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THE ART OF THE STRATEGIST



10 ESSENTIAL PRINCIPLES
FOR LEADING YOUR
COMPANY TO VICTORY



A PDF COMPANION TO THE AUDIOBOOK

The Art of the Strategist

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For Every Leader, Strategy Is the Key to Success

Figure A-1

THE BATTLE OF CANNAE, PHASE I

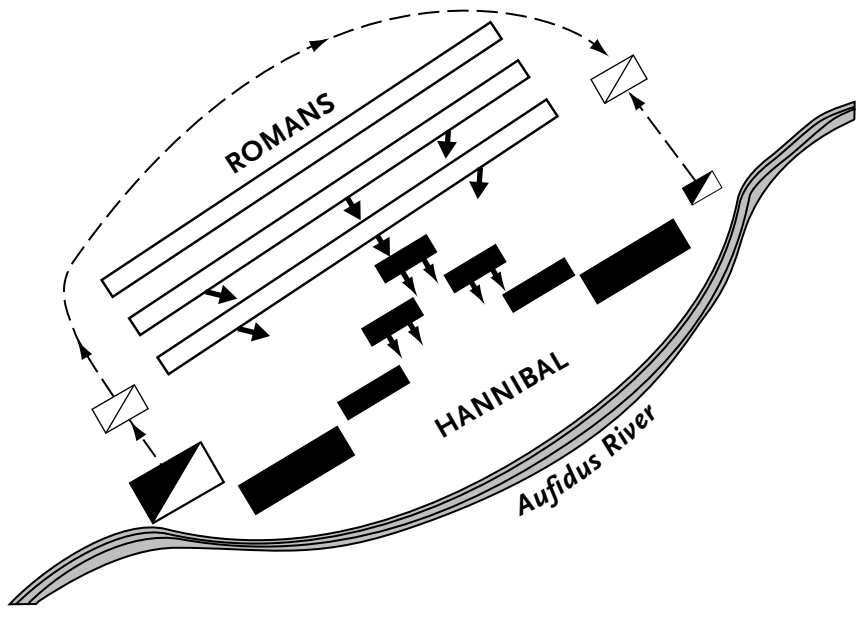
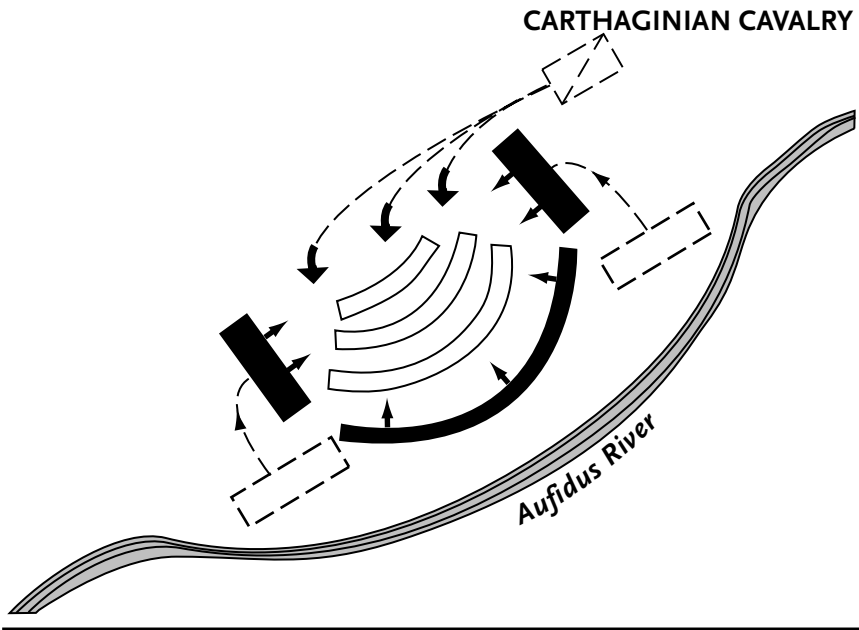


