Re-imagining - The Art of War

In the context of Business Analytics.

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The following article is part of a 2026 "re-imagining" of Sun Tzu's treatise applied to modern business thinking. This is relevant and apposite as a precursor to my forthcoming book - "Business by Numbers", which is a comprehensive summary of hundreds of analytical formulas and methods for measuring and monitoring business performance and predicting outcomes.

This paper follows and paraphrases Sun Tzu's basic format which, as a strategy document, is as pertinent today as it has been for centuries

In today's world, data is ubiquitous and increasingly analysable—with or without AI—but **advantage still comes from knowledge**. The difference now is that knowledge can be made more accurate and precise by using data wisely. That is the step-change. As Sun Tzu sought to win before fighting by knowing the ground and the enemy, data-driven analysis lets businesses anticipate the field, reduce uncertainty, and tilt the odds long before the battle is begun.

I. Laying Plans — The Architecture of Advantage

Every venture, whether a war campaign or a business strategy, begins with the thought. ***Strategy is the architecture of advantage*** — the unseen structure that determines whether an enterprise endures or collapses.

Success rarely depends on luck or passion alone; it arises from deliberate alignment between principles, information, and timing. To plan well is to see clearly.

To act without planning is to gamble in the dark.

There are five elements that govern all strategy — constants that remain stable even as markets, technologies, and societies evolve. They are:

1. **Purpose** – the moral compass or shared conviction that aligns people toward a common outcome. In business, this is culture, vision, and values that inform every strategic decision.
2. **Environment** – the external conditions, from market forces to social trends, that shape opportunities and risk.
3. **Leadership** – the quality of judgment, integrity, and adaptability within those guiding the enterprise.
4. **Method** – the systems, structures, and disciplines that translate intent into coordinated action.
5. **Position** – the standing of one's organisation: its resources, reputation, and relative strength against competitors.

Before shaping a plan, a strategist studies these factors. Small differences in insight here determine outcomes long before execution begins.

Wise leaders do not hurry decisions; they measure. They analyse, question assumptions, and interpret subtle patterns others overlook. Through discipline, uncertainty becomes terrain — something to navigate, not fear.

Power lies in invisible preparation — the quiet hours spent defining purpose, reading conditions, and calibrating timing. To win before engaging is the highest mastery; to rush into conflict unprepared is the seed of loss.

The strategist who unites insight with structure, principle with precision, transforms planning into foresight. For them, success is not an accident but the logical culmination of intent, design, and disciplined action.

II. Waging War — The Economics of Action

Every strategy eventually meets its moment of action. Planning defines potential; execution defines reality. Yet in the transition from blueprint to movement, the greatest risk lies in cost — not only financial, but human, emotional, and operational.

No enterprise can sustain endless exertion. The leader who knows when and how to commit resources wins **not by aggression but by efficiency.** Strategy is not about doing more; it is about doing what matters most, with precision and purpose.

Prolonged effort drains vitality. Teams lose focus, funding diminishes, and opportunity costs rise. A wise strategist measures the price of progress as carefully as its promise. They recognise that speed and economy — when grounded in preparation — amplify power far more than effort alone.

To wage war, or to drive major change, is to accept short-term disruption in pursuit of long-term position. But commitment must be absolute once the threshold is crossed. **Half-measures waste both energy and morale. Momentum only forms when a strategy is fully enacted** — when people, processes, and purpose move in alignment.

The path to victory is balance: act decisively, spend wisely, and recover quickly. Unused resources become weight; overused ones create exhaustion. A true strategist learns the rhythm of expansion and consolidation — when to press advantage and when to regroup.

In business as in battle, the most expensive war is the one fought too long. Win swiftly by focus; sustain victory through foresight. To understand cost is not pessimism — it is the art of endurance.

Mastery lies not in the number of actions taken, but in the ratio of effort to outcome. The intelligent leader values efficiency over spectacle, clarity over complexity, and timing over force.

When action becomes deliberate — measured, coordinated, and aligned with purpose — every resource spent becomes an investment in inevitable success.

III. Attack by Stratagem — The Power of Intelligence

The highest form of strategy is to win without conflict. True mastery lies not in crushing opponents but in rendering opposition unnecessary. In business, this means building syste ms, products, and reputations so strong, others must adapt to *you*.

Brute force is an expensive form of victory. Each act of direct confrontation—whether a price war, a takeover, or a bid for domination—consumes value that could have been preserved through insight. Intelligence costs little compared to combat. Foresight replaces firepower.

A great strategist measures battles in influence, not destruction. They shape the field so outcomes appear inevitable, not forced. Competitors yield space because the strategist has already occupied the mind of the market through clarity, trust, and adaptability.

There are three levels of victory:

1. **Supreme victory** is achieved when sustainability and reputation secure dominance without direct conflict.
2. **Lesser victory** requires competition, yet ends swiftly and economically.
3. **Defeat** occurs when ego, haste, or misjudgement consume resources faster than results are earned.

