

About *Using Spies*

In the first chapter, Sun Tzu explains that succeeding in competition requires “deception,” that is, that ability to control information. Long before the present information age, Sun Tzu taught that information was the key to success in competition. Long before people spoke about “corporate intelligence,” he laid out the methods we must use to acquire good competitive information. This starts with understanding the costs of competition. All competition is economic. The way we reduce our costs is leveraging information, eliminating the need to invest in people and materials.

The chapter then goes on to examine the five critical types of information that we need to compete. Sun Tzu puts this discussion in terms of “spies,” but his concepts are easily understood in terms of information sources. He defines the five types of information and then goes on to describe how we acquire them.

The topic then turns to the discussion of how we must use and manage our information sources. Sun Tzu sees this as an art in itself, something that many people fail to master.

The chapter ends exhorting us to study history to get the most important lessons about information management. By studying history Sun Tzu also means, looking at the trends, that is, following how situations develop over time.

Lesson 271

What aspect of competition should dominate your thinking about information?

- A. The competition itself.**
- B. The environment.**
- C. The opportunity.**
- D. The cost.**

*Altogether, building an army requires thousands of men.
They invade and march thousands of miles.
Whole families are destroyed.
Other families must be heavily taxed.
Every day, thousands of dollars must be spent.*

From *The Art of War*

Answer:

- D. The cost.

All competition is, at its core, economic. Sun Tzu first makes this point in chapter two where he defines success not just as winning, but as making victory pay. The problem with competition is that it is expensive. We have to invest money one way or another to make money. Our search for knowledge must start with the certainty that by engaging in competition, we are going to spend more than we expect.

We put a lot of effort into our plans, but because we work in a competitive environment, there is never any certainty that this effort will be productive. In business, we can be certain that we will produce a certain product at a certain cost, but we cannot be certain that a competitor won't produce a better product at a lower price. If a better alternative is available, our "product" is actually a waste. We actually destroyed the resources we used instead of putting them to productive use. Our goal is to produce wealth and create value, but, if our competition satisfies the need, we are creating waste. Our efforts actually become destructive. The central issue in information management in competition is to make sure that we are not wasting our investment. We want to know that our efforts are effective, not wasted.

Lesson 272

Why can't you know that you will produce value simply by executing your plans?

- A. Because you fail to spend enough time planning.**
- B. Because most plans are too detailed.**
- C. Because events always overtake your plans.**
- D. Because people keep shifting their focus.**

Internal and external events force people to move.

They are unable to work while on the road.

They are unable to find and hold a useful job.

This affects seventy percent of thousands of families.

From *The Art of War*

Answer:

- C. Because events always overtake your plans.

Sun Tzu believes in planning, but he believes that all plans are inherently limited. His earlier chapter on adaptability makes the point that we must always be willing to put aside our plans to adjust to current events. We can do many different things to improve our planning—especially improving our vision so that we can foresee the contest's events, but there are always events that no one foresees.

We can plan what we want, but it is certain that events will occur that no one foresees. Sometimes these events result from the actions of our competitors that are actively working against us. More often, these events arise simply from living in a fast-changing environment. This is even truer today than it was in Sun Tzu's time. What was true yesterday won't necessarily be true to tomorrow.

The problem with unexpected events is that they are bound to disrupt our efforts. Competitive efforts can turn our efforts into waste, but chance events can also create waste. For example, we can spend months putting together a business agreement just to have our whole project fall apart in a minute because a key price suddenly changes or interest rates climb, or, more definitively, the person that we are dealing with suddenly dies. Our effort is wasted because of unforeseen events.

Lesson 273

If a competitive situation is stable for years, what should you expect tomorrow?

- A. That it will change dramatically.**
- B. That it will never change dramatically.**
- C. That it will change little by little.**
- D. That anything is possible.**

You can watch and guard for years.

Then a single battle can determine victory in a day.

