- B. By helping us know the types of positions to take.**
- C. By helping us understand our opponents' weaknesses.**
- D. By helping us pick the right opponents.**

*You must know all about these six weaknesses.*

*You must understand the philosophies that lead to defeat.*

*When a general arrives, you can know what he will do.*

*You must study each one carefully.*

**From *The Art of War***

Answer:

- C. By understanding our opponents' weaknesses.

Sun Tzu is continually relating each piece of his system to the in a larger whole. He ends this section by explaining that we must learn to predict our opponents is by understanding their own organizational weaknesses. From knowledge we learn vision, that is, to predict our opponents.

There is a larger pattern here. Two organizational flaws—being outmaneuvered and picking the wrong battles—come specifically from poor decision-making by leaders. These are associated with positions that differ in their levels of obstacles. From an unobstructed or barricaded position, we can make mistakes about the real obstacle, our opponents.

Two of the other flaws are a mismatch of people and management, too little or too much. These are associated with positions that differ in the connection between the organization and its position. The line between a supporting position and an entangling one is very thin, like the line between too much and too little management.

Two organizational flaws relate to the balance between middle management and central leadership. Too centralized or too decentralized management related directly to constricted or spread-out organizations.

## Lesson 198

**What should be one of your primary considerations in choosing your field position?**

- A. The consensus of the organization.**
- B. The costs of the position.**
- C. The needs of your organization.**
- D. Your ability as a leader.**

*You must control your field position.  
It will always strengthen your army.*

From *The Art of War*

Answer:

- C. The needs of your organization.

When we are considering moving to a new field position, we are making a proposal or proposing a project. In doing this, we take control of the future and shape it. Field positioning requires decision-making. Those decisions take us to our future positions.

When analyzing our possible field positions, we must never lose sight of the central purpose of positioning: strengthening the organization. Sun Tzu means, “strengthen” in two ways. First, we need to pick field positions that minimize our weaknesses. This is why we must understand how organizational weakness is tied to field positions. Second and more important, we strengthen an organization by increasing its resources. In considering positions, we must remember that the ground that we position on *must* generate income.

We have been talking here about a lot of issues that determine the desirability of a given field position, but in doing so, we don’t want to lose sight of the basic premise of competition: we must make victory pay. So far, Sun Tzu has assumed that this type of thinking is guiding our judgements about field position, as it should be guiding all of our decisions. He makes this point clear.

## Lesson 199

**What do you look at in order to predict where and when your opponents are likely to move?**

- A. The history of their past performance.**
- B. The size of their current resources.**
- C. The characteristics of their available choices.**
- D. The philosophy of their mission.**

*You must predict the enemy to overpower him and win.  
You must analyze the obstacles, dangers, and distances.  
This is the best way to command.*

**From *The Art of War***

Answer:

- C. The characteristics of their available choices.

We can predict our own future by carefully selecting our position. And we must assume that our competition is doing the same thing. Certainly, knowing their history, resources, and goals helps this process, but we must learn to look at the marketplace from their viewpoint.

This is like mastering the game of chess. Before we move, we must consider our opponent's likely responses. In considering our move, we must carefully examine many scenarios. This is a continual process. Our perspective changes as each successive choice becomes reality.

We must learn to see our competitor's pyramidal space as clearly as we see our own. Here, its three dimensional planes are described as "obstacles, dangers, and distances." This is just another way of describing the "unobstructed-barricaded," "supportive-entangling," and "spread out-constricted" dimensions of this space. We must also understand our opponent's organizational needs and how those needs play into their field position.

A leader's *knowing* must encompass all of these possibilities. A leader's *vision* must be able to put them together into an accurate evaluation of what competitors are likely to do.

## Lesson 200

**When we fail to properly analyze our field position before we commit to a course, what is the most likely outcome?**

- A. Wasted effort.**
- B. Organizational confusion.**
- C. Competitive victory.**
- D. Limited future possibilities.**

*Understand your field position before you go to battle.*

*Then you will win.*

*You can fail to understand your field position and still fight.*

*Then you will lose.*

*From The Art of War*

Answer:

- A. Wasted effort.

Certainly organizational confusion, competitive victory, and limited future possibilities are also possible, but the most certain result is that we will waste our limited time and money on an effort that cannot succeed.

We must learn to see each decision-making step as critical. All resources are limited to running a competitive organization. We only get to play the game as long as we have resources to survive. Organizations that waste resources on doomed efforts are soon out of the game. Making decisions about what proposals to offer, what projects to undertake, what changes to make are critical in this process. These changes are all part of the “field positioning” process that moves our organizations forward one step at a time.