Therefore, before engaging, study the balance of power. Understand motives, alliances, and timing. Every conflict avoided through foresight conserves the energy needed for innovation and renewal. Every unnecessary fight empties the reserves needed for endurance.

To overcome others without hostility, lead with insight. Shape narratives, not defences. Build ecosystems that draw others in rather than walls that keep them out. The strategist operates by persuasion, precision, and patience.

A single mind well-prepared can outthink armies of the uncoordinated. As information grows faster than instinct, **knowledge becomes the modern weapon**— quiet, perpetual, and exact.

The leader who practices strategic intelligence wins before the contest begins. They make victory a conclusion, not a contest; a calculation, not a gamble.

Sun Tzu's next theme is preparation: real power comes from the position you build before you move, not from what you do in the moment. This maps directly to how a business designs its structures, systems, and positioning long before any "battle" in the market.

IV. Tactical Dispositions — Position Before Performance

The strongest organisations do not rely on improvisation; they rely on **position**. Their advantage is constructed in advance through culture, capability, and design, so that when challenges appear, they are already prepared to respond.

In strategy, defence means securing your foundations so you cannot be easily harmed, while offense means knowing exactly when and where to apply pressure for maximum effect. A wise leader builds such a resilient base that most threats fail before they begin, and then looks for precise openings rather than constant confrontation. [i]

Strength Built In, Not Switched On

Sun Tzu teaches that victory is achieved by those who first make themselves unconquerable, and then wait for a moment when the opponent exposes a weakness. In business, this is the difference between organisations that scramble to react and those that simply extend what they have already prepared.

Being "unconquerable" is not arrogance; it is redundancy, robustness, and clarity. It shows up as strong cash flow, diversified revenue, sound processes, trusted relationships, and data-driven decision-making that keep you stable when others are shaken[ii].

Designing Safe Floors and High Ceilings

Tactical disposition is the art of designing both a safe floor and a high ceiling. The floor is your protective structure: risk management, compliance, reserves, and operational discipline that prevent collapse.[iii]

The ceiling is your potential: your brand, innovation engine, talent, and strategic assets that allow you to seize opportunity when it appears. You first guarantee that you are hard to break, then you cultivate the ability to reach further than your rivals when conditions turn in your favour.[iv]

Quiet Preparation, Visible Results

Because preparation is invisible, it is easily underestimated. To outsiders, success can look like sudden momentum; internally, it is the natural outcome of years of deliberate alignment and disciplined optimisation.[v]

The best "tactics" often happen long before the market notices: choosing the right customers, building systems that scale, training people to think independently, and embedding feedback loops that keep you learning faster than competitors. In this way, what looks like effortless execution is really the harvest of patient design.

From Reaction to Readiness

An unprepared business lives in constant reaction, always one crisis or competitor move away from disruption. A prepared business designs its tactical dispositions so that most events—good or bad—fall within what it has already anticipated.

This is the essence of Tactical Dispositions: create a position so sound that you rarely need to be heroic. When the time comes to act, you are not forced to gamble; you simply reveal the strength you have already built

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The next part "Energy" in Sun Tzu is about how a leader converts preparation into force, and force into sustainable momentum. In business and personal strategy, this is the shift from static capability to dynamic execution. [vi]

V. Energy — Turning Capability Into Momentum

Plans and structures create potential, but potential alone does not move markets. Energy is the coordinated use of resources, people, and timing so that effort multiplies instead of dispersing. When energy is organised, a small, focused action can produce outsized results; when it is scattered, even great resources achieve little.

A strategist distinguishes between direct effort and leveraged effort. Direct effort is what everyone can see: campaigns, meetings, launches, negotiations. Leveraged effort is what multiplies impact: systems, routines, and structures that cause each action to echo through the organisation or market [vii]

The Power of Rhythm and Combination

Sun Tzu emphasises that continuous, unvaried effort exhausts people, while varied, well-timed efforts keep them effective and alert. In business, this means designing rhythms—sprints and rests, pushes to market and phases of consolidation—so teams can perform at a high level without burning out.[viii]

Energy grows when actions are combined intelligently. A single initiative—like a product launch—can simultaneously advance brand, deepen customer insight, strengthen partnerships, and refine internal processes if it is designed with multiple effects in mind. One move, many gains: this is strategic energy in practice.

Alignment: Everyone Pulling the Same Way

Raw enthusiasm without alignment creates noise, not progress. Energy becomes power when people understand the strategy, trust the leadership, and see how their role contributes to a shared outcome. Clear priorities, simple communication, and consistent reinforcement of direction channel individual effort into collective momentum.

When teams act with shared intent, coordination feels natural, not forced. Decisions move faster, conflicts reduce, and creativity focuses on solving meaningful problems instead of navigating confusion. This is how culture becomes a source of energy rather than a drain.

Leverage, Not Strain

The wise leader seeks leverage instead of strain. Rather than pushing harder, they look for positions, tools, and partnerships that turn a modest input into a significant outcome. This might be automation that removes repetitive work, data that clarifies where effort matters most, or alliances that open doors that would be costly to break through alone.