Despite this, bureaucrats hold onto their salary money too dearly.

They remain ignorant of the enemy's condition.

The result is cruel.

From *The Art of War*

Answer:

- D. That anything is possible.

A stable situation may remain stable or it can change dramatically in a moment. The past does not dictate the future. Some changes are gradual. Some changes are very quick. Sometimes we can see change coming. Sometimes we cannot. Sun Tzu puts “change” in the realm of heaven, which means simply that it is beyond our control.

This does not mean, however, that there is nothing that we can do about change. If we spend the needed time, effort, and money, we have a good chance of seeing changes before they come to us.

This stanza equates money with information and information with military resources. In other words, we can leverage our investment by investing indirectly in information rather than directly in competitive resources. Good information can replace men, money, and material used in competition. If we know where the competition is going to attack, we don't have to protect all the other places that aren't threatened. If we know where the competition is weak, we can focus our resources in that one area instead of wasting resources probing for weaknesses.

Lesson 274

If you can't get good competitive information, how do you succeed in competition?

- A. You can't.**
- B. By having enough money to invest in men and materials.**
- C. By being patient.**
- D. By focusing your efforts on the areas you know.**

They are not leaders of men.

They are not servants of the state.

They are not masters of victory.

From The Art of War

Answer:

- A. You can't.

One of the four skills required of a leader is knowledge. Knowledge is the foundation of vision. Vision is required for action. Action is needed to win position. Without knowledge, that is, the right competitive information, we cannot compete.

We should focus our efforts on areas that we know, but we must also continually invest in learning more about these areas. No matter how well we know or think we know a given area, there is always much that we don't know. We must not only be curious; we must be anxious to fill in the blanks.

Throughout these lesson, we describe Sun Tzu's methods as based on information. In the first chapter, he says that war is deception, that is, the ability to control information. Throughout the text, we are warned about divulging information about what we plan because the competition can use it against us. We want to mislead the competition without being misled ourselves.

The purpose of competition is not simply winning. It is making winning pay. This is how we "serve the state," in Sun Tzu's terms. If we do not leverage the value of information, that is, find an economical way to achieve our ends, we cannot be successful.

Lesson 275

What is the best source of information about the future?

- A. Computers.**
- B. Specialists.**
- C. People.**
- D. Experience.**

You need a creative leader and a worthy commander.

You must move your troops to the right places to beat others.

You must accomplish your attack and escape unharmed.

This requires foreknowledge.

You can obtain foreknowledge.

You can't get it from demons or spirits.

You can't see it from professional experience.

You can't check it with analysis.

You can only get it from other people.

You must always know the enemy's situation.

From *The Art of War*

Answer:

C. People.

We say that knowledge is the foundation of vision. We don't want to know what has happened in the past. We want to know what is going to happen in the future. People create the future by acting on their plans. A chocolate cake exists tomorrow because someone planned to bake it today. To know the future, we must know people's plans. How can we know those plans?

Sun Tzu tells us that we can't get this information from reading tea leaves or gazing at crystal balls. We can't get it from so-called experts or from analysis about what people *should* be planning to do. We can imagine an infinite number of scenarios, but this tells us nothing about the future.

We learn about the future by finding out about what people plan. We can get this information only from people, by asking them.

Lesson 276

How many types of competitive information are there?

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

You must use five types of spies.

You need local spies.

You need inside spies.

You need double agents.

You need doomed spies.

You need surviving spies.

From *The Art of War*

B. Five.

Though Sun Tzu describes different kinds of spies, he is also talking about different categories of information. Each of these categories of information is critical

In the modern business world, we don't often think in terms of spies, but we do think about information sources. The information sources that we are the most interested in are those who know what the competition is thinking. In modern business, the competitive topography is complex. We need to find information sources that tell us what customers and suppliers are thinking as well as sources that can tell us about our competitors.

