

About *Attacking with Fire*

Fire is a metaphor for all weapons *that leverage the power of the larger environment*. Of course, we use the term “fire” to generally describe using any weapon. Today, we fire guns, missiles, and even employees. The use of fire is linked with the use of force, but fire takes on a life of its own, leveraging conditions in the environment. This is what we mean in business when we say that we are “fighting fires.” In this context of this chapter, fires are problems that come naturally or artificially out of the environment. We can start these fires for our opposition to fight, but we don’t totally control them. The opposition must provide us the fuel, and the environment must support these fires for them to work.

We can create many types of fires in the business environment. The press can be an environmental weapon that we turn on our competition by leaking damaging information. Financial organizations can be an environmental weapon if we can interest them in a hostile takeover of our opponents. The law can be an environmental weapon, being used either by the government attacking illegal behavior or by special interests groups suing our opposition.

This chapter is an essay on the use of these dangerous environmental weapons. It discusses where we can use them, that is, what we should target. It discusses what we have to do to make their use successful. It prepares us not only for using these weapons against our opponents but also for defending ourselves against these “fire” attacks.

Lesson 254

How many categories of targets for environmental weapons does Sun Tzu teach us to look for?

- A. One.**
- B. Five.**
- C. Nine.**
- D. Unlimited.**

There are five ways of attacking with fire.

The first is burning troops.

The second is burning supplies.

The third is burning supply transport.

The fourth is burning storehouses.

The fifth is burning camps.

From *The Art of War*

Answer:

- B. Five.

Before we can plant the seed for an environmental weapon, we must have a target. When we are looking for a specific target, we don't have to look in hundreds of places. Sun Tzu identifies only five.

By troops, we mean people, the first target of any weapon. We can target an opponent's employees to discredit them or to hire them away.

We can target our opponent's supplies, that is, their resources. We can target their relationships with their suppliers.

We can target our opponent's transportation system, that is, their distribution channels. In the modern parlance, we can seek to disrupt our opponent's supply chain or sales channels.

We can understand storehouse attacks better if we think of them as related to the in competition, i.e. turnaround time or payment aging.

Finally, we can also target locations. This means that we target specific geographical locations.

Lesson 255

After we identify a target for an environmental weapon, what do we do next?

- A. Prepare materials.**
- B. Wait for an opportunity.**
- C. Consult with a specialist.**
- D. Act immediately.**

To make fire, you must have the resources.

To build a fire, you must prepare the raw materials.

From The Art of War

Answer:

- A. Prepare materials.

Many weapons require ammunition, and environmental weapons require fuel. If the weapon is damaging information, the ammunition is the inside story. If the weapon is money for a hostile takeover, we need the financial backing, the investors. If the weapon is a lawsuit, we need the lawyers, the witnesses, and the evidence and, possibly even the complainants, if we aren't playing the role ourselves. If we don't have this ammunition, we can't use the weapon.

Fuel requires preparation. It may exist in the environment, but we have to gather it. These weapons work on their own, but we have to start them. We have to carefully prepare and test materials that we plan to use. This means that we have to verify the damaging information. We have to guarantee the money for the takeover. We have to double-check our evidence for the lawsuit. We cannot be too careful in assuring that we have the exact ammunition that we need.

We prepare because we cannot afford mistakes. Attacks with environmental weapons are the most dangerous forms of competition. We don't want to rush these forms of attack. If we can find a good target, we must make sure that we have the right ammunition to attack it. We must make sure the ammunition will work. A failed "fire" attack is especially costly.

Lesson 256

What other resource do you need besides ammunition for an environmental attack?

- A. Labor.**
- B. Time.**
- C. Money.**
- D. Weight.**

*To attack with fire, you must be in the right season.
To start a fire, you must have the time.*

From *The Art of War*

Answer:

- B. Time.

Remember, Sun Tzu does not generally recommend direct confrontation. Environmental attacks are direct attacks without the confrontation. Because we are not necessarily directly involved, we might assume that these attacks are inexpensive. This is not the case. To make such attacks work, we must have the time to start them.

We must plan environmental attacks for occasions when we will have time to follow them through. We can't attempt to start these attacks without committing the time to complete them. If our business has a "slack" season, we then might have the time to devote to developing this type of attack.

We must also recognize that it isn't quick and easy to start environmental attacks on our opposition. If we want to leak information to the press, we can't just tell one person and hope the news gets around. We have to work at it. If we plan a takeover, we need plan to do all the financial and legal work involved. It will take time from our people who understand the issues. Again, we simply can't delegate it to others. In the case of lawsuits, we must realize that they are extremely time-consuming. Lawyers consume our time; they don't save it. Environmental attacks will simply fall apart unless we are willing to devote the time they require. We may not play a central role in these attacks once we start them, but starting them takes time away from other efforts.