In this view, exhaustion is a warning signal—not a badge of honour. Persistent overstrain means energy is being spent without enough multiplication. Strategic energy feels intense but purposeful; people are stretched, not broken.

From Motion to Compounding Force

Motion alone is not progress. Many organisations are busy but not advancing. Energy, in Sun Tzu's sense, is motion that compounds—each step making the next step easier or more powerful. That compounding comes from feedback loops: learning from each action, improving the system, and reinvesting gains into capabilities.

When capability, rhythm, alignment, and leverage converge, an enterprise develops momentum that seems effortless from the outside. What others interpret as luck or natural dominance is, in truth, disciplined energy—purpose shaped into enduring force.

Weak Points and Strong maps beautifully onto modern ideas of competitive advantage, risk, and adaptability. In business, it becomes the art of shaping the playing field so your strengths matter and your weaknesses rarely get tested.

Seeing Asymmetry Clearly

In any market, no business is strong everywhere. Each has areas of clear advantage—brand, cost base, technology, relationships—and areas where it is slower, more fragile, or exposed. The key is not to be perfect, but to be *clear-sighted* about where you truly lead and where you must avoid direct comparison.

A modern strategist studies both their own operation and their competitors with this lens:

- Where are we naturally hard to beat?
- Where are we easily outmatched?
- Where do customers care most—and least—about those differences?

Choosing the Ground

Sun Tzu's core move is: do not fight on the opponent's terms. In business, that means not letting rivals dictate the basis of comparison. Instead of joining a price war where you are weak, you shift the conversation to service, brand, speed, values, or innovation—whatever terrain amplifies your strengths.

Practical examples include:

- Premium brands refusing to compete on discounting, and instead doubling down on experience and trust.
- Smaller firms avoiding broad feature parity and instead focusing on one niche problem they solve better than anyone else.

Turning Weakness into Irrelevance

You do not have to fix every weakness; many are better managed than "repaired." The aim is to design your model so that your vulnerabilities rarely matter in the situations you choose to play in.

That can look like:

- Structuring offers so that your operational bottlenecks are never overloaded.
- Choosing customer segments that value what you excel at and care less about what you lack.
- Partnering to cover gaps rather than building everything in-house.

Probing for Openings

Just as others can exploit your exposed areas, you can look for theirs—but with discipline. Rather than attacking competitors head-on where they are entrenched, you:

- Watch for underserved segments or neglected problems.
- Look for moments when incumbents are distracted, over-extended, or constrained by legacy systems or promises.
- Enter with a focused offer that exploits that gap, not their strongest fortress.

This is less about aggression and more about intelligent timing and placement.

Flexibility as a Strategic Strength

A rigid business—even a strong one—is easier to outmanoeuvre than a flexible one. Weak Points and Strong, in modern terms, urges leaders to:

- Keep options open (multiple channels, suppliers, skills).
- Avoid over-committing to one way of working when the environment is volatile.
- Encourage teams to adapt tactics while staying true to the overall strategy.

The combination of clear self-knowledge, deliberate positioning, and flexibility creates an organisation that is hard to corner. It chooses its battles, shapes its arena, and lets competitors waste energy attacking where it is already strong.

Sun Tzu's concept of Manoeuvring, in a modern business context, is about how leaders move their organisations through complex environments—customers, competitors, regulators, and internal constraints—without wasting energy or losing cohesion. It is the art of movement: when to advance, when to pause, when to pivot, and how to bring people with you.

VII. Manoeuvring — Moving with Intelligence

Strategy on paper is static; manoeuvring is strategy in motion. It covers all the real-world adjustments that happen between the plan and the outcome: reorganisations, product shifts, market entries, exits, and negotiations. Poor manoeuvring turns even good strategy into friction and fatigue.

A wise leader understands that every move has a visible cost—money, time, attention—and an invisible cost—confusion, resistance, and loss of focus. The goal is not simply to move, but to move in ways that preserve clarity and cohesion.

The Cost of Constant Motion

Frequent, poorly-explained changes exhaust teams. When priorities are constantly shifting, people become cautious, disengaged, or cynical. Even strong strategies fail when those implementing them feel jerked around by sudden moves.

Manoeuvring well means:

- Minimising unnecessary changes that don't materially improve position.
- Bundling changes so transitions are meaningful rather than constant.
- Communicating not just *what* is changing, but *why* and *for how long*.

In this way, the organisation experiences movement as purposeful evolution, not chaos.

Using Constraints and Terrain

Sun Tzu teaches that terrain shapes how you move. In business, terrain is market structure, regulation, technology, culture, and timing. You do not manoeuvre as if you were in open, empty space; you manoeuvre through real constraints that can either hinder you or be used to your advantage.

Examples of reading and using "terrain" include:

- Entering a market through a narrow, underserved niche instead of challenging the dominant player head-on.
- Choosing partnerships where regulation makes solo entry slow or costly.
- Sequencing expansion so that each new move is supported by the infrastructure of the last.