Figure A-2

THE BATTLE OF CANNÆ, PHASE II: THE POWER OF STRATEGY



CHAPTER B

Determining the 10 Essential Principles of Strategy

Figure B-1

SAMPLES OF PRINCIPLES OF STRATEGY FROM VARIOUS SOURCES*								
<i>Principles and Alternate Titles</i>	<i>U.S. Army</i>	<i>U.S. Air Force</i>	<i>U.K.</i>	<i>USSR</i>	<i>Sun Tzu</i>	<i>Mao</i>	<i>Clause- witz</i>	<i>Fuller</i>
Aim Purpose Objective Direction	X	X	X		X	X	X	X
Initiative Offensive	X	X	X		X	X	X	X
Concentration Mass	X	X	X		X	X	X	X
Economy of Force	X	X	X				X	
Maneuver Mobility Movement	X	X			X	X	X	X
Unity of Command	X	X				X		
Cooperation Coordination	X				X			
Security	X	X	X					X
Surprise	X	X	X		X	X	X	X
Simplicity	X	X						
Flexibility Freedom of Action Autonomy			X			X		
Administration			X					
Morale Spirit			X	X		X	X	
Exploitation Pursuit							X	
Quantity/ Quality of Divisions				X				
Armament				X				
Ability of Commanders				X				
Stability of the Rear				X				
Timing/Tempo		X						
Logistics		X						
Cohesion		X						
Continuous Action						X		

*Adapted from John M. Collins, *Grand Strategy*, U.S. Naval Institute, Annapolis, 1973, p. 23.

Economize to Mass Your Resources

Figure 3-1

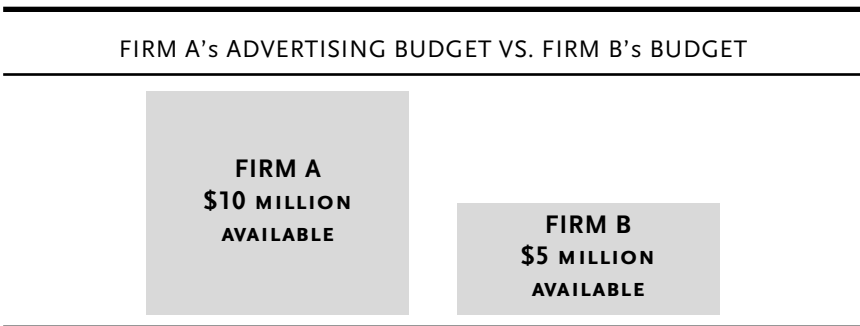


Figure 3-2

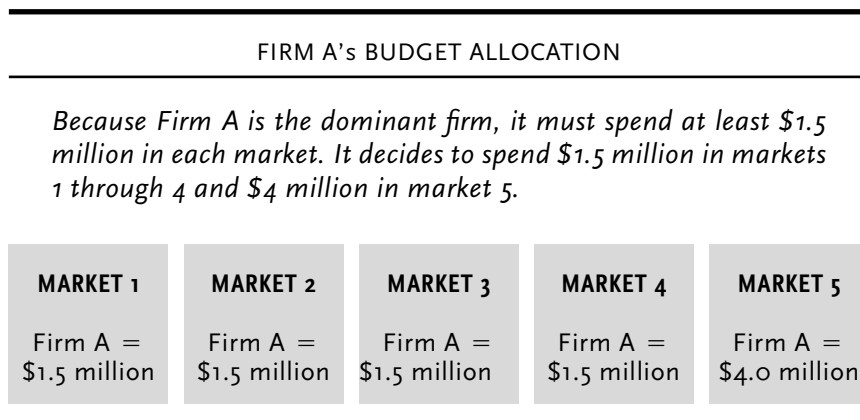


Figure 3-3

FIRM B's BUDGET ALLOCATION

Firm B can spend its \$5 million any way it chooses. If it spends \$1 million in each market, it loses to Firm A in every market.

MARKET 1	MARKET 2	MARKET 3	MARKET 4	MARKET 5
Firm A = \$1.5 million	Firm A = \$1.5 million	Firm A = \$1.5 million	Firm A = \$1.5 million	Firm A = \$4.0 million
Firm B = \$1.0 million	Firm B = \$1.0 million	Firm B = \$1.0 million	Firm B = \$1.0 million	Firm B = \$1.0 million