Lesson 257

What is the second key to using environmental weapons successfully?

- A. Picking the right time.**
- B. Picking the right place.**
- C. Picking the right issues.**
- D. Picking the right angle.**

*Choose the right season.
The weather must be very dry.*

*Choose the right time.
Pick a season when the grass is as high as the side of a cart.*

*You can tell the proper days by the stars in the night sky.
You want days when the wind rises in the morning.*

From The Art of War

- A. Picking the right time.

The critical idea here is that the environment must be right for the weapon that we chose. No weapon will work under all conditions. Most work well only in very specific situations. We must depend upon our environment to provide the right conditions.

In Sun Tzu's five-element system, time is controlled by the element Heaven. It is closely associated with weather and climate. Heaven is, by nature, beyond our control. It works in cycles. We have to observe and predict it in order to use it correctly.

In business terms, we need the right climate for using any of the weapons that we've described. A damaging story will only work if the press is looking for that type of news. In a hostile takeover, financial backing depends on the condition of the rising and falling financial markets. In a lawsuit, we need to pick a time when the court has shown itself receptive to the kind of claim we will make. Because these attacks depend on the environment, we must understand its trends of time.

Lesson 258

What if you don't plan to directly attack an opponent with an environmental weapon?

- A. You should always look for opportunities to attack.**
- B. You should focus on situations where you might be attacked.**
- C. You should realize that these attacks are unavoidable.**
- D. All of the above.**

Everyone attacks with fire.

You must create five different situations with fire and be able to adjust to them.

From *The Art of War*

Answer:

D. All of the above.

Even though we don't plan to attack our opposition, we should always be aware of how the environment can support such attacks. Given the appropriate conditions, the use of environmental weapons is almost unavoidable. If we can use them, we should. They allow us to leverage the environment and the trends of the time in a powerful way against our opposition.

We must be continually prepared for use of these environmental weapons against us as well. Using Sun Tzu's system, we always defend first. We only attack if we have an excess of resources. To defend what we have, we must continually be aware of the conditions in the environment that might lend themselves to an attack against us. What type of story is the press looking for? What conditions might make us a target for takeover? Who might bring a lawsuit against us and why?

Just like fires, environmental problems can occur by accident. These weapons are not only enabled by environmental conditions; they can be driven by them. We can also get drawn into environmental problems without planning on them. We must be constantly monitoring the situation. If a fire is going to break out, we want to use it, not be victimized by it.

Lesson 259

What is the ideal relationship between our activities and the action of an environmental weapon?

- A. The weapon and our actions should focus on the center.**
- B. The weapon focuses on the center but we stay out of the center.**
- C. The weapon focuses on the periphery and we attack the center.**
- D. The weapon focuses on the center and we attack the outside.**

*You start a fire inside the enemy's camp.
Then attack the enemy's periphery.*

From *The Art of War*

Answer:

- D. The weapon focuses on the center and we attack the outside.

Environmental weapons should target the core of our opposition. In Sun Tzu's system, the core of an organization is its philosophy. If the environmental weapon is bad publicity, the publicity should focus on some central, inherent component of our opposition. If it is a takeover, the takeover should target the core business of our opposition. If the weapon is a lawsuit, the legal attack should focus on the most sensitive and valuable part of the opposition's organization.

Our regular competitive efforts can support these environmental attacks, but we should keep the two forms of attack separate. We want to keep some distance between the environmental attack and ourselves. The danger, of course, is that we find ourselves at positioned near the environmental target, we will become the victim of the environmental attack ourselves.

We can and should attack the opposition when they are distracted by environmental attacks, but we keep ourselves out of harm's way. We should take full advantage of these opportunities in the marketplace, but we shouldn't join in on the environmental attack directly. Once we have started it, we want to keep ourselves out of it as much as possible.

Lesson 260

What is the best way to respond to an environmental attack?

- A. By remaining calm.**
- B. By attacking back.**
- C. By running away.**
- D. By denial.**

*You launch a fire attack, but the enemy remains calm.
Wait and do not attack.*

From The Art of War

Answer:

- A. By remaining calm.

The best defense against environmental attack is to remain calm. Problems in the larger environment always ease in time. The biggest mistake that people make in defending themselves against environmental attack is overreacting. In these situations, we are judged by our reactions.

