



White paper

The Art of War

Sun Tzu's advice on product development

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The Art of War

The business of product development may be compared with war only in the sense that it is a strategic endeavor mired with brutish offensive action. There are usually a fair number of competitors in your market that will metaphorically cut your throat both from a strategic and tactical standpoint. Companies don't last long in the product development business unless they are constantly vigilant in the art of war.

The five bullet points below were scribed by Sun Tzu 2500 years ago in his book The Art of War. He says, "Now there are five circumstances in which victory may be predicted." The context is offensive strategy in battle, and how one may predict that victory in battle is certain. The items are remarkably applicable to business today.

- 1) He who knows when he can fight and when he cannot will be victorious. You probably have competitors that you cannot fight at all, and some you cannot engage in certain battles. There are cases where engaging a competitor in certain markets or feature battles will guarantee success, and cases where it guarantees failure. It is necessary to know the difference. The computer and software industry has watched as certain companies have attempted to engage Microsoft in battle. Netscape tried with its browser, Corel tried with a Java version of its office productivity suite, and Lotus tried with its spreadsheet. All failures, while surprisingly, Intuit won a decisive victory with Quicken. You must know when to fight, and when to run.
- 2) He who understands how to use both large and small forces will be victorious. The tactical administration of small project groups is very different from large ones. As an organization grows, its administration inefficiencies multiply. A large organization is sometimes no more productive than a small aggressive one. As your organization grows,

you must learn how to provide true visionary leadership at all levels. Tossing in levels of management doesn't work. Those managers must be leaders that the troops want to rally behind.

- 3) He whose ranks are united in purpose will be victorious. Singleness of mind and purpose is a very elusive goal. We live in a very individualistic society. It is rare to find people who understand that fulfilling the goals and needs of others brings themselves to a higher plane. Everyone is looking out for number one. It must be made very, very clear to your team that the success of the team brings personal success to the individual. There is an indirect relationship that must be understood.
- 4) He who is prudent and lies in wait for an enemy who is not, will be victorious. Notice the double-edged sword – those who lie in wait, in combination with those who don't. Today, we call this competitive analysis. We study the competitor to know his strengths and weaknesses. But there is the added element of lying in wait. This requires patience. Beyond knowing the competitor's strengths and weaknesses, you must sit and wait for opportunities to strike. Opportunities can include market and product weaknesses where you know you are stronger.
- 5) He whose generals are able and not interfered with by the sovereign will be victorious. We never learn this one. History repeats itself over and over again on this point. Remember, this was written 2500 years ago, and even today we see politicians, CEO's, executives, and managers who cannot keep themselves from micro-managing the forces. If generals cannot succeed on their own without meddling sovereigns, then they should be sacked and replaced. This rule of thumb ensures that everybody performs with minimal handholding from above. It also frees upper management from doing the job of their subordinates. Everyone does his job, and everyone performs.

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