Figure 3-4

FIRM B's BUDGET AFTER MASSING ITS RESOURCES

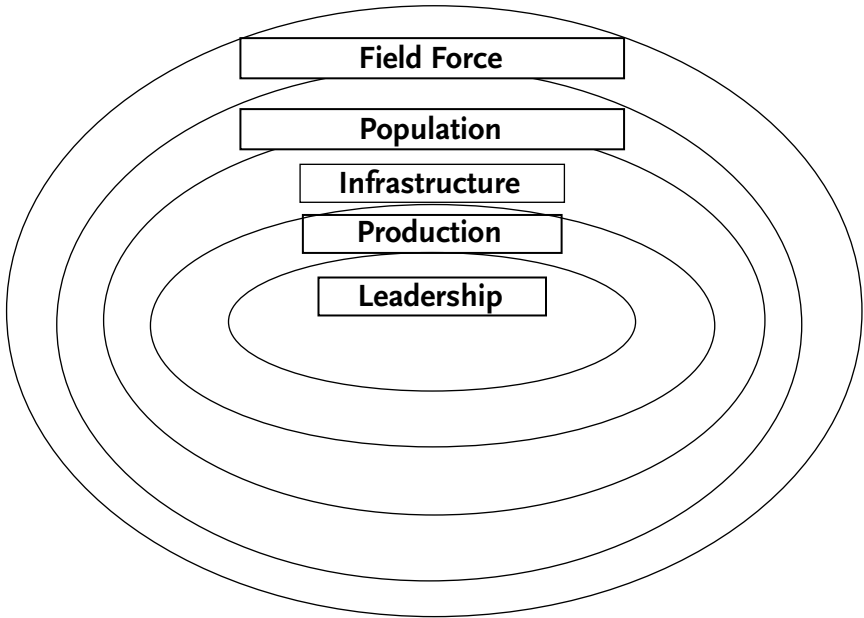
If Firm B masses all its resources in any one market, it will defeat Firm A in that market, even if it happens to choose its competitor's strongest market concentration (market 5).

MARKET 1	MARKET 2	MARKET 3	MARKET 4	MARKET 5
Firm A = \$1.5 million	Firm A = \$1.5 million	Firm A = \$1.5 million	Firm A = \$1.5 million	Firm A = \$4.0 million
Firm B = \$5.0 million or \$0	Firm B = \$5.0 million or \$0	Firm B = \$5.0 million or \$0	Firm B = \$5.0 million or \$0	Firm B = \$5.0 million or \$0

Use Strategic Positioning

Figure 4-1

WARDEN'S FIVE-RING CONCEPT OF CENTERS OF GRAVITY



Prepare Multiple, Simultaneous Alternatives

Figure 7-1

ON THE ROAD TO REACHING AN OBJECTIVE, THE STRATEGIST WILL ENCOUNTER ROADBLOCKS

Roadblocks are a fact of life for strategists. Expect the unexpected. Humans are often unpredictable, so the human factor must be considered. Weather can be an influencing factor. Economies can take unanticipated turns. A planned, alternative approach allows the strategist the flexibility of continuing toward the goal without a major delay.

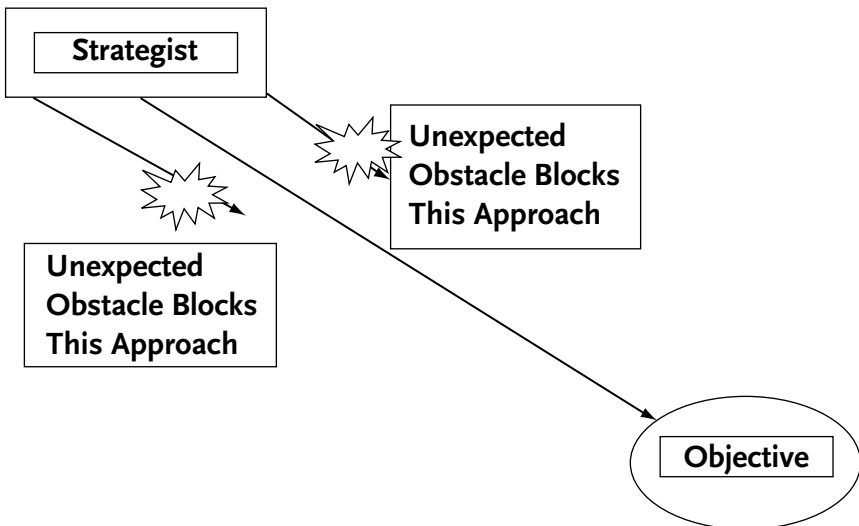


Figure 7-2

AN ALTERNATIVE SIMULTANEOUS APPROACH PERMITS IMMEDIATE REFOCUSING, SO THE STRATEGIST CAN GO ON TO HIS OBJECTIVE, DESPITE COMPETITION.