In the next lessons, we will look at each of these five information categories and what they mean. For now, we need to know that information, like so much in Sun Tzu, is multidimensional. We need all five types of information to draw the complete, competitive picture. If we are missing one of these categories of information, we have a dangerous hole in our picture of the market. By now, this multidimensional approach should be completely familiar. When we think about information, we need to think about several aspects of it at once.

Lesson 277

What is your most valuable resource as a leader?

- A. Your finances.**
- B. Your sources of information.**
- C. Your experience.**
- D. Your vision.**

You need all five types of spies.

No one must discover your methods.

You will be then able to put together a true picture.

This is the commander's most valuable resource.

From *The Art of War*

Answer:

- B. Your sources of information.

It is not experience that makes a true professional. It is his or her list of contacts. Over the years, we acquire experience and expertise, but more important than either of these are the people we know. The old saying is that it is not what you know, but whom you know. Sun Tzu might say that it takes both, but certainly the value of people's contacts (and the portability of those contacts to new positions) is often overlooked.

Of course, Sun Tzu isn't saying that only our sources are critical. He is saying also that our ability to put together a complete picture from the information we get is a part of this valuable resource. All the contacts and information in the world won't do us any good unless we know how to put the information together into a complete picture. This is what Sun Tzu calls "knowing." Putting together a complete picture is one of the four leadership skills that we cover again and again throughout *The Art of War*.

The complete picture contains elements from all five dimensions of information. The problem with many people is that they are too quick to imagine a picture without having all the facts. This is as bad as being unable to put together a picture once we do have all the facts.

Lesson 278

In business terms, what do “local” spies tell us about?

- A. The immediate marketplace.**
- B. Our competitor’s internal business.**
- C. The most recent information.**
- D. Changes in short-term trends.**

You need local spies.

Get them by hiring people from the countryside.

From *The Art of War*

Answer:

- A. The marketplace.

Local spies tell us about the local terrain, that is, the immediate marketplace. Sun Tzu mentions them in two other places. He says that we need guides with experience in the local area to avoid the obstacles in that market.

In business, this means that we have to know people in the markets that we are tackling. We have to be able to get expertise from within the market. Sometimes we get this expertise from customers or prospects. However, we must always wonder about the honesty and objectivity of people when they work for someone else. Sun Tzu advises that we hire people who have experience in the market. We want to bring their expertise into our organization. We want to own that expertise. This is especially true when we are moving into a new market area.

This idea doesn’t only apply to marketing. We need “local” knowledge whenever we venture into a new area with which we are unfamiliar. This is commonly the case with new technologies, new manufacturing systems, or new business methods. All of these can be considered “new territories” where we might need local guides. Whenever we move the organization into new methods in general, we want to hire people who are experienced with these methods to help guide us around the pitfalls.

Lesson 279

Where do you get the best information about how another organization is run?

- A. From those who do business with it.**
- B. From those who work for it.**
- C. From those who sell to it.**
- D. From those who run it.**

You need inside spies.

Win them by subverting government officials.

From *The Art of War*

Answer:

- B. From those who work for it.

Sales people have always known that to sell to a large corporation, we need allies on the inside of this organization. We should work to develop contacts inside every organization with which we do business including our suppliers. It isn't even difficult to develop contacts inside direct competitors.

We can develop such allies in a number of ways, but all of the methods are reduced to understanding the self-interests of our inside contacts. We want to reward them in a way that their organizations can't. This is what Sun Tzu means by "subverting" contacts. We can reward some by simply paying attention to them, especially in organizations where they feel ignored. We convert others by giving them hope of a future position within our organization. Others we can win simply by convincing them that we have the best interest of their organization at heart. This shouldn't be that difficult, especially when working with customers, since we really do want to help these people. These inside contacts are simply the first to recognize it.

Developing relationships with people inside the organizations that we do business with improves our communication with these organizations. Communication is absolutely necessary to our understanding of how that organization thinks.