Here, Sun Tzu doesn’t necessarily mean that a “fight” or “battle” is a direct confrontation with the competition. These terms are used more generally to mean committing resources to a position. We can only afford to commit to plans that are the most likely to produce positive results, that is, to produce profit, to increase the resources and power of the organization.

## Lesson 201

**What should you do if your investors, customers, or other partners insist that you undertake a losing proposition?**

- A. Ignore them.**
- B. Find a compromise.**
- C. Realize that they are your bosses.**
- D. Make a limited investment.**

*You must provoke battle when you will certainly win.  
It doesn't matter what you are ordered.  
The government may order you not to fight.  
Despite that, you must always fight when you will win.*

*Sometimes provoking a battle will lead to a loss.  
The government may order you to fight.  
Despite that, you must avoid battle when you will lose.*

**From *The Art of War***

Answer:

- A. Ignore them.

In Sun Tzu's time, there was always political pressure to fight a given enemy, to take a certain position, or to capture a certain position. People want to "win" certain positions for reasons of ego or prestige that have nothing to do with the success of the organization or success of the campaign.

In our time, there is little difference. People want to win positions to build their prestige or win a name for themselves or their company. In the high-tech industry, too many people are often more concerned with impressing the industry analysts or investment community than they are winning customers and controlling valuable market territory.

Sun Tzu's teaches that we must always resist these pressures. Some positions may have more prestige, but the only positions that we should care about are those that make victory pay. We must always fight for these field positions, no matter what others say.

## Lesson 202

**When should you establish a position solely to win credibility and improve people's opinion of your organization?**

- A. When you can afford the investment.**
- B. When the position is highly visible.**
- C. When your people need encouragement.**
- D. Never.**

*You must advance without desiring praise.*

*You must retreat without fearing shame.*

*The only correct move is to preserve your troops.*

*This is how you serve your country.*

*This is how you reward your nation.*

From *The Art of War*

Answer:

- D. Never.

We must never fall into the trap of acting because we are concerned about people's opinions. In our modern era, it is easy to justify these actions on the basis on publicity, but the recognition and praise of the press never makes a lasting difference in competition. Think of the dozens and perhaps hundreds of dot.coms that were praised to the heavens less than a year ago only to be out of business today.

No serious business person can afford to focus on the praise or criticism of popular opinion. We certainly should never plan the markets that we go after on the basis of "general consensus." If an idea is popular or popularized in the media, many people will be attracted to it. A crowded market is never the recipe for success. Pragmatically, these highly publicized areas are not good investments.

The position of "leader" is particularly susceptible to praise and criticism. A leader's position is a focal point for the company. Leaders can easily fool themselves into thinking it is good for their organization if they make themselves into celebrities. If we are concerned about personal notoriety, we will be less successful than we can be. Our focus must always be on doing what is profitable.

## Lesson 203

**When you think about your role leading others in your organization, how should you feel?**

- A. Honored.**
- B. Humbled.**
- C. Confident.**
- D. Concerned.**

*Think of your soldiers as little children.*

*You can make them follow you into a deep river.*

*Treat them as your beloved children.*

*You can lead them all to their deaths.*

From *The Art of War*

Answer:

- D. Concerned.

Sun Tzu is offering three important ideas in this stanza.

First, he is telling us that we must care about the people who work with us. We must love them. We must be concerned about what happens to them. If we really care about how our decisions affect them, they will know it and respond in kind.

Second, he is telling us that we must take the lead. We must expect our people to follow. Competitive organizations do not survive as democracies. A leader must know, better than anyone else, what needs to be done. If we do not have this understanding or confidence in our ability, we shouldn't be leading. We are guides. People must know to trust us.

Finally, Sun Tzu is telling us that our responsibility is a heavy one. People are literally putting their lives in our hands. In war, this means their physical life, but in business, this means their livelihood and their success in life. We must accept the fact that our bad decisions can ruin people. If we are not concerned about their future when we make decisions about new positions, we will be taking risks that we should not be taking.

## Lesson 204

**If you truly care about your employees, how should you treat them?**

- A. Consider their feelings.**
- B. Force them to do what is right.**
- C. Give them everything that you can.**
- D. Treat them as equals.**

*Some leaders are generous, but cannot use their men.  
They love their men, but cannot command them.  
Their men are unruly and disorganized.  
These leaders create spoiled children.  
Their soldiers are useless.*

From *The Art of War*

Answer:

- B. Force them to do what is right.