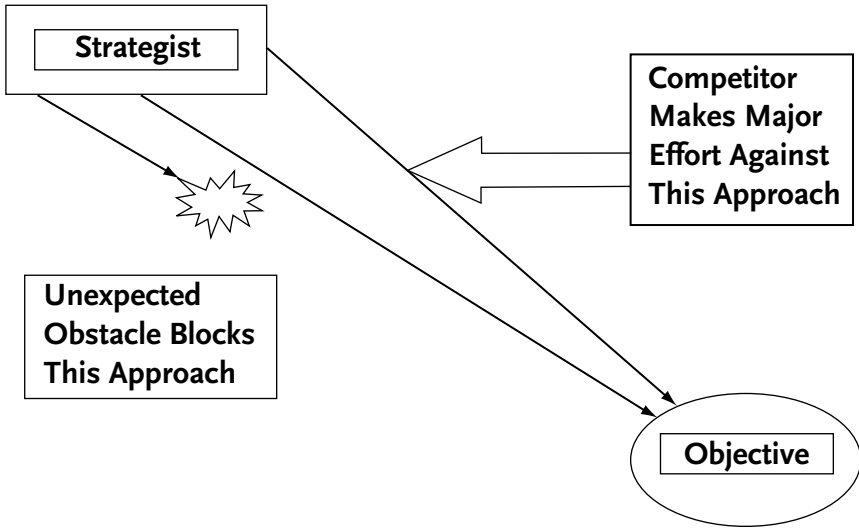


Figure 7-3

HOW MULTIPLE ALTERNATIVES CAN POSITION OUR COMPETITORS ON THE "HORNS OF A DILEMMA"

No matter what our competitor does, he suffers negative consequences when multiple alternatives are deployed. Note that this can also be accomplished with an alternative objective.

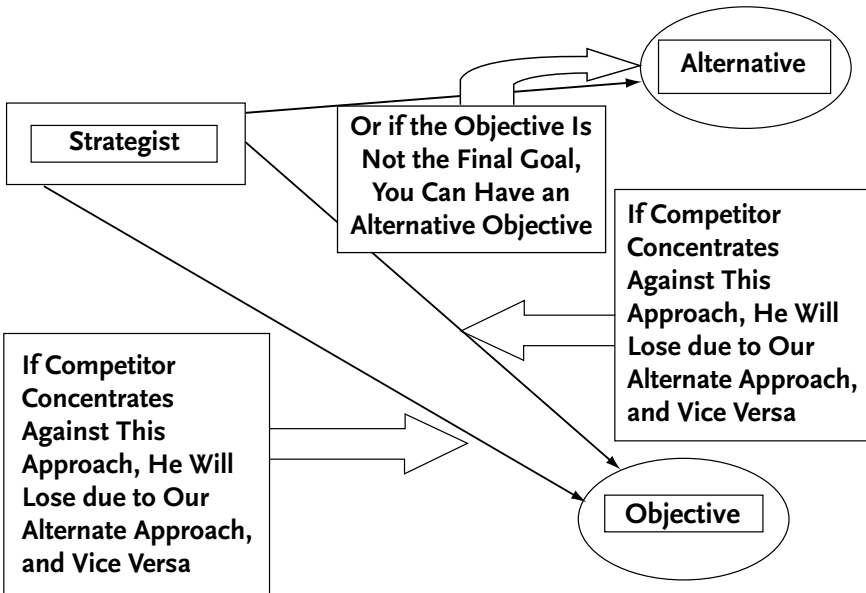


Figure 7-4

FLEXIBILITY AND ALTERNATIVE APPROACHES

The strategist must be flexible in reaching the objective, even as the objective remains constant. If the strategy employed is not working, or not working as well as it should, it is foolish to continue it. Use an alternative approach.