If we remain calm in the face of bad publicity, we defuse it. If we remain calm in the face of a hostile takeover or a lawsuit, we encourage negotiation. Remember that the heart of all competition is information. When we remain calm, we are not only better able to deal with a difficult situation, we are also sending out a message to our people, the environment, and our opposition that things are not as bad as they might seem. More people are damaged in these situations by their own reactions than by the incident itself.

If our opposition remains calm in the face of an environmental attack, we should wait and see what happens. We should withhold any direct competitive attack. In attacking during an environmental problem, we are taking advantage of the confusion that these attacks cause. If there is no confusion, there is no opportunity. If we wouldn't normally attack the opposition, we shouldn't do it now. The environment is fickle. It can easily turn on us. If we attack an opponent when they are in some difficulty but handling it well, we invite the disapproval of others.

Lesson 261

When do we use an opponent's environmental difficulties against it in our normal course of competition?

- A. Always.**
- B. Never.**
- C. When it provides a path.**
- D. When nothing else works.**

*The fire reaches its height.
Follow its path if you can.
If you can't follow it, stay where you are.*

From *The Art of War*

Answer:

- C. When it provides a path.

First, we must wait until an opponent's problems reach their peak before we know what our opportunity is. We have to see how the problem builds or if it simply fades away. Acting too early in these situations can be a trap. As he so often does, Sun Tzu advises patience to see how the situation finally develops.

Even when the situations does get serious, it is a mistake to always think that we can directly use it in our favor. Some people think that the best way to leverage the difficulties of an opponent is to spread the word about their problems. This doesn't always work out to their advantage. This type of malicious gossip can arouse sympathy for an opponent, especially when it comes from someone everyone knows is a direct competitor.

But sometimes the difficulties of an opponent are directly related to our competitive position. If there is a clear connection between their problems and our competitive message, we can use the difficulty as evidence to support our position. The problem itself must "provide the path" for us to attack. We cannot use an opponent's problems against them unless the connection is clear. If such a connection exists, we cannot ignore it.

Lesson 262

If you can't start an environmental attack focussed at the heart of an opponent's business, can you still use such an attack?

- A. Peripheral attacks can work only if they happen quickly.**
- B. Peripheral attacks can work only if time is devoted to them.**
- C. Peripheral attacks can work only in a minor way.**
- D. Peripheral attacks never work.**

*Spreading fires on the outside of camp can kill.
You can't always get fire inside the enemy's camp.
Take your time in spreading it.*

From *The Art of War*

Answer:

- B. Peripheral attacks can work only if time is devoted to them.

A peripheral environmental attack is one that is focused on minor issues, minor people, or less important parts of the business. These attacks clearly are not as damaging as core attacks. They may do some damage, but they don't cause the panic that creates a huge opportunity.

The peripheral attacks are also more time-consuming to start than more direct environmental attacks. If we are trying to create bad press, the media is not very interested in stories about peripheral characters or minor issues. A takeover of a minor subdivision isn't as interesting to the financial community. A lawsuit that doesn't offer a big reward is unlikely to find immediate acceptance. If we want these minor attacks to succeed, we must work at them harder. The opportunity may be there, but we have to invest more in order to get people interested.

However, because peripheral attacks are more time-consuming than direct attacks doesn't mean that they are not worthwhile. They can still be damaging to opponents and still worth the effort. As always, we must take what the environment gives us. If the opportunity is there to do damage to the opposition, we should take advantage of it. We should just know ahead of time that peripheral attacks are more difficult than more direct attacks.

Lesson 263

Which of the following factors best supports an environmental attacks?

- A. Ignorance.**
- B. Mystery.**
- C. Visibility.**
- D. Intelligence.**

Set the fire when the wind is at your back.

Don't attack into the wind.

Daytime winds last a long time.

Night winds fade quickly.

From *The Art of War*

Answer:

C. Visibility.

Because of their very nature, environmental attacks must be supported by the trends of the time, the “wind” of the environment. Suing cigarette manufacturers was a losing proposition for fifty years because people felt that the individual decision to smoke was the relevant factor. Today, people are much more ready to find fault with large organizations. These changing trends are an aspect of the element of heaven, one of the five elements introduced in the first chapter. As we said earlier, both the ground and heaven must support environmental attacks. The ground provides the fuel and heaven provides the appropriate “air” that gives the attack life.

Why is visibility important in this process? Clearly the more visible a trend is, the more powerful it is. In human society, people follow one another. They group together. If a lawsuit gets good visibility, more people will join in. If one hostile takeover gets publicity, it inspires more hostile takeovers. Visibility gives life to a trend. The greater the visibility, the longer that trend will last. Environmental attacks depend upon human enthusiasm. Visibility brings in the crowd, and the bigger the crowd, the greater the enthusiasm. We want to take advantage of the most visible trends. We also want our environmental attacks to generate maximum visibility.

