

HR lessons from Sun Tzu's *The Art of War*

Part 2

Seeing HR through different eyes will give you a new perspective on its role in the organisation.

By **Dr M. Amr Sadik**

In Part One, in the January 2016 issue, we considered how some of Sun Tzu's principles apply to HR practices. This month we consider more of his principles.

Staffing principle

Sun Tzu said, "A supreme of high character and intelligence must be able to know the right man, should place the responsibility on him, and expect results."

What can be more important than finding and hiring the best people, and then giving them the opportunity to realise their full potential? The organisation's ability to hire, develop and retain employees may be the single most critical determinant of organisational success in today's stiff competition. Finding and appointing the right people is imperative, but providing them with the

appropriate opportunity to excel cannot be ignored. Staffing the organisation is a critical task, particularly when it comes to hiring of talent. Selection is the process of choosing the right individuals with the right qualifications to fill jobs. Without such qualified employees, the organisation's success is at a stake.

In reality, the process of building a company with good to great employees starts with the hiring process. HR practitioners who can manage the selection process for their organisations by hiring the right candidates the first time have the competitive edge. And, when employees are matched with the right jobs, then the amount and quality of work is more positive.

Therefore, to staff your organisations with the right candidates, you need to think of (1) defining the required skills, (2) attracting the right people, and (3) selecting the best person, and you are ready for the battlefield.

Culture principle

Sun Tzu said, "The Art of War, then, is governed by five constant factors, to be taken into account in one's deliberations, when seeking to determine the conditions obtained in the field. These are: (1) The Moral Law; (2) Heaven; (3) Earth; (4) The

Commander; (5) Method and discipline."

Moral law is defined in various dictionaries and literature as beliefs, values or ethics followed by people in a society or community. In this interpretation, it refers to organisational culture and how people behave within an organisation.

The "moral law" as explained by Sun Tzu means that a leader must win his/her people's heart, making them think the same things as s/he does, so that they are willing to make sacrifices for him/her. Leadership and organisational culture are closely related: the leader may influence organisational culture and vice versa.

Organisational culture founded on values, beliefs and norms that are embraced by leaders daily – in what they say and what they do – are those that will take root and remain. Leaders who honour people's basic need for health, security, recognition, belonging and a sense of purpose in a manner that aligns with cultural traits of an organisation provide an environment that motivates and builds the organisational synergy required to breed success. The culture institutes standards of tolerable behaviour and an understanding of organisational operating styles.

HR practitioners must be able to define organisational culture in order to be able to manage it. As mentioned in *In Search of Excellence*, Peters and Waterman drew a lot of attention to the importance of culture to achieving high levels of organisational effectiveness. Such culture can be instigated in any of HR activities such as recruitment, selection, performance management, reward system, interpersonal communication and so forth. The HR professional becomes the "de facto" agent of culture change.

Therefore, how to develop a culture that benefits the development of an organisation has become a very important issue for HR practitioners. HR plays a significant part in the process of embedding it and supporting leaders as they walk the talk.

"Heaven" refers to the analysis of the market trend. Sun Tzu means the changes in times and seasons, such as night and day, rain and shine, and cold and heat, which, when broadly applied to business operations, may include the analysis of market changes and future development of business.

But, for HR, it means workforce trends, retention issues and war for talent, employees' satisfaction and any other issues that can impact directly or indirectly on the composition of the workforce for an organisation. Thus, HR practitioners ought to

prepare such analysis when developing their annual HR plan.

"Earth" equals the evaluation of environmental traffic. Sun Tzu's earth means great location, including the distance and convenience of traffic, height of location and width of the store space. HR plays an important role in ensuring employee health and safety, as they know the workplace, the employees and their job demands, by creating healthy working environment through considering the physical conditions like lighting, heating and air-conditioning, as well as workplace safety to prevent and/or mitigate loss, risks to or from personnel, threats to its physical assets, damage to its technology and intellectual property, or risks of any other kind arising from all elements surrounding the work environment.

The "Commander" signifies the criteria for recruiting talent. As mentioned earlier, Sun Tzu's commander equals leader, who should possess five qualities – wisdom, sincerity, benevolence, courage and strictness. As the competitive ability of a business comes from high quality supervisors, how to find excellent talent that match the features, culture and job needs of the organisation is depends heavily on a sound recruiting system.

"Method and discipline" refer to the establishment of rules and regulations. By "method and discipline", Sun Tzu means the establishing of the organisational structure, the allocation of rights and duties.

Therefore, creating coherence and harmony within the organisation, making employees cooperate well with one another so as to manifest the values, beliefs and mission shared by group members becomes a necessity for successful HR practices.

Rewards principle

Sun Tzu said, "For them to perceive the advantage of defeating the enemy, they must also have their rewards."

Rewards are necessary for the soldiers to see the advantage of defeating the enemy. Therefore, Spoils of War must be used as rewards. In war the spoils of the enemy might vary from supplies, food, weapons, ammunition, horses or any material item of value that is confiscated at the end of a battle. It is important to reward the troops to keep them engaged and motivated for the next battle.

Likewise organisations have their own spoils but in the form of profits, financial results and stocks that are gained from competing in the market place. If a company has a successful year, wins new business

and posts great financial results, the profits must be used as rewards so that employees will have a keen desire to perform.

If only the Executives earn the rewards, or the owners kept it, and the employees are continuously told there is no money left, there will be negative consequences. Engagement will drop, the quality of work will be impacted, and eventually the people will lose any desire to win the next battle.

Employees will give their maximum when they feel that the management will reward their efforts, initiatives and performance. If employees aren't rewarded for their performance, the only incentive is to avoid being punished for doing poorly. This is a great way to breed an apathetic and mediocre workforce. So give them praise and encouragement. Share with them the spoils of war, and they'll be ready to fight.

Thus, HR practitioners should create a reward system that recognises employee performance and behaviour. Performance is the easiest to address because of the direct link between the initial goals set by the organisation for the employees and the final outcomes that result in 'Pay for Performance'. What about rewarding behaviour?

In war, the victorious general should share the spoils of war with his men because it was by their effort and their sacrifice that victory was achieved, and in business too, board members, GMs, CEOs and/or owners must share the profits with their employees who were doing the actual work for them.

Finally, organisations that hope to reap the rewards of a committed, empowered workforce have to learn to stop kidding themselves and know that they will be out of business faster than they may think when their brains and muscles leave them, and soon will be defeated in the war of business.

Training principle

Sun Tzu said, "Without constant practice, the officers will be nervous and undecided when mustering for battle; without constant practice, the general will be wavering and irresolute when crisis is at hand."

In warfare, skilled troops establish positions that make them unbeatable and do not miss opportunities to attack what the enemy values most, when they become vulnerable.

Similarly, in organisations that don't have training programmes may lose good employees who want to progress in their career and consequently lose the competitive advantage or, if they try to retain good staff without investing in them, often end up being the loser in the war for talent.

Training and developing the workforce is not something to be taken lightly. It calls for the

same rigorous approach to strategy, planning and return on investment.

As Jeffrey Pfeffer mentioned in his book, *Competitive Advantage through People: Unleashing the Power of the Work Force*, if competitive advantage has to be achieved by people, then the skills of those people are critical.

Finally, the writings of Sun Tzu in *The Art of War* offer tremendously valuable insights into the mental state needed to succeed in the management of modern business and its human capital.

Going through the art of war can help anyone reach and maintain success, whether in business, school, relationships or other things. So much knowledge could be taken from the history. ■

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“ “ If the past cannot teach the present and the father cannot teach the son, then history need not have bothered to go on, and **the world has wasted a great deal of time.**”

Russell Hoban

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