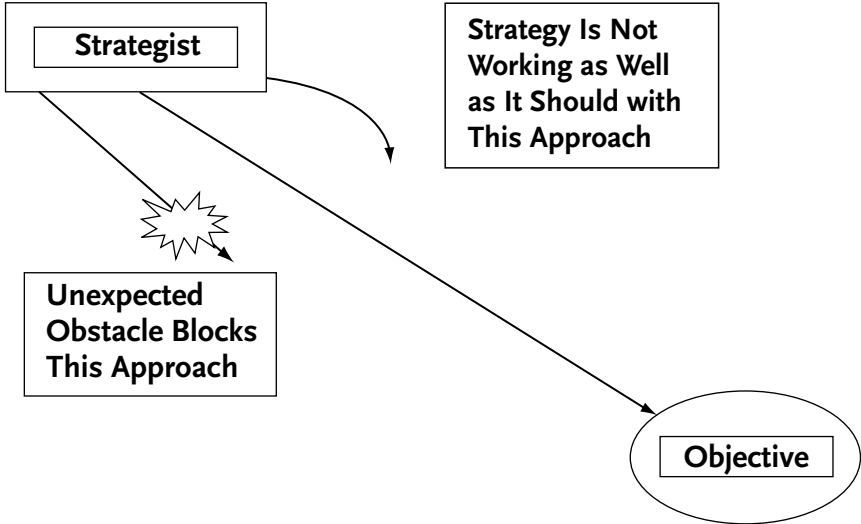
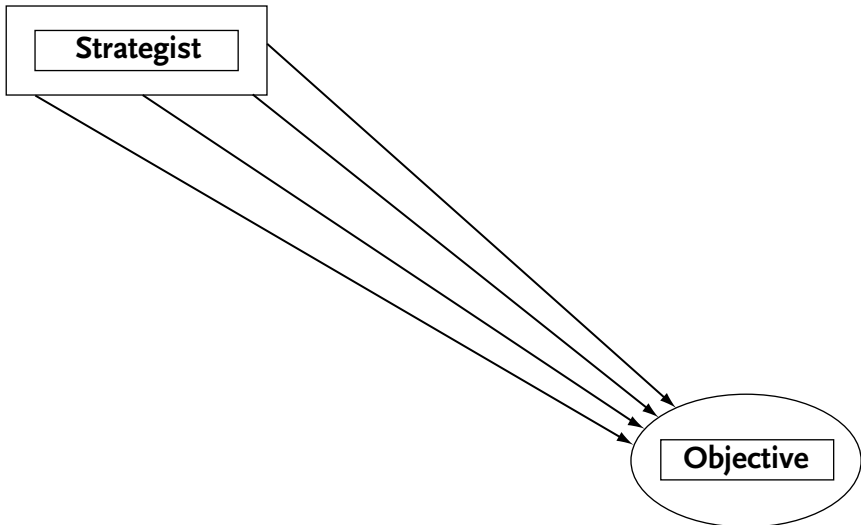