The leader who studies terrain moves less, but gains more from each movement.

Keeping the Team Intact

Movement is not just about where you go, but what happens to your people as you go there. Manoeuvring that tears culture, trust, or collaboration apart is self-defeating.

To keep the team intact while manoeuvring:

- Share context early so people are not surprised by directional shifts.
- Protect core routines and anchors (cadences, rituals, clear goals) even while changing structure or focus.
- Ensure that the burden of change is distributed fairly, not placed on the same individuals or teams every time.

When people understand the journey and feel supported within it, they can adapt without burning out.

Indirect Routes, Direct Effects

Not every move to your goal is a straight line. Sometimes the fastest way to a strategic position is indirect: building reputation before scale, partnerships before products, or capabilities before full market entry.

Manoeuvring with subtlety can look like:

- Testing new offers in limited segments before rolling out widely.
- Piloting internal changes in one team before transforming the whole organisation.
- Using small, low-risk experiments to gather information that saves you from large, costly mistakes later.

These indirect routes can achieve direct effects: reduced risk, increased learning, and more precise execution when you finally commit at scale.

Timing and Tension

Every move creates tension—between old and new processes, between what is known and unknown. Manoeuvring well means choosing moments when the organisation has the capacity to absorb that tension.

Good timing involves:

- Avoiding major changes during periods of maximum operational load, unless survival demands it.
- Aligning big moves with moments of momentum, when recent wins have built confidence and goodwill.
- Allowing space after significant shifts for stabilisation, learning, and consolidation.

In this way, manoeuvring becomes a sequence of well-timed steps, each building on the last, instead of a series of jolts.

The following section "Variation in Tactics" is about intelligent flexibility: knowing when to change your approach so you remain effective, unpredictable to competitors, and yet still coherent to your own people. It connects directly to innovation, experimentation, and adaptive leadership in business.

VIII. Variation in Tactics — Flexible, Not Random

Rigid strategies break when the environment shifts. **Effective leaders commit to a clear direction but stay flexible in how they reach it.** They treat tactics as adjustable tools, not sacred rituals.

Variation in tactics means changing methods without losing purpose. The vision and core principles stay stable, but campaigns, messaging, channels, processes, and even org structures can evolve as reality demands.

Adapting to Changing Conditions

Markets, technology, and customer expectations move faster than any fixed plan. Leaders who ignore these shifts cling to tactics that once worked and now slowly fail. Adaptive leaders, by contrast:

- Watch for signals that an approach is losing effectiveness.
- Treat unexpected outcomes as information, not embarrassment.
- Adjust tactics early, before decline becomes visible to everyone.

Adaptation is not panic; it is built into the strategy as a normal, expected behaviour.

Predictable on the Inside, Unpredictable on the Outside

For customers and competitors, you want to be hard to predict; for your team, you want to be dependable. Variation in tactics only works if your people understand the underlying strategy well enough to see changes as logical, not arbitrary.

This looks like:

- Clear non-negotiables (purpose, values, long-term direction).
- Freedom in the "how" (channels, tools, campaigns, workflows).
- Regular communication that links each tactical change back to the larger story.

Externally, your flexibility keeps rivals guessing. Internally, your consistency keeps people grounded.

When to Break Your Own Patterns

Patterns are efficient—until they become predictable vulnerabilities. There are moments when deliberately breaking your usual pattern is the smartest move:

- When competitors have built their plans around your typical behaviour.
- When your usual tactics are delivering diminishing returns.
- When a significant shift in the environment makes your standard playbook obsolete.

In these moments, a decisive change—new pricing model, new distribution route, new value proposition—can reset the game in your favour.

Experimentation as a Discipline

Variation in tactics is most powerful when experimentation is systematic, not random. That means:

- Running small, low-risk tests rather than betting the company on unproven ideas.
- Measuring outcomes and learning from both successes and failures.
- Scaling only what proves effective in real conditions.

This turns variation into a disciplined engine of innovation. The organisation becomes a learning system, constantly refining how it acts while staying anchored in why it exists.

Avoiding Confusion and Drift

Poorly handled variation creates chaos: too many initiatives, mixed messages, and no clear sense of identity. To avoid this, leaders must:

- Say "no" often enough to protect focus.
- Retire old tactics explicitly, so people know what to stop doing.
- Periodically restate the strategy in simple terms, so everyone can navigate change without losing the plot.

When done well, Variation in Tactics keeps a business alive to opportunity, resilient to shocks, and always a step ahead—without ever losing itself in the process.

The next section "Army on the March" translates naturally into how a business reads its environment while moving: watching signals, interpreting behaviour, and understanding what conditions mean before committing further. It is about situational awareness while in motion, not just at the planning stage.

This section draws on a general interpretation of Sun Tzu's themes rather than specific, citable passages.

IX. Army on the March — Reading the Environment

Once a strategy is in motion, leaders must pay close attention to the landscape they are moving through. In business terms, this means constantly observing markets, customers, competitors, partners, and internal morale as you roll out your plans.

