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Lessons From the War: The Future Shape of Business

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Business has long learned from the military. You see this immediately when you notice how military jargon has influenced the language of management. Military terms like "strategy," "mission," "tasking," and "chain of command" are all commonplace in business parlance.

Now, with the overthrow of Saddam in Iraq, business will be learning from the military again. That's because American operational success in Iraq has superbly embodied four qualities that are increasingly recognized as critical for business success.

Integrated Information

First is reliance on vast amounts of information, carefully integrated and rapidly interpreted. Vital to the war's quick success was the coalition's ability to capture data from a host of sources, quickly correlate that data into quality intelligence, put that intelligence in the hands of mission planners, and take swift, decisive action on the basis of the input.

Over the past decade we've seen an expanding push in business for greater and greater access to information. Web-based research. Corporate intranets. Information brokerage. Enterprise-wide computing. These and other developments have heralded the coming of the day when information is the most important resource on which most companies build.

But information as such is of little benefit. What the war showed is that information needs to be carefully integrated, and quickly, to help decision-makers make timely decisions.

During my years as an intelligence officer I explained to many a young trainee the difference between information and intelligence. Information is only data until it is properly interpreted so that its meaning and implications are clear. Then, and only then, does it begin to become intelligence.

Businesses, overloaded with information, must be able to identify the relevant data, put it together in a way that reveals trends and patterns, interpret that emerging intelligence, and put it promptly in the hands of those who set corporate direction.

Speed of Execution

The second lesson from the war is the necessity of speedy execution. Moving swiftly. Beating the competition to the punch.

One reason the Iraqis capitulated so quickly is that American forces drove to Baghdad too fast for Saddam's generals to deploy and prepare their troops. Iraqi commanders thought they had weeks to get ready, when in fact they only had hours. For the American 3rd Infantry Division, speed was of the essence.

Speed is also king of the road in American business. Being second to market is frequently the difference between profitability and failure. Opportunities arise suddenly, then vaporize in an instant. He who hesitates loses. "Just In Time" is no longer the name for a particular approach to manufacturing. It's now the way business is done everywhere. Development cycles are compressed, lead times cut to a minimum, delivery systems geared for break-neck speed. Organizations that are not structured to be fast on their feet are likely to perish.

Precise Targeting

The third key to American success in Iraq was precise and pinpoint targeting. About three nights into the bombing of Baghdad, one news commentator in the city commented that local citizens had become highly confident of American precision. "When the nightly bombing starts," he said, "people get out on their rooftops and balconies to watch, with little worry that they themselves will be hit."

A similar precision is found in companies that do well in today's rapidly changing business climate. They know their niche and they focus every resource on exploiting it. They resist the temptation to be all things to all people. They go for a precise customer base. A precise segment of the market. And they determine their targets by constantly gathering information and turning it into integrated business intelligence.

In my judgment, non-profits must also become "precision oriented" in their delivery of services. Donors are looking for non-profit organizations that can articulate their purposes and goals with detailed specificity, not broad, humanitarian "feel-good" statements. Donors now commonly ask questions along these lines: Can you tell me what your business is exactly? What specific clientele do you target? How do you benefit those clients specifically? Non-profits that are fuzzy on those specifics will be left in the propwash of donor enthusiasm.

Flexibility and Opportunism

The fourth lesson from the war is operational flexibility that permits opportunistic reactions. The phrase "targets of opportunity" seemed to be part of every press briefing. It was apparent from day one that the battle plan for Iraq was not etched in stone. It could be changed at a moment's notice.

As a result, the Iraqis were never quite sure what the coalition forces would do next. They were constantly surprised and caught off guard. More importantly, the commitment to flexibility and opportunism permitted American and British forces to adjust plans instantly when promising situations arose without warning. In fact, it was as though the

battle plan read, "The unexpected will happen. Opportunity will arise with the unexpected. Go for it!!"

But this was purposeful opportunism. It wasn't merely reacting to any and every opportunity that came along. Instead it was constant vigilance to unanticipated developments that offered the prospect of advancing coalition objectives, and doing so markedly. To promote such opportunism, flexibility was built into the command and control structure and into the deployment of resources themselves. Every possible impediment was removed that could unduly delay a change in direction.

When I talk to business people, most of them see like to think of their own organization as flexible. Unfortunately, what they often take for flexibility is merely the fact that they are not entirely inflexible. They are open to change, to new directions.

But examined closely, the range of possible adjustments their company can easily accommodate is sorely limited. They cannot make wholesale changes in direction and priorities without lengthy approval processes or without disrupting their entire organization. The company itself is not designed to be flexible. And without designed flexibility at the organizational level, opportunism in the market place becomes impossible.

Final Note

With businesses and non-profit organizations struggling everywhere these days, we need to be learning wherever we can. American and British operations in Iraq have given us a model of how to build flourishing business and non-profits in the future. How well does yours measure up?

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