



Executive Book Summaries[®]

Competitive Success

Building Winning Strategies with Corporate War Games

by **Arjan Singh**



Contents

Introduction

Page 2

Chapter 4: How is War Gaming Better Than Traditional Planning?

Page 3

Chapter 6: Identifying Your War Game Objectives

Page 3

Chapter 10: Gathering Intelligence

Page 5

Chapter 13: Conducting the War Game

Page 7

THE SUMMARY IN BRIEF

The speed at which markets evolve today impacts the future of your company and the only way to succeed in this fiercely competitive business landscape is to see it as a battlefield, build your weapons, and play to win.

The book *Competitive Success: Building Winning Strategies with Corporate War Games* helps businesses deploy the power of War Game workshops to succeed in today's competitive landscape. The pages within guide us to build data-driven strategies through war games, run competitive and strategic analyses, and ultimately create a detailed plan to make a substantial impact.

Having run over 200 successful war games for top Fortune 500 businesses, author Arjan Singh reveals how war gaming gives companies a solid competitive edge to stay ahead. From running comprehensive competitive analysis to scenario planning to detecting early warning systems in business, he offers readers a clear roadmap for businesses to build sustained resilience.

IN THIS EXECUTIVE BOOK SUMMARY:

- Learn how to build and deploy Corporate War Game workshops in business.
- Discover what it takes to achieve success in today's competitive business landscape.
- The strategy behind running competitive analysis to deliver a significant impact.

Introduction

Sure, in business, the battlefield isn't along a front and the stakes aren't life or death, as it is in war. The battlefield in my war game is the competitive marketplace and the stakes are winning. Money, power, and fame are certainly drivers, but a large part of success is the feeling of satisfaction and self-confidence that results from beating the competition and coming out on top. By war gaming, you open your mind to the fact that anything can happen.

You don't want to find out that your strategies are going to get trumped by the competition and you lose millions of dollars. Winning is the whole premise of doing a war game. This book can help you win. If you want to win, keep reading.

Chapter 1: What Is a War Game?

War games are a powerful business tool that can accomplish a lot in a relatively short time, but they need to be aligned to key business challenges to be valuable. War games for business purposes are enlightening and engaging analytical exercises that can lead to truly creative solutions. War games are structured role-playing workshops used to generate insights to help develop and refine strategy. A variety of wargaming workshops are designed to simulate different future competitive environments, but we will focus on the three main types in this book:

- **Tactical War Game:** How to compete in a specific market against known competitors.
- **Operational War Game:** Where to compete in a changing market with an uncertain set of competitors.
- **Strategic War Game:** How the market is likely to evolve with uncertainty around market structure and competitors.
- War games have four main benefits in a business environment because they:
 - Create an environment where participants can openly discuss their company's assumptions around the competitive environment and align with their own assumptions.
 - Help engage various stakeholders in the decision-making process to collectively achieve buy-in, identify gaps in market knowledge and create a defensible business strategy.
 - Highlight the assumptions that market players have about the competition, the market, and themselves,

as well as highlight the key differences between the company's and others' assumptions.

- Help assess and anticipate potential changes in markets so that a company can predict what other key players are likely to do.

Chapter 2: Building Winning Strategies

Your market is your war. Your winning aspiration is a goal statement that briefly describes how you'll win your war. It includes your organization's desire, future state, business model, and market. The definition of winning is different for every company. It's based on each company's realities, structure, resources, culture, and history. Once you define your market in the broadest terms possible, you can set your winning aspiration for the war. Winning can be two things:

- It can be aspirational, i.e., where you want to end up. If you're not there, then how do you get there? Are you doing the right kind of activities to bridge the gap between where you are right now and where your aspirations lie?
- Or it could be positional, i.e., holding your top spot. If you're already winning, then how do you continue to maintain your leadership in this space, and continue to be successful?

Calculate your planning horizon. Your planning horizon is how long you're going to engage in the war, or just the next battle. Growth is a huge driver for companies. But there's a big difference between organic and exponential growth. Organic growth can be said as follows: Let's just book the next deal, then the next, and the next, and then we'll kind of go from there. But if you want exponential growth and to have a deliberate vision for the future, then determining your planning horizons (short-and long-term) will help you.

Chapter 3: Core Attributes for Competitive Success

Over my years of consulting, I've noticed a pattern with successful companies that have the right winning characteristics. I call these the ten attributes for competitive success, which you can apply to any industry. These ten characteristics in their entirety make the difference between a mediocre company and a profitable, healthy enterprise. War gaming will help any company or individual attain all of these:

- Embracing and Learning from Failure.

Just because leadership is thinking about the marketplace in a particular way doesn't mean that the competition is thinking of it that way, too.

- Making Quicker Decisions and Fast Execution.
- Thinking Globally, Acting Locally.
- Defining Your Business and Setting Goals.
- Offering a Unique Value Proposition.
- Banking On A Solid Reputation and Ethics.
- Focusing On Customers.
- Learning From the Competition.
- Maximizing Skill Sets and Playing As a Team.
- Innovating to Win.

Chapter 4: How is War Gaming Better Than Traditional Planning?