The environment is never neutral. Every sign—slower sales in a segment, a sudden marketing push from a rival, a shift in regulation, an internal spike in complaints—is a signal. The skilled strategist treats these not as noise but as information about where to speed up, slow down, or change direction.

External Signals: What the Market Is Telling You

Army on the March is full of guidance on reading signs: dust patterns, campfires, noise, and formations as indicators of enemy movement or intent. In modern business, the equivalents are:

- Changes in pricing, hiring, or messaging from competitors.
- New alliances or partnerships forming in your space.
- Customer sentiment shifts in reviews, social media, or support tickets.

Instead of reacting emotionally, the strategist asks:

- What does this behaviour suggest they are preparing for?
- What pressure might they be under?
- Which of our assumptions does this confirm or challenge?

Reading the "march" of others turns the competitive landscape into a kind of early-warning system.

Internal Signals: The State of Your Own Forces

Movement affects your own people too. Army on the March also describes how to read the mood and condition of one's own troops. In a business, this means paying attention to:

- Engagement levels, absenteeism, and turnover.
- Openness in communication versus fear and silence.
- Whether teams are collaborating or fragmenting under strain.

If the organisation is fatigued, confused, or cynical, pushing harder can do more damage than good. **Wise leaders treat morale, clarity, and trust as strategic assets, not soft afterthoughts**. Movement should stretch people, not silently break them.

Knowing When to Advance, Pause, or Withdraw

Not every path remains safe or worthwhile once you are on it. Army on the March emphasises the need to recognise favourable and dangerous terrain and adjust accordingly. In business, this means:

- Advancing where signals are positive: strong demand, good unit economics, aligned capabilities.
- Pausing where uncertainty is high and data is thin: using time to gather information rather than forcing speed.
- Withdrawing from markets, products, or projects where conditions have clearly turned against you and staying would drain vital resources.

Withdrawal is not failure when it preserves strength for better opportunities. The mature strategist measures moves by long-term position, not by pride.

Practical Situational Awareness in Business

Applied to a modern organisation, Army on the March suggests a few practical disciplines:

- Regular "sensing" routines: short, consistent reviews of key indicators (market, customer, competitor, internal health) as you execute.
- Clear escalation paths so frontline people can flag concerns or opportunities quickly.
- Leaders who spend time close to the action—customers, operations, and teams—rather than only reading reports at a distance.

In this way, movement becomes intelligent rather than blind. The business does not just march according to the original plan; it travels with its eyes open, adjusting course as the landscape reveals itself.

X. Terrain — Knowing the Ground You Compete On

In strategy, not all ground is equal. Some markets are wide open, others are narrow and defended; some reward speed, others reward patience and endurance. Terrain is everything about the landscape that does not change just because you wish it would: regulations, market maturity, customer habits, capital intensity, technology standards, and power structures.

The wise leader does not ask, "What do we want to do?" in isolation, but, "Given the ground we are on, *what is possible, prudent, and powerful*?" This mindset prevents generic strategies that ignore reality and fail on contact with the world.

Types of Business Terrain

Sun Tzu classifies physical terrain (easy ground, narrow passes, steep heights, etc.); in business, similar patterns show up as structural conditions:

- **Open terrain**: Low barriers to entry, many players, price-sensitive customers (e.g., simple consumer apps). Speed, brand, and distribution matter more than heavy infrastructure.
- **Narrow terrain**: Markets controlled by a few decision-makers or gatekeepers (e.g., large enterprise sales, key channel partners). Relationships, credibility, and patience define success.
- **High ground**: Positions of structural advantage—owning a platform, a standard, proprietary data, or a dominant brand. Effort here is about defending and extending, not chasing.
- **Broken or complex terrain**: Highly regulated, technically complex, or politically sensitive spaces (e.g., healthcare, finance, public contracts). Expertise and compliance discipline become as important as innovation.

Different terrain demands different playbooks; trying to apply "open terrain" tactics in a narrow or complex market leads to frustration and wasted resources.[ix]

Matching Strategy to Terrain

Terrain tells you what kind of moves are viable and where risk hides. In practice, this means:

- On **open terrain**, differentiate clearly or you get lost in noise. Focus on brand, UX, and network effects rather than pure features.
- On **narrow terrain**, invest in deep trust: long sales cycles, reference clients, certifications, and a reputation for reliability.
- On **high ground**, avoid complacency. Use your advantage to set standards, build ecosystems, and raise the cost of entry for others.
- On **broken terrain**, move carefully but deliberately. Partner with specialists, anticipate regulatory changes, and build resilience into operations.

Good strategy is not just "what works in general," but "what works *here*." Terrain is the lens that makes that distinction clear.

Reading the Ground Before You Move

Before committing to a major initiative—new country, new vertical, new product—leaders can ask a few terrain questions:

- Who already controls the high ground (standards, platforms, relationships)?
- How hard is it to enter and to exit this space (capital, contracts, regulation)?
- Where are the natural choke points (distributors, key accounts, infrastructure)?
- What kind of mistakes are punished harshly here, and which are easily recovered from?