Lesson 280

What people within your organization do you need to pay special attention to in order to control competitive information?

- A. Those who have external relationships.**
- B. Those who work closely with management.**
- C. Those who have specialized information**
- D. Those who are especially creative.**

You need double agents.

Discover enemy agents and convert them.

From *The Art of War*

Answer:

- A. Those who have external relationships.

People within our organizations have contacts and relationships with people in other organizations. They are channels for information leaving our organization. In Sun Tzu's system, this is a very special type of information source because it is our secret channel of communication with other organizations. Even though the "double agents" work for us, we must win them over to the idea of passing on the information we want them to pass on and censoring the information we want kept confidential.

Getting control of information channels that feed our competitors, customers, and suppliers is extremely important. We don't want to cut off this "secret" communication with these organizations, but we do need to control it. We want these contacts within our organization to create a certain picture of us to the people they talk to. We should not only know who these people are, but we should keep constant communication with them so that we understand what people are saying about us and what questions they are asking.

Not all potential "double agents" work within our organization. Our customers and suppliers are also contact points for those curious about us. We need to know who these people are talking to and find ways to win them over to broadcast the information that we want others to have.

Lesson 281

When do we intentionally damage our information channels?

- A. When we find that they have given us bad information.**
- B. When we fail to keep our promises.**
- C. When we find better sources of information.**
- D. When we want to pass on bad information to others.**

You need doomed spies.

Deceive professionals into being captured.

We let them know our orders.

They then take those orders to our enemy.

From *The Art of War*

Answer:

D. When we want to pass on bad information to others.

“Doomed spies” are an alternative way to get information—or, more accurately, misinformation—out of our company. When others pass on misinformation, they will be discredited once the truth is discovered. We don’t normally want to discredit our inside people or the double agents within our organization. This would destroy their usefulness. The only people who can carry misinformation are those with whom we are willing to destroy our relationship. This class usually includes certain types of “professionals”—reporters, lawyers, consultants, accountants, and other service people—with whom we have worked in the past, but with whom we don’t intend to work in the future.

We can use these professional channels to pass misinformation on to others that no one else should or could have access to. We do not want to mislead our employees or contacts in other companies about our plans. What they know about our plans is what they need to know to work with us. However, the special class of outside, hired professionals could credibly have this type of inside information and, after we are done with them, don’t need the straight story.

How can we be sure that this type of misinformation will get passed on? We can’t, but when dealing with outside professionals, we should assume that it will be.

Lesson 282

Which type of information do we need most quickly?

- A. Information about your competitor's plans.**
- B. Information about your competitive successes.**
- C. Information about opposing decision-makers.**
- D. Information about your competitive losses.**

You need surviving spies.

Someone must return with a report.

From *The Art of War*

Answer:

- D. Information about your competitive losses.

When Sun Tzu wrote this, he meant that information that comes from someone who survived a recent battle. It was very important that someone survive every enemy engagement so that the results of that engagement could get back to the headquarters. Even if the engagement was lost, the news was important enough that some people had to survive. It is important that these people get to us quickly, with the news as current as possible.

The idea is to get information about a failed contest before anyone else does so we can release it ourselves. This allows us to control the information and “spin” it in a way that hurts us least. We also need this information so that we can adjust our plans. If we failed, we have obviously miscalculated something and we need to adjust our calculations before we waste any more time and resources.

In business, it is usually easy to find out why we get a favorable decision, but it is usually very difficult to discover why we lost. The people involved are usually shy about giving us the pertinent information, even if they are our own people. In sales, prospects that decide to go with a competitor are shy about giving us the news. We might still think we are in a deal for weeks because we don't have a surviving spy that can bring us current information. We have to develop the types of relationships that allow fast communication, especially of negative information.

Lesson 283

How do you ensure that you will get good quality information from your information sources?

