

Tao of Strategy

Study Guide: The *Sunzi Bingfa*

David R. Cross, Ph.D.*
Texas Christian University

December 18, 2009

Topics

In the third part of the course we focus on three broad topics:

- The *Bingfa* (“Art of War”), another key text of early Chinese philosophy, and the core text for this course; we are interested in the historical and cultural context, applications to strategic action, and certain key concepts.
- A major purpose of this section (and the course) is to develop a framework for strategic action, based on a synthesis of the Daoist classics—especially the *Bingfa*—and Western science; the first two sections of the course provide background and context for this strategic framework, the last two sections explore domains of application.
- Leadership in business, which is one important domain of application for the strategic framework being developed in this course; for this purpose we lean heavily on the work of Jim Collins, although other perspectives will be integrated in the argument.

Readings

- John Minford. *Sun-tzu: The art of war*. Penguin Books, New York, 2002.
- Jim Collins and Jerry Porras. Building your company’s vision. *Harvard Business Review*, pages 66–77, September-October 1996.
- Jim Collins. Turning goals into results: The power of catalytic mechanisms. *Harvard Business Review*, pages 71–82, July-August 1999. HBR OnPoint Article 3960.

*www.davidcross.us

- Jim Collins. Level 5 leadership: The triumph of humility and fierce resolve. *Harvard Business Review*, pages 1–12, January 2001. HBR OnPoint Article 5831.

Outline

Introduction to The Art of War

- Cunning Plans, Popular Culture
- Master Sun and His Times
- *The Art of War*: A Book of Life
- “The Way of Cunning and Deceit, the Tao of Power and Expediency”
- The Art of Reading *The Art of War*

The Art of War

I recommend reading through the entire text at least once, before digging in for careful study of the concepts. Here I list the thirteen chapters of the *Bingfa*. A breakdown of the chapters into conceptually distinction sections is given in the Appendix.

1. MAKING OF PLANS
2. WAGING OF WAR
3. STRATEGIC OFFENSIVE
4. FORMS AND DISPOSITIONS
5. POTENTIAL ENERGY
6. EMPTY AND FULL
7. THE FRAY
8. THE NINE CHANGES
9. ON THE MARCH
10. FORMS OF TERRAIN
11. THE NINE KINDS OF GROUND
12. ATTACK BY FIRE
13. ESPIONAGE

There is a huge payoff to reading more than one translation of Sunzi's *Bingfa*. Although Minford is my favorite, two others are excellent, and complement Minford by providing different perspectives:

- Roger T. Ames. *Sun-tzu: The art of warfare*. Ballantine Books, New York, 1993
- Ralph D. Sawyer and Mei chü Lee Sawyer. *Sun Tzu: The art of war*. Westview Press, Boulder, Colorado, 1994

The Art of War *with Commentary*

Here I list the major concepts found in Sunzi's *Bingfa*. For each concept, or pair of concepts, the listing includes section numbers found in the Appendix.

- The Five Fundamentals (1a)
 - The Way (4b)
 - Heaven and Earth (4a)
 - Command and Discipline (7b, 8b, 9c, 10b, 11c)
- The Four Skills (4c)
 - Position (9a, 10a, 11a, 11d)
 - Observation (9b)
 - Vision (1b, 1c, 3b, 10c)
 - Action (7a, 7b, 11b)
- The Dynamic of Strategic Action (Heaven)
 - The Dynamic of Competition (1c, 8a, 11b)
 - Formlessness (6b)
 - The Military Primer (7b)
- The Prudent Commander (Command)
 - The Value of Information (10c, 13a)
 - The Economy of Competition (2a, 2b)
 - Preserving the Whole (3a, 12b)
- The Four Dialectical Pairs¹
 - Form and Energy: *xing* (形) and *shi* (勢) (5b)
 - Empty and Full: *xu* (虛) and *shi* (實) (6a)
 - Direct and Indirect: *zheng* (正) and *qi* (欺) (5a)
 - Crooked and Straight: *yu* (迂) and *zhi* (值) (7a)

¹These can all be seen as special cases of the fundamental dialectical pair, *Yin* and *Yang*; see Allan [1997, pp. 58-61]

Building Your Company's Vision

This is an elaboration of the core skill of *Vision* (see The Four Skills, above).