Answering these questions early prevents strategies that look attractive on a slide but are misaligned with the real ground. It allows you to choose battles, routes, and positions that fit your capabilities and risk appetite.

Designing Your Own Ground

Over time, strong businesses do not just adapt to terrain; they **shape** it. By building platforms, establishing norms, educating customers, or creating ecosystems of partners, they turn neutral or hostile terrain into favourable ground.

This is the ultimate lesson of Terrain in a modern context: understand the ground you are given, move in ways that respect its realities, and gradually reshape it so that, one day, you are the one standing on the high ground others must navigate around

The Next section "The Nine Situations" can map very cleanly to stages and contexts in business growth and competition, as long as they are treated as *situational patterns* rather than literal battlefields. Each situation describes a different mix of risk, commitment, and room to manoeuvre, which modern leaders encounter in markets, projects, and organisational change.

The following is a conceptual reinterpretation grounded in general knowledge of Sun Tzu's framework, not in a specific edition or translation.

XII Overview: Nine Business Situations

Sun Tzu's Nine Situations describe how context changes the logic of strategy and tactics. In business terms, they can be seen as nine strategic environments a company may find itself in: from tentative exploration to full existential commitment.

Thinking this way helps leaders avoid "one-size-fits-all" playbooks. What works in cautious exploration is wrong in all-in survival, and vice versa. The skill is to recognise which situation you are in and to act accordingly.

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1. Dispersive Ground — Early, Low-Commitment Moves

Original idea: Troops on home soil, with low incentive to push hard.

Business analogue: Early experiments, side projects, or tentative market tests where people can easily drift back to "business as usual."

Implications:

- Risk of half-hearted effort and shallow learning.
- People treat the initiative as optional.

What to do:

- Keep scope small and learning-focused.
- Avoid over-hyping; define clear, limited objectives.
- Use it to gather information, not to force major results.

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2. Facile Ground — Easy Wins, Low Barriers

Original idea: Ground that's easy to move on, but also easy for the enemy.

Business analogue: Attractive, low-barrier opportunities (new tools, hot channels, simple product ideas) that everyone can copy.

Implications:

- Rapid entry but rapid crowding.
- Little protection from competition.

What to do:

- Move fast, but plan your next move beyond the easy win.
- Use this ground to build brand, relationships, and capabilities you can carry elsewhere.
- Avoid investing heavily unless you can differentiate quickly.

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3. Contentious Ground — Valuable but Contested Spaces

Original idea: Ground that offers advantage to whoever holds it.

Business analogue: Highly visible, strategically important markets or customer segments (e.g., key enterprise verticals, dominant platforms).

Implications:

- High competition and signalling.
- Everyone notices moves; mistakes are costly.

What to do:

- Enter only with a distinctive edge or angle.
- Prepare thoroughly: capabilities, alliances, and positioning.
- Expect signalling games: competitors will respond to your moves.

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4. Open Ground — Many Options, Low Differentiation

Original idea: Terrain with many routes in and out.

Business analogue: Broad, generic markets where exit and entry are easy and customers have many alternatives.

Implications:

- Hard to stand out on product alone.
- Customers switch easily; loyalty is thin.

What to do:

- Focus sharply: niche, brand, or model that filters the chaos.
- Build differentiation around experience, story, or ecosystem, not just features.
- Avoid spreading into everything; define a clear lane.

5. Intersecting Ground — Complex Partner and Competitor Mesh

Original idea: Ground that multiple forces can reach, where control is shared or fluid.

Business analogue: Ecosystems with overlapping players—platforms, marketplaces, industries shaped by interdependent partners and frenemies.

Implications:

- Relationships are as important as direct competition.
- Moves in one area affect many others.

What to do:

- Think network: map dependencies, alliances, and gatekeepers.
- Play for influence and position, not just direct sales.
- Be cautious about burning bridges; reputation travels quickly.

6. Serious Ground — High Stakes, Large Commitment

Original idea: Advancing deep into valuable territory, with significant risk if you fail.

Business analogue: Major strategic commitments: big acquisitions, core product pivots, large capital projects, or transformative digital programs.

Implications:

- High sunk costs and visibility.
- Failure meaningfully harms position and morale.

What to do:

- Align leadership completely; no internal mixed messages.
- Invest heavily in execution excellence and risk management.
- Communicate clearly that this move matters and why.

7. Difficult Ground — Operationally Hard, But Not Impossible

Original idea: Terrain that is hard to move through: mountains, rivers, obstacles.

Business analogue: Businesses or markets that are operationally complex—high regulation, long sales cycles, heavy integration, or complex logistics.

Implications:

- High friction, slow feedback.
- Easy to underestimate time and resource needs.

What to do:

- Choose such moves only when the strategic payoff is real.
- Bring specialists: legal, domain experts, technical depth.
- Build redundancy; expect delays and setbacks.