Figure 7-5

MULTIPLE, SIMULTANEOUS APPROACHES TO CREATE A MAXIMUM EFFORT FOR MAXIMUM IMPACT AND SALES



Take the Indirect Route to Your Objective

Figure 8-1

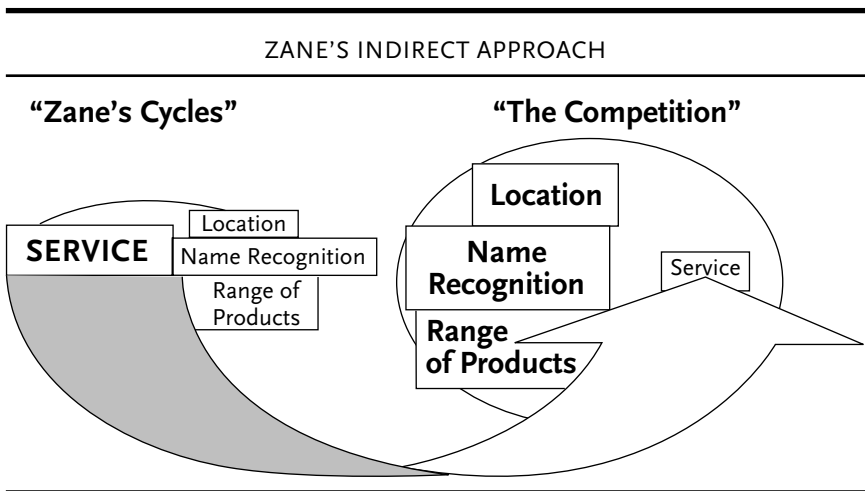


Figure 8-2

COMPETITIVE ARENA MAP

	Company A	Company B	
PRODUCTS	<ul style="list-style-type: none"> Ground-Air; Short Range Ground-Air; Medium Range Ground-Air/Space; Long Range Ground-Ground; Short-Medium Range 	<ul style="list-style-type: none"> Sea-Ground; Long Range Air-Ground; Short Range Air-Air Sea-Sea; Short-Medium Range 	<ul style="list-style-type: none"> Ground-Ground; Long Range Air-Ground; Long Range Space-Ground; Long Range Air-Ground; Intermediate Range Air-Ground; Short Range Air-Air Space-Space
SERVICES	<ul style="list-style-type: none"> Consulting Feasibility Studies Trade-off Studies Applied Research Pure Research Development Testing 	<ul style="list-style-type: none"> Consulting Flexibility Studies Trade-off Studies Applied Research Pure Research Development Testing 	<ul style="list-style-type: none"> Consulting Feasibility Studies Trade-off Studies Applied Research Pure Research Development Testing
COMPONENTS	<ul style="list-style-type: none"> Warhead Guidance Air Frame/Space Frame Propulsion Defense Launch 	<ul style="list-style-type: none"> Warhead Guidance Air Frame Propulsion Defense Launch 	<ul style="list-style-type: none"> Warhead Guidance Air Frame/Space Frame Propulsion Defense Launch
PARTS	<ul style="list-style-type: none"> Electrical Mechanical Hydraulic Fuels Armor Explosive 	<ul style="list-style-type: none"> Electrical Mechanical Hydraulic Fuels Armor Explosive 	<ul style="list-style-type: none"> Electrical Mechanical Hydraulic Fuels Armor Explosive
	U.S. Army	U.S. Navy	U.S. Air Force U.S. Marine Corps

Source: Adapted from William A. Cohen, *The Practice of Marketing Management, Second Edition* (New York: Macmillan, 1991), p. 154.

Figure 8-3

SEGMENTATION MATRIX MAP

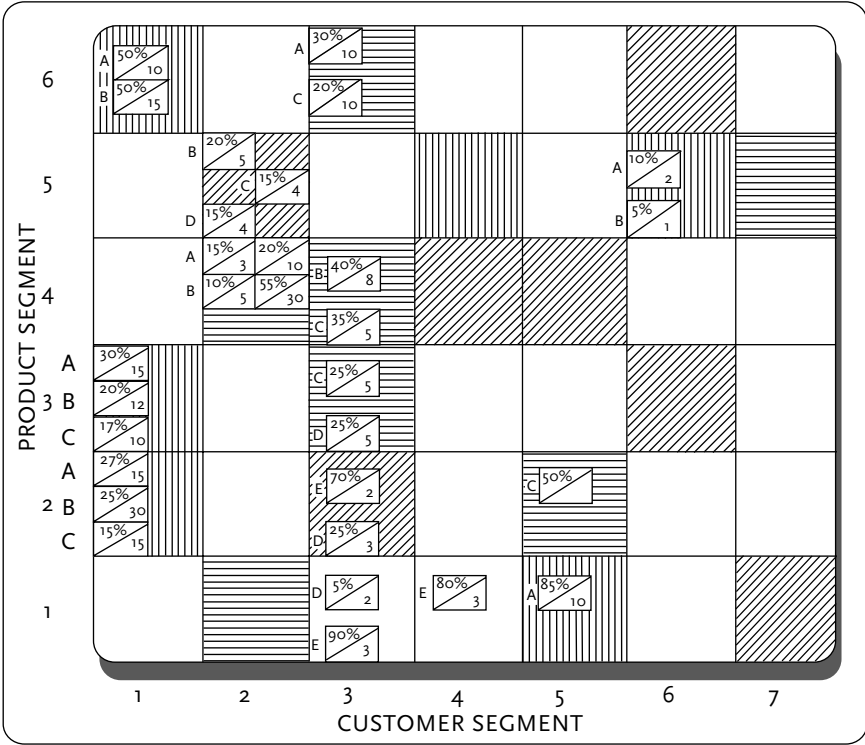
PRODUCT SEGMENTATION		SEGMENTATION MATRIX MAP		
Plain Toothpaste	Colgate—Palmolive Procter & Gamble	Colgate—Palmolive Procter & Gamble	Colgate—Palmolive Procter & Gamble	Colgate—Palmolive Procter & Gamble
Toothpaste with Fluoride	Colgate—Palmolive Procter & Gamble	Colgate—Palmolive Procter & Gamble	Colgate—Palmolive Procter & Gamble	Colgate—Palmolive Procter & Gamble
Gel	Colgate—Palmolive Procter & Gamble Lever Bros.	Colgate—Palmolive Procter & Gamble Lever Bros.	Colgate—Palmolive Procter & Gamble Lever Bros.	Colgate—Palmolive Procter & Gamble Lever Bros.
Striped	Beecham, Inc.	Beecham, Inc.	Beecham, Inc.	
Smoker's Toothpaste		Topol	Topol	Topol
Pump Packaging	Oral-B	Colgate—Palmolive Procter & Gamble	Colgate—Palmolive Procter & Gamble	Colgate—Palmolive Procter & Gamble
	Children/Teens	Age 19–34	Age 36+	