- A. By developing the best known sources.**
- B. By keeping our relationships professional.**
- C. By rewarding them generously.**
- D. By publicizing our relationships.**

Your job is to build a complete army.

No relations are as intimate as they are with spies.

No rewards are too generous for spies.

No work is as secret as that of spies.

From *The Art of War*

Answer:

- C. By rewarding them generously.

Rewards, that is, appealing to people's self-interest, are the correct way of working with people. Information may seem free, but it is extremely valuable. We should prize it and prize the relationships that bring it to us.

More than simply paying for information, we have to take a personal interest in the people we use to control the flow of information. As Sun Tzu says, we must be "intimate" with them so we can know what rewards are meaningful to them. To some people, a free meal now and then is very important. To others, it is the ability to share their private goals and dreams. We cannot be standoffish or distant with those we wish to groom as information sources.

We must also keep these relationships private. We want to keep them secret as much as possible. People value being on the inside of a "secret" relationship. They like feeling special. In cases where these relationships are with those persons in other organizations, sometimes it only makes sense to keep the relationship a secret. But even when it seems that no damage will be done by letting others know the about the relationship, we should keep our information sources secret.

Lesson 284

What type of information should you expect from your information sources?

- A. Clear, concise information.**
- B. Information that others don't have.**
- C. Detailed information.**
- D. Anything you can get.**

If you aren't clever and wise, you can't use spies.

If you aren't fair and just, you can't use spies.

If you can't see the small subtleties, you won't get the truth from spies.

From *The Art of War*

Answer:

- D. Anything you can get.

Information seldom comes neatly packaged and easily digested. We have to develop a number of information sources because a lot of what we get won't be useful. We should value all our information sources, even if they aren't telling us what we need to know. We have to appreciate the relationship and the efforts that people make, regardless of the quality of information provided at any given time.

We are reminded by Sun Tzu to be patient with information. We must be willing to work at fitting the picture together. We can't expect our information sources to do this for us. We need any kind of information we can get. It is our job to determine whether or not it is relevant.

When Sun Tzu says that "we won't get the truth from spies," he doesn't necessarily mean that they will lie to us. This is always a possibility, but misinformation without planned deceit is common. We have to pay attention to the subtleties because it is our job to determine the hidden truth in what is being said. Even a lie is useful if we can fit it into a larger picture that makes sense. Our ability to test information against our evolving understanding of the situation is the skill we need to separate the information wheat from the chaff.

Lesson 285

Are opportunities common or rare?

- A. Opportunities are rare.
- B. Opportunities are common.
- C. Opportunities are common, but we rarely see them.
- D. Opportunities are rare, but they are easy to see.

*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.*

*Pay attention to small, trifling details!
Spies are helpful in every area.*

From *The Art of War*

Answer:

- C. Opportunities are common, but we rarely see them.

We cannot waste our opportunities because we are so rarely able to see them. The environment is always rich in opportunity; the problem is that we don't have the information we need to enable us to see opportunities. The information that we have is rare and sketchy. Relevant information, that is, information that makes our opportunity clear at any given moment, is exceedingly rare. This is why we must pay careful attention to details. We have to study everything we have looking for signs of hidden opportunities.

We can never say beforehand what information will be key to finding an opportunity. This is why we must cultivate as many information sources as possible. We must actively work to develop all five categories of information sources that Sun Tzu speaks about. The more different points of reference we have, the more likely we are to see a pattern that leads us to a waiting opportunity.

Failing to collect information is always dangerous. When we fail, it is always because we were missing some key piece of data that would have allowed us to better predict the future.

Lesson 286

How should you treat sources that give out critical information about your organization?

- A. Cut them off.**
- B. Give them another chance.**
- C. Find a use for them.**
- D. Give them misinformation.**

Spies are the first to hear information, so they must not spread it. Spies who give your location or talk to others must be killed along with those to whom they have talked.

From *The Art of War*

Answer:

- A. Cut them off.