- Core Ideology
 - Core Values
 - Core Purpose
- Envisioned Future
 - Vision-level BHAGs
 - Vivid Description

The Power of Catalytic Mechanisms

This is an elaboration of the core concept of *Potential Energy* (*shi*, 勢).

- Anatomy of a BHAG
- Catalytic Mechanisms:
 1. Produce desirable results in unpredictable ways;
 2. Distribute power for the benefit of the overall system, often to the great discomfort of those who traditionally hold power;
 3. Have sharp teeth;
 4. Attract the right people and eject viruses;
 5. Produce an ongoing effect.
- Getting Started:
 1. Don't just add, remove;
 2. Create, don't copy;
 3. Use money, but not only money;
 4. Allow your mechanisms to evolve;
 5. Build an integrated set.
- Not for Companies Only

Level 5 Leadership

This is an elaboration of *Command* (see The Five Fundamentals, above).

- Good to Great
- Level 5 Leadership
 - The Level 5 Hierarchy

- The Yin and Yang of Level 5
- Not By Level 5 Alone
 - First Who
 - The Stockdale Paradox
 - Buildup-Breakthrough Flywheel
 - The Hedgehog Concept (WIGs)
 - Technology Accelerators
 - A Culture of Discipline (WIGs)
- Level 5: Born or Bred?

Appendix

Following D. C. Lau,² this is a parsing of Sunzi's *Bingfa* into conceptually distinct subsections; chapter titles and pages ranges are from Minford (2002). I created the section titles, using phrases from Sunzi whenever possible.

1. MAKING OF PLANS
 - a. The Five Fundamentals (*pp.* 3–4 & 99–107)
 - b. The Calculus of Deliberation (*pp.* 5 & 108–110)
 - c. The Dynamic of Competition (*pp.* 6–8 & 110–118)
2. WAGING OF WAR
 - a. The Economy of Competition (*pp.* 9–11 & 119–124)
 - b. The Prudent Commander (*pp.* 11–13 & 125–130)
3. STRATEGIC OFFENSIVE
 - a. Preserving the Whole (*pp.* 14–16 & 131–140)
 - b. The Five Essentials (*pp.* 16–19 & 140–147)
4. FORMS AND DISPOSITIONS
 - a. Heaven and Earth (*pp.* 20–21 & 148–152)
 - b. The Way of Victory (*pp.* 21–23 & 152–157)
 - c. The Five Steps (*pp.* 23–24 & 157–160)
5. POTENTIAL ENERGY

²D. C. Lau. Some notes on “Sun tzu”. *Bulletin of the School of Oriental and African Studies*, 28(2):319–335, 1965

- a. Direct and Indirect (*pp.* 25–27 & 161–168)
- b. Potential Energy (*pp.* 27–30 & 169–176)
- 6. EMPTY AND FULL
 - a. Empty and Full (*pp.* 31–36 & 177–191)
 - b. Formlessness (*pp.* 37–38 & 191–195)
- 7. THE FRAY
 - a. The Art of the Fray (*pp.* 39–43 & 196–205)
 - b. The Military Primer (*pp.* 43–46 & 205–213)
- 8. THE NINE CHANGES
 - a. The Nine Changes (*pp.* 47–49 & 214–222)
 - b. The Five Pitfalls (*pp.* 50 & 223–225)
- 9. ON THE MARCH
 - a. Position (*pp.* 51–54 & 226–235)
 - b. Signs (*pp.* 54–59 & 236–245)
 - c. Mutual Trust (*pp.* 59–60 & 245–247)
- 10. FORMS OF TERRAIN
 - a. The Way of Terrain (*pp.* 61–63 & 248–254)
 - b. The Way of Defeat (*pp.* 63–65 & 254–258)
 - c. The Way of the Superior General (*pp.* 65–68 & 258–264)
- 11. THE NINE KINDS OF GROUND
 - a. The Nine Kinds of Ground (*pp.* 69–72 & 265–277)
 - b. Flexible Maneuver (*pp.* 72–73 & 277–279)
 - c. Human Nature (*pp.* 73–78 & 279–290)
 - d. The Way of Invasion (*pp.* 78–83 & 290–303)
- 12. ATTACK BY FIRE
 - a. Attack by Fire (*pp.* 84–87 & 304–310)
 - b. The Way of Peace (*pp.* 87–88 & 311–313)
- 13. ESPIONAGE
 - a. Prior Information (*pp.* 89–90 & 314–317)

b. The Way of Espionage (*pp.* 91–95 & 318–325)