CUSTOMER SEGMENTATION

Source: Adapted from William A. Cohen, *Winning on the Marketing Front* (New York: John Wiley & Sons, 1986), p. 63.

Figure 8-4

THREE-DIMENSIONAL BATTLE MAP



Exploit Your Success

Figure 10-1

THE TWO TRAPS THAT CAN BLOCK THE PATH TO COMPLETE VICTORY

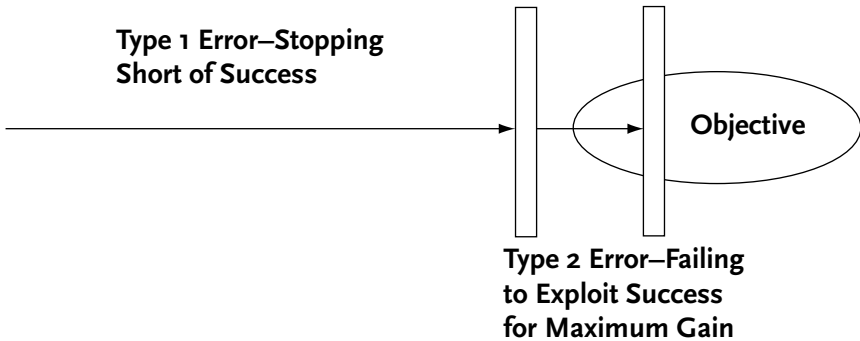
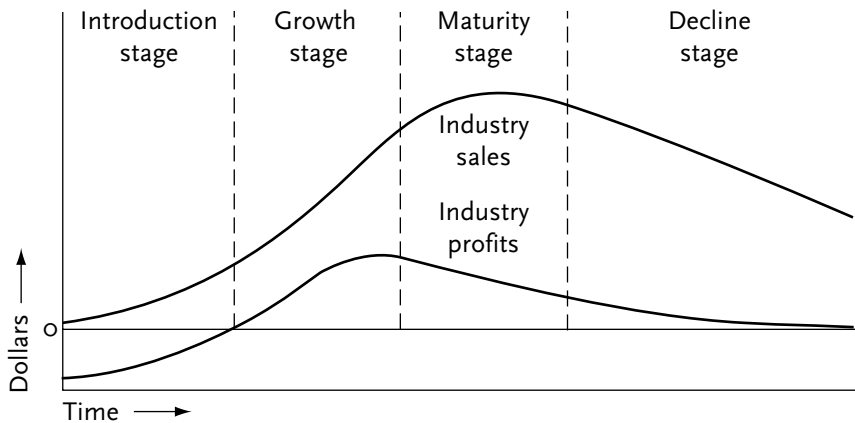


Figure 10-2

A PRODUCT LIFE CYCLE PLOTTED WITH INDUSTRY SALES AND PROFITS



Strategy Must Be Tailored to Fit the Environment

Figure 11-1

ELEMENTS OF THE ENVIRONMENT IMPACTING ON STRATEGY



How to Apply the Principles of Strategy

Figure 13-1

CRITERIA FOR EVALUATING A GIVEN SITUATION TO DEVELOP A STRATEGY		
<i>Situational Variables</i>	<i>Principles of Strategy</i>	<i>Available Resources</i>
Economic conditions	Commitment to a definite objective	Manpower
Business conditions	Seizing and maintaining the initiative	Capital
State of technology	Economization to mass	Equipment
Politics	Positioning	Special knowledge
Legal and regulatory issues	Surprise	Leaders
Social and cultural norms	Simplicity	Other relevant resources
The competition	Multiple simultaneous alternatives	
Other relevant variables	The indirect approach	
	Timing and sequencing	
	Exploitation of success	