Of course, Sun Tzu's remedy is a little more radical, but it adds up to the same thing. The point is that we cannot take the distribution of critical information lightly. The purpose of developing a system of contacts is solely to control the flow of information. If we cannot trust an information channel to always work in our favor, we must cut it off.

Remember one of the first lessons in chapter one: success in competition depends upon our ability to control the flow of information. The goal is to influence everyone else's vision of the future to our benefit. This is no small task. It must be taken extremely seriously.

In a later chapter, Sun Tzu goes so far as to say that we cannot let our own people know all of our plans simply because we cannot trust them not to pass on this information. Our relationships with our information sources, both within our organization and outside of it, are even closer than those with our normal employees.

Information sources and channels must be completely trustworthy. They should not know our plans in detail, but they will know the type of information that we find vital. Their vital role in communication requires that we have complete control of them.

Lesson 287

When is complete and detailed information most vital to your success?

- A. When we are hiring people.**
- B. When we are moving to a new position.**
- C. When we are planning our strategy.**
- D. When we are looking for revenue.**

You may want to attack an army's position.

You may want to attack a certain fortification.

You may want to kill people in a certain place.

You must first know the guarding general.

You must know his left and right flanks.

You must know his hierarchy.

You must know the way in.

You must know where different people are stationed.

We must demand this information from our spies.

From *The Art of War*

Answer:

- B. When we are moving to a new position.

Sun Tzu's term for moving to a new position is "attacking." Exploration of new positions is one of the most risky, costly, and dangerous parts of competition. This is especially true when we are moving into a position or marketplace currently controlled by the competition.

This stanza is a prescription for the type of information that we need before we move into a new area. We must know who currently controls that area. We must know the extent of their organization and how they are positioned. We must understand the internal organization of our competitors, prospects, and critical suppliers.

Most importantly, before we move into a new area, we must see an opening that gives us a natural advantage. We must see the weakness in the competition that leaves us an opening into the market. We must be sure that the need is real before we make the investment to move our organization into the new arena.

Lesson 288

Of the five types of information sources, which are the most important?

- A. Local information sources.**
- B. Inside information sources.**
- C. Double agents.**
- D. Those that bring you bad news quickly.**

I want to know the enemy spies in order to convert new spies into my men.

You find a source of information and bribe them.

You must bring them in with you.

You must obtain them as double agents and use them as your emissaries.

From *The Art of War*

Answer:

- C. Double agents.

Internal “double agents” are people in our own organization that have outside contacts. As such, they are also information sources, “enemy spies,” for people outside of our organization. When we get control of these people, we get control of the information flowing out of our company. We don’t want people outside the organization to know that these people are coached to pass on the information that we want.

Double agents serve two purposes at once. They give us information about what our opposition is interested in in addition to being conduits of information to outside the organization. Their role as information channels make those double agents so important in Sun Tzu’s system. Our goal in controlling these agents is to shape the larger environment’s view of our organization.

Careful communication is not possible unless the people involved understand that it is in their best interest to further the best interests of our organization. We must make sure that they understand exactly how they will be rewarded for their efforts. These people are our true emissaries to the outside world.

Lesson 289

How should you use your internal double agents to do more than collect and pass out information?

- A. Recruit other types of information sources.**
- B. Verify rumors that they have heard.**
- C. Pass on information about your successes.**
- D. Defend your organization in times of trouble.**

Do this correctly and carefully.

You can contact both local and inside spies and obtain their support.

Do this correctly and carefully.

You create doomed spies by deceiving professionals.

You can use them to give false information.

Do this correctly and carefully.

You must have surviving spies capable of bringing you information at the right time.

From *The Art of War*

Answer:

- A. Recruit other types of information sources.

To understand this stanza, you have to read it in the context of the previous stanza. Sun Tzu is saying that by correctly developing our internal people who act as information sources, we can use them to develop all other types of information sources.