Lesson 264

How can you protect yourselves from these types of environmental attacks?

- A. By keeping your business a secret.**
- B. By controlling the environment.**
- C. By educating your people.**
- D. You can't.**

*Every army must know how to deal with the five attacks by fire.
Use many men to guard against them.*

From *The Art of War*

Answer:

- C. By educating your people.

Attacks from the environment have one thing in common with attacks from the opposition. Both attacks require an opening. We cannot be the target of bad press unless we have undertaken some questionable practices. We cannot be the target of a lawsuit unless we first create the basis of action. We cannot be the target of a takeover unless we give our shareholders a reason to want to sell out to the highest bidder. We must realize that we ourselves are the source of all environmental attacks against us.

As often as not, environmental problems do not arise because of the decisions of top management. They arise because of thoughtless or overzealous employees. One is as bad as another. The best protection that we have against creating openings for environmental attack is to educate the people we work with. Everyone should know that how today's environment is dangerous. We should teach them which activities are likely to create bad press or generate lawsuits against us.

We must also teach people to be on the lookout for those who are trying to foment these types of problems. Fires can start accidentally, but more often people start them. If we can identify competitors who are trying to create fires for us, we can usually put the fires out before they get started.

Lesson 265

Why is using environmental attack better than simply leveraging the market trends against your competition?

- A. It is less expensive.**
- B. It is more forceful.**
- C. It takes away the opponent's resources.**
- D. It gives you additional assets.**

When you use fire to assist your attacks, you are clever.

Water can add force to an attack.

You can also use water to disrupt an enemy.

It doesn't, however, take his resources.

From *The Art of War*

Answer:

- C. It takes away the opponent's resources.

We know that in Sun Tzu's system, water represents a changing, shifting environment. From a business perspective, water represents shifts in the marketplace. Like the winds that drive fire, environmental shift has a current, a direction. Environmental shift is very similar to an environmental attack. Both represent the hostile effects of the environment.

While we can and should always be looking to leverage changes in the marketplace against our opposition, we generally want to stay away from shifting environments. Sun Tzu teaches us that shifting environments are dangerous. If we can maneuver our opposition into changing markets, we can improve our position, especially if we can get our opponents fighting us against the currents or trends of the time.

Leveraging the business environment to get one group or another to attack our opponents is more destructive than a shifting environment. Groups have their own interests. They too are trying to get something from our competitors. The press is always trying to take away people's reputation. Finding villains makes the media successful. Financial companies try to get assets at a discount. In battling these forces, our opponents will lose something.

Lesson 266

How do you win in competition?

- A. By developing your resources.**
- B. By inspiring your people.**
- C. By seeing opportunities.**
- D. By leveraging your efforts.**

You win in battle by getting the opportunity to attack.

It is dangerous if you fail to study how to accomplish this achievement.

As commander, you cannot waste your opportunities.

From *The Art of War*

Answer:

- C. By seeing opportunities.

As is often the case, Sun Tzu finishes this chapter by reviewing some basic concepts of his system, but now in the context of environmental attack. The skill needed for environmental attack is in seeing the opportunity. In Sun Tzu's system, we don't create the opportunity to win: we see the opportunity. This is especially true with environmental attacks. We cannot create the proper environmental conditions to support these attacks. We may work to get the attack rolling when the opportunity presents itself, but we don't create the basic opportunity.

We must attune ourselves to see these opportunities when they occur. The difficulty here is that situations that lend themselves to bad press, legal action, and takeovers are rare. We can get out of the habit of looking for the right environmental conditions because we cannot use environmental attacks everyday. This is why we have to study and analyze our situation, remembering to look for valuable opportunities.

It is their rarity that makes it essential that we follow-up on environmental opportunities when the proper conditions present themselves. Of course, this is true for all such opportunities to attack. Sun Tzu sees the environment as full of opportunity. What is truly rare is our ability to see the opportunity. When we do see it, we must act.

Lesson 267

When should we refrain from working to start an environmental attack on our opponents?

- A. When there is nothing to gain.**
- B. When the situation is dangerous.**
- C. When we have few resources.**
- D. When our opponents are strong.**

We say:

A wise leader plans success.

A good general studies it.

If there is little to be gained, don't act.

If there is little to win, do not use your men.

If there is no danger, don't fight.

From *The Art of War*

Answer:

- A. When there is nothing to gain.