8. Hemmed-in Ground — Limited Options, Constrained Choices

Original idea: Terrain where exit routes are few and danger rises if you delay.

Business analogue: Situations where options are sharply narrowed: heavy debt, contractual lock-ins, platform dependence, regulatory pressure, or loss of key customers.

Implications:

- High risk of paralysis or panic.
- Few "good" choices; mostly trade-offs.

What to do:

- Prioritise survival and future option-creation over short-term optics.
- Negotiate, restructure, or simplify to regain flexibility.
- Cut non-essential initiatives; concentrate on breaking constraints first.

9. Desperate Ground — Existential Threat

Original idea: Ground where the only way out is through; retreat equals destruction.

Business analogue: Near-existential crises: severe cash crunch, collapse of core market, catastrophic brand damage, or disruptive innovation that undermines the whole model.

Implications:

- Fear and urgency are extreme.
- Hidden reserves of creativity and effort may surface.

What to do:

- Strip strategy to essentials—what must be protected at all costs?
- Make bold, decisive moves: radical pivot, restructuring, or refocusing.
- Communicate the truth; unify people around a clear "we must change to survive" narrative.

Using the Nine Situations as a Diagnostic Tool

In a modern business, these Nine Situations can be used as a **diagnostic lens**:

- For each major initiative or business unit, ask: *Which situation are we actually in?*
- Adjust expectations: a "Serious Ground" move needs different governance and communication than a "Dispersive Ground" experiment.
- Design playbooks: for each situation, define default guardrails (how much to invest, how fast to move, how much risk to tolerate).

Used this way, Sun Tzu's Nine Situations become a way to match your behaviour to your context—so you neither overreact to small bets nor underreact to existential stakes.

The next section "Attack by Fire" deals with concentrated, high-impact actions that change conditions irreversibly. In modern business, it maps to aggressive moves that can rapidly reshape markets or destroy value—price wars, hostile campaigns, regulatory strikes, or reputational "fires." Because external references are difficult to locate, the interpretation below is conceptual rather than text-specific.

XII. Attack by Fire — High-Impact, Irreversible Moves

Some actions in business are like fire: once lit, they spread fast, are hard to control, and leave lasting consequences. These include:

- Extreme price cuts that reset customer expectations.
- Public attacks on competitors or partners.
- Legal or regulatory escalation.
- Drastic internal moves: mass layoffs, sudden closures, or harsh cultural purges.

These moves can create space, shock complacent rivals, or protect survival—but they also risk burning trust, brand equity, and future options. The wise leader treats them as last-resort instruments, not everyday tactics.

Five "Fires" in Modern Business

Attack by Fire traditionally describes five ways of using fire. In a business context, they can be reimagined as five kinds of high-intensity action:

1. **Burning assets** – Intentionally sacrificing short-term profit, inventory, or even whole product lines to reposition (e.g., shutting a legacy business to focus on a future core).
2. **Burning relationships** – Severing partnerships, changing terms abruptly, or taking public stands that alienate some stakeholders but consolidate others.
3. **Burning reputation (for a cause)** – Making controversial moves or disclosures that risk backlash but aim to correct a fundamental problem or differentiate ethically.
4. **Burning competitors' advantages** – Actions that undercut a rival's core edge (e.g., open-sourcing what they keep proprietary, changing distribution models, lobbying for new standards).
5. **Burning your own illusions** – Internal truth-telling: exposing dysfunction, confronting underperformance, or ending comforting but harmful stories inside the organisation.

Each "fire" can clear ground for new growth—or simply leave rubble—depending on timing, intent, and control.

Conditions Before You "Light the Match"

Sun Tzu emphasises that using fire requires the right conditions: weather, wind, and timing. In business, before a harsh move, leaders should test:

- **Necessity**: Is this truly required, or are there more measured alternatives?
- **Containment**: Can the impact be bounded, or will it spread unpredictably (media, regulators, employee morale)?
- **Readiness**: Are you prepared to manage the fallout—customers, staff, partners, and public perception?
- **Alignment**: Is leadership united on the reasons and the message, or will internal division magnify damage?

Lighting "fire" without these conditions met is closer to desperation than strategy.

Offensive Fire vs. Defensive Fire

High-impact moves can be used offensively—to seize advantage—or defensively—to prevent greater harm.

- **Offensive fire**: launching a disruptive pricing model, a radical product, or a public campaign that forces the market to shift toward your strengths.
- **Defensive fire**: pre-emptive disclosures, decisive recalls, or swift restructuring to stop a brewing crisis from becoming fatal.

In both cases, the key is clarity: everyone inside should understand *why* this drastic step is taken and *what new reality* is being created.

After the Fire: Stabilise and Rebuild

Fire, once used, changes the landscape. Sun Tzu stresses the need to follow up quickly—either to exploit the confusion of others or to restore order among your own forces. In business, post-fire discipline includes:

- **Rapid communication**: honest explanations to employees, customers, and partners.
- **Visible leadership**: leaders showing up, answering hard questions, sharing the path forward.
- **Concrete next steps**: clear actions that demonstrate the new direction, not just words.