The analogy of children works extremely well on a number of levels, but of course, employees are not children. They are capable adults. Some may be more capable than we are. But they don't have our job. Our perspective is unique. We have the responsibility of seeing what needs to be done and providing everyone with a clear framework within which they can work. If we aren't certain what needs to be done, we shouldn't be leading.

This doesn't mean that we can't respect the people with whom we work. We can and should. Many and often most will take as much responsibility for getting the work done as we give them. But we must make them responsible. They must know that if they fail in their responsibility, there will be consequences. Respect and authority are not given without this type of responsibility.

This means that we must have the courage and strength to discipline people when they fail in their responsibility. Firing people is one of the most difficult aspects of any manager's job, but, if we fail to fire people who have proven unworthy of our trust, we destroy our credibility within the organization.

## Lesson 205

**What must you know in order to win most of the time in a competitive environment?**

- A. That the enemy is vulnerable to attack.**
- B. That your people are ready to attack.**
- C. How to position yourself on the field of battle.**
- D. All of the above.**

*You may know what your soldiers will do in an attack.*

*You may not know if the enemy is vulnerable to attack.*

*You will then win only half the time.*

*You may know that the enemy is vulnerable to attack.*

*You may not know if your men are capable of attacking them.*

*You will still win only half the time.*

*You may know that the enemy is vulnerable to attack.*

*You may know that your men are ready to attack.*

*You may not know how to position yourself in the field for battle.*

*You will still win only half the time.*

From *The Art of War*

Answer:

D. All of the above.

The lessons of this chapter are summarized here.

First, we must know how to predict the enemy. For this, we must understand the weaknesses of their organization and see their options from their point of view.

Next, we must know how to manage our own people. We must avoid organizational weaknesses, take command of our people, and make sure that the battles that we fight strengthen the organization.

Finally, we must understand the importance of field position. We must learn to see our next step by analyzing it according to the dimensions of Sun Tzu's system.

## Lesson 206

**How do you know if you have mastered Sun Tzu's lessons regarding field position?**

- A. You see more new opportunities.**
- B. You are more aware of your weaknesses.**
- C. You are always certain of what must be done.**
- D. You are more careful about avoiding failure.**

*You must know how to make war.  
You can then act without confusion.  
You can attempt anything.*

**From *The Art of War***

Answer:

- C. You are always certain of what must be done.

Certainty in competition is hard to describe to those that haven't experienced it. Most people make decisions through a cloud of confusions. How can we know the future? More information seldom clarifies our likely success.

Sun Tzu gives us a simple, direct method for evaluating each new proposal and project. We can see immediately the relative strengths of the various types of action that we must choose from. We realize that the competition faces the same types of decisions. Evaluating these decisions makes it clear which are the most likely to be successful.

This does not mean that we expect every project to work out as we expected. This is almost certainly not the case. Sun Tzu teaches that most attacks fail. All we can do is make high-probability decisions. These are always the right decisions. Over time, making a high percentage of correct decisions assures us of victory.

When we are confident of our decision-making skills, we know that we can tackle any challenge. The rules of competition do not change. The ground, the time, the competitors we face may change, but as long as we understand the basic rules by which success is won, we can be successful at any endeavor.

## Lesson 207

**What does knowing your organization and your competition's organization accomplish?**

- A. It reduces the costs of competition.**
- B. It makes victory likely.**
- C. It makes victory profitable.**
- D. It reduces your chances of failure.**

*We say:*

*Know the enemy and know yourself.*

*Your victory will be painless.*

*Know the weather and the field.*

*Your victory will be complete.*

From *The Art of War*

Answer:

- A. It reduces the costs of competition.

To find competitive success, we must concern ourselves with two separate issues. First and foremost, we must be concerned about keeping costs low. Then, we must be concerned with making victory pay.

We make victory painless by keeping costs low. This means that we understand how to avoid costly failures. This comes from understanding organizational strengths and weaknesses, specifically, how we compare with the competition. If we understand what we can do that the competition cannot do, we can compete without a large investment. This means that we must look for these field positions that are not costly to develop and have a high probability of success.

Simply preventing expensive loss is not enough. We must make victory pay. Income doesn't come from beating or outmaneuvering opponents. Income comes only from the ground, i.e. from the marketplace and customers. The field positions that we choose must not only have a low risk of failure; they must have the potential of paying off. We try various field positions at low cost to learn enough about the market to find where the money is.