Since these people are those in our organization with outside contacts, they are also the perfect people to find new information sources for us. In the last stanza, they are described as our “emissaries,” but we might also call them our missionaries. We should use them to convert other people to helping our organization, especially local and inside information sources.

This stanza also implies that all types of contacts can bring us new, different types of contacts. Each of these information sources plays a special role in building our information network. A complete information network must be assured of getting all five types of information.

Lesson 290

What should be your major economic consideration concerning information?

- A. That you are spending too much.**
- B. That you are spending too little.**
- C. That you are saving too little.**
- D. That you are misappropriating funds.**

These are the five different types of intelligence work.

You must be certain to master them all.

You must be certain to create double agents.

You cannot afford to be too cheap in creating these double agents.

From *The Art of War*

Answer:

- B. That you are spending too little.

Investing in information is seldom a mistake. Long before our current era, Sun Tzu anticipated information management budgets and the fact that they would always be too small to meet the real need.

Most people today spend all their money on internal information management. Billions are spent on software and systems to track and report on internal activity. Little if any money is spent on developing the type of *external* information network that Sun Tzu is concerned about. Individuals develop such networks, but organization's systems do not track this information in any way. This is a major hole in today's focus on information management because this external information, coming from people in unplanned ways, is the key to understanding the competitive environment.

We can think about information investment both in terms of dollars and in terms of time and effort. Developing an information network requires a great deal of time. One obvious tool for developing and maintaining an information network would be the Internet. To develop networks, we would start with the e-mail systems already in place, but the information collected needs an access structure that no one yet provides.

Lesson 291

If we analyzed people that have repeated successes, what characteristic would set them apart?

- A. Their vision.**
- B. Their contacts.**
- C. Their technical knowledge.**
- D. Their courage.**

*This technique created the success of ancient emperors.
This is how they held their dynasties.*

*You must always be careful of your success.
Learn from the past examples.*

From *The Art of War*

Answer:

- B. Their contacts.

Whenever Sun Tzu refers to history, he focuses on the statistical likelihood of an event repeating itself. We can say that his view of history was somewhat statistical. Every case may not follow the rule, but over time we see a pattern take shape.

In this case, the pattern is one of people that found success and held onto it. These people always had highly developed information networks. Today, we have new examples of people who are able to repeat their success. Jim Clark started three different billion dollar companies (Silicon Graphics, Netscape, and WebMD). In reading his story, we are stuck no so much by his creativity and vision, which are good, but not exceptional, but by the power of his contacts, especially the faith those individuals had in his vision. It wasn't so much that he knew the venture capital firms and investment bankers that could build an organization; it was the fact that they knew him and his track record.

The same is true for any entrepreneur that goes from starting one enterprise to another. He has developed good contacts that he can rely on and, more importantly, who trust him.

Lesson 292

Which of your people should you use as double agents to develop information channels?

- A. Those with prior connections.**
- B. Those whose jobs involve contact.**
- C. Those who are your best and brightest.**
- D. Those who are the most social.**

Be a smart commander and good general.

You do this by using your best and brightest people for spying.

This is how you achieve the greatest success.

This is how you meet the necessities of war.

The whole army's position and ability to move depends on these spies.

From *The Art of War*

Answer:

- C. Those who are your best and brightest.

We can and should personally develop our own connections with information sources, but we also need our best people to work with us to build a true information network. We cannot act as our own double agents. Double agents have to be people in our organization that external people think will give them inside information. These outside contacts know that the management will protect the organizations and manage external information. This is why they turn to other, non-management people in high places.

Other people can say good things about us and our organization that we can say ourselves. However, because they are “unbiased,” they are freer and more trustworthy than we are. To portray themselves as independent from the company, they have to be clever. The people they talk to have to feel that they are getting the inside scoop. This is what makes these double agents so valuable.

Everything else that we do as a competitive organization depends directly on our ability to use these people to get the needed information.