Handled well, a harsh move can mark a turning point toward integrity, focus, or renewal. Handled poorly, it becomes the moment trust began to decay.

The Ethics and Long Memory of Markets

Finally, Attack by Fire in a modern context cannot ignore ethics. Markets, regulators, and people have long memories. Exploitative, deceptive, or vindictive "fires" may create brief advantage but often return as reputational or legal damage years later.

The most powerful use of "fire" is often inward: burning away illusions, complacency, and unhealthy dependencies so the organisation can stand on a cleaner, stronger foundation. When harsh moves are anchored in integrity and a clearly communicated purpose, they may hurt in the short term but build credibility over time.

In the following section "The Use of Spies" translates almost perfectly into modern business as the disciplined use of **information**, **insight**, and **human networks** to reduce uncertainty and make better decisions. It is less about cloak-and-dagger tactics and more about learning faster and seeing more clearly than anyone else.

XIII. The Use of Spies — Superior Decisions Through Superior Information

In Sun Tzu, spies exist to turn the unknown into the knowable. In business, the equivalent is a deliberate system for gathering and interpreting intelligence: market data, customer feedback, competitor behaviour, regulatory signals, and internal whispers from the front line.

The leader who acts without intelligence is forced to rely on assumption and ego. The leader who invests in information can choose battles, anticipate change, and avoid costly surprises. Intelligence is not decoration; it is a core strategic asset.

Modern "Spies": Where Insight Really Comes From

Sun Tzu describes different types of spies; in a modern context, these become sources of insight embedded in normal business life:

- **Customer-facing staff** – sales, support, account managers who hear real reactions, objections, and emerging needs before they show up in dashboards.
- **Partners and suppliers** – people who see across multiple clients or markets and can spot patterns and shifts earlier than any single firm can.
- **Industry networks** – conferences, communities, informal conversations, and professional groups where unfiltered stories circulate.
- **Open information** – reports, filings, job postings, product updates, pricing changes, public reviews, social media signals.

Treating these as "intelligence channels" means listening systematically, not casually. The key is to capture, share, and analyse what they reveal.

Ethics: Intelligence, Not Espionage

In the modern world, many classic "spy" behaviours—stealing secrets, hacking, bribing employees—are not just unethical but illegal and reputationally suicidal. The useful lesson is not to copy those tactics but to **respect the strategic value of honest information**.

Ethical intelligence looks like:

- Competitive analysis based on public and consensual sources.
- Deep customer research with consent and transparency.
- Internal cultures where people can speak honestly upward about risks and opportunities.

The aim is clarity, not manipulation. Over time, organisations that rely on integrity-driven intelligence build more durable trust with everyone around them.[x]

Turning Information Into Advantage

Intelligence only matters when it shapes decisions. Sun Tzu's spies were valuable because their information changed how the commander moved. Similarly, modern intelligence should feed directly into:

- **Product strategy** – what to build, improve, or retire.
- **Market focus** – which segments to prioritise or exit.
- **Risk management** – where regulations, technologies, or social expectations are shifting.
- **Timing** – when to launch, pause, double-down, or withdraw.

This requires simple, reliable mechanisms: regular intelligence reviews, decision meetings where data has a seat at the table, and leaders who are willing to rethink their assumptions.

Building a Culture of Quiet Observers

The most powerful interpretation of The Use of Spies in business is cultural: treat everyone as a potential observer whose insights matter.

That means:

- Teaching people what to notice—customer comments, weak signals, competitor moves, process friction.
- Making it easy and safe to share what they see without fear of blame.
- Rewarding not only big wins, but also early warnings and well-founded alerts.

When an organisation behaves like a network of attentive, honest "spies," it becomes very hard to surprise. It spots shifts early, learns continuously, and makes decisions with a richness of perspective that no competitor relying on guesswork can match.

In this sense, the modern "use of spies" is not about secrecy at all—it is about building an intelligence-driven business where **seeing clearly** is a shared responsibility and a central source of advantage.

Summary & Conclusions

A wise business expert once told me, "There are no morals in business." I disagreed then, and I disagree now—though for different reasons. Back then, my belief came from my upbringing; today, it comes from my experience. Success in business doesn't require a moral dimension—it demands strategy and the confidence and experience to execute it. Sun Tzu's teachings should be part of every educational curriculum: his philosophy is simple, timeless, and profoundly practical. It defines the foundations of success without changing who you are. It simply makes you better at what you do. As you improve, so do your competitors, and that constant challenge drives progress.

When I retired, I felt I still had more to contribute, so I wrote the book "Business by Numbers". In it, I distilled ten key determinants of success and developed dozens of specific metrics for each. Together, they form an encyclopaedia of business formulas—but Sun Tzu teaches us that theory alone is not enough.

Principles don't move the needle until they're embedded in strategy. Business analytics exists simply to make strategy smarter, not louder.

Gerry Skews - Suffolk - January 2026

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