This is another review of basic principles. When we think that we see an opportunity to start an environmental attack, we have to analyze whether or not it is really an opportunity. In Sun Tzu's system, opportunity doesn't consist simply of damaging our opponents or even of winning a battle. Success requires that we win something valuable. We aren't looking simply to beat our opponents. We are looking to enrich ourselves.

An opportunity is defined by the situation's ability to generate wealth for us. In looking for the opportunity to start an environmental attack, we must look to answer the question: What is in it for us? We must not only hurt the enemy; we must make hurting the enemy pay.

We must not be tempted by "false opportunities" where we can attack the competition but not gain anything ourselves. Since any attack costs resources, we are wasting effort and time. We must see a way to gain from the situation. Even though an environmental attack leverages the resources of the environment, time and effort still are not free. We cannot create such attacks without diverting resources from elsewhere.

Lesson 268

If your opponent's behavior is objectionable, when does it create an opportunity for environmental attack?

- A. When you can make their behavior an issue.**
- B. When others share your anger.**
- C. When you can get rewarded.**
- D. When the behavior is bad enough to make news.**

As leader, you cannot let your anger interfere with the success of your forces.

As commander, you cannot fight simply because you are enraged.

Join the battle only when it is in your advantage to act.

If there is no advantage in joining a battle, stay put.

From *The Art of War*

Answer:

- C. When you can get rewarded.

Many things that our opponents do may anger us. We can easily see bad behavior as an issue that can generate an environmental attack. A company that behaves badly toward us may behave badly toward others as well. This is our thinking, at least.

Sun Tzu tells us that we must get beyond our feelings. In the course of competition, we will certainly have conflicts that get personal. We may find our opponents to be dishonest, despicable, and generally loathsome. This is the natural mindset that competitors develop toward each other. This viewpoint can easily blind us to the true qualities of our competitors. We cannot judge the opportunity for an environmental attack unless we can learn to see our competitors the same way that others see them.

People often want to attack their opponents simply because of their anger. We cannot fall into this trap. There is only one basis for attacking an opponent. We must get something out of it. It must generate a material reward. Any reward that isn't tangible is simply an emotional phantom.

Lesson 269

What is the difference between your perception of failure and the reality of failure?

- A. There is no different.**
- B. Perception changes.**
- C. You fear only real failure.**
- D. You feel only real failure.**

Anger can change back into happiness.

Rage can change back into joy.

A nation once destroyed cannot be brought back to life.

Dead men do not return to the living.

From *The Art of War*

Answer:

- B. Perception changes.

Sun Tzu teaches us not to trust emotion because emotions change so easily. Today's bitter enemies can become tomorrow's partners. Alliances shift continuously in the business world. We should always realize that the emotions of today could vanish tomorrow.

This says a lot about the trends that make environmental attacks possible. These trends are largely emotional. The basis of environmental attacks is also largely emotional. Even if we work to start such attacks, we must realize that the basis for them is a temporary state of mind.

Failure is often a state of mind also. In Sun Tzu's lexicon, the only real failure is permanent failure, failure that we cannot recover from. All other "failures" are simply lessons on the road to success. We should not fear temporary setbacks. We can always learn from setbacks. We should, however, fear real failure.

In business, real failure comes only if we run out of money. As long as we have money or people are willing to lend it to us, we can play the game of business. This is why material gain is so important. Without it, we run out of resources and discover permanent, real failure.

Lesson 270

What is the final goal of competition?

- A. Survival.**
- B. Wealth.**
- C. Fame.**
- D. Victory.**

*This fact must make a wise leader cautious.
A good general is on guard.*

*Your philosophy must be to keep the nation peaceful and the
army intact.*

From *The Art of War*

Answer:

- A. Survival.

Sun Tzu's treatise has more in common with Darwin's *Origin of the Species* than it does with most other texts on military matters. In many ways, it is a survival handbook. Victory is simply a necessary step toward material gain, and material gain is just a necessary step toward survival.

In the last five stanzas of this chapter, Sun Tzu brings us back to the basics of warfare and applying them specifically to our use of environmental attacks. We must only use such attacks when there is a clear opportunity. We should only use these attacks when we can make them pay. Our purpose is never to destroy our opponents; it is to build something for ourselves. Competition should be constructive. In the end, our only purpose is to preserve our organization and ourselves.

The greatest danger of competition is that we get caught up in the competitive battle and forget the purpose for which we are fighting. We are always fighting just for our survival. We should hate the idea of destruction. The purpose of competition is to put productive power in the hands of those that can use it best. If we can succeed without battling others, that is even better. This is important to remember in this chapter where the focus is on such a damaging form of attack.