In war gaming, you start with divergent thinking, create choices, and ultimately you converge. This allows for creative thinking and speculation into all the possibilities. Traditional planning is a very linear process to go through. It doesn't encourage diversity of thought and exploration of all the different opportunities that exist. With traditional planning, leadership starts with assumptions baked in (called historical context) and starts planning as if the status quo will carry on, undisrupted.

Just because leadership is thinking about the marketplace in a particular way doesn't mean that the competition is thinking of it that way, too. Since there is no safe forum for challenging assumptions in traditional planning, leadership ends up being carried away by groupthink. Yet they confirm one another's bias and carry on.

War gaming helps leadership to really challenge confirmation bias. Are you asking divergent questions in the right way, with the aim of narrowing down your choices, or are your choices already narrow? And is your perspective from the outside-in, as if from the competition, or is this just internal thinking, based on the status quo? Are you ready to plan your war game? In the short next chapter, I will walk you through the process of narrowing down your war game to a single core issue.

Chapter 5: How Do I Get Started?

The war game process can be divided into 3 distinct phases: planning, conducting, and reporting. The pre-gaming phase defines the objectives for the game, identifies the companies that will be represented, prepares a Briefing Book, selects and invites attendees, and determines the logistics for the war game.

A war game can be conducted over a day or more depending on objectives and the time available. It can be in person or virtual. War games are concluded with the delivery of a final report, or your Playbook a few days after the event. The Playbook outlines the details of the war game, the insights generated, and the recommendations from the event. This report is circulated to key stakeholders and is used as a guiding document for implementing the proposed actions in business planning that came out of the war game. Each war game must be customized depending on the issues being addressed and the desired outcomes, the companies being represented, and its final schedule.

The first step in planning a war game is to define the key business issues to address and the core objectives of the game. You can start this process by engaging with stakeholders from different departments to formulate the issues to consider and to determine the level of current understanding of these issues.

Your issues can be either long-term/strategic or short-term/tactical. Strategic issues involve changes in your competitive environment, such as regulatory or marketplace. If there is a particular competitor that's eating your lunch by winning a lot of different contracts, or you're planning an upcoming product launch, or anticipate a loss of exclusivity, this is an opportunity to tactically war game from a short-term perspective.

Chapter 6: Identifying Your War Game Objectives

Now we will begin creating your Briefing Book, which you'll use for your war game, distributing copies to each of your teams. The Briefing Book contains information that you'll input by working through each chapter up to chapter 10. At

that point, we get into the war game itself.

War gaming gives insight into three foundational issues:

- How to win (tactical war gaming): When you have a strategy but need to test it.
- Where to play (operational war gaming): When you can see a change on the horizon but aren't sure how to respond.
- What the game will be (strategic war gaming): When you have a lot of competitors, disruptions are coming, and you don't know what your operating environment's going to look.

To know if you're ready, you need to ask yourself these four questions:

- How confident are you in your current strategy? If you feel that your company lacks the confidence to take risks and innovate, and you really want to have a culture where it's OK to make mistakes, then make your mistakes and try things out in a war game environment.
- Can you think strategically and make realistic assumptions? Those two skills are complementary. For strategy, you need to be able to think from a 30,000-foot point of view, or more holistically. This helps you make assumptions based on the overall reality of your industry.
- Can you challenge your assumptions? Can you think strategically and challenge your company's assumptions?
- Are you prepared for change? You also need to be prepared to make changes to your plan based on the results of the simulation.

Chapter 7: Assessing The Field of Battle

To determine where your next battle will occur, you can look at two kinds of risks: event risk and trend risk. Event risks are black-swan events, like a global pandemic or an environmental disaster. These are the uncertainties. Trend risk is based upon the knowns or the events that are happening to an industry, in general, e.g., the US population is aging, and the demographics are changing. For this type of war game, you stress test your strategy by war gaming it.

Map your battlefield. The key drivers are what's pushing the trends along in any given industry. It's not enough to know what the trends are - you also need to know what is behind the trends so you can anticipate different solutions.

What are the key drivers of your industry? Which one do you want to focus on right now? Where do you want to do your battle? Because you cannot fight every battle all at once. You don't have the resources. Check inventory before the battle. Having financial resources is one thing, but having the right skill sets is another. Finally, weigh the odds. To know what's at stake on your battlefield, you must look deeper than the surface.

Chapter 8: Understanding the Key Competitors

Understanding your competitors and their perspectives is key to advancing your business forward. Start with sizing up your existing competition. Your competitor's toolkit is their capabilities, weaknesses, and assumptions. What does the competition think about the market? What do they think about themselves? And most importantly, what do they think about your company? The best strategy for any battle is to respect your competition, even if they're small because winning isn't about having the most resources; it's about resourcefulness.

Uncover new competitors and outside forces and identify your current and prospective customers. Finally, take an offensive stance. You don't want to be in a position where you're waiting for things to happen in the market, and then you'll act. This is a reactive or defensive strategy. From an offensive perspective, if you proactively identify actions that your competition is likely to take, you can preemptively strike.

Chapter 9: Analyzing Previous Battles

It's important to examine past battles with your competition and make intentional, strategic choices for the future.

Strategy is done in two different parts: formulation, which is the future, goal-oriented thinking about where you want to be in the future, and execution, which is how you're going to get there. A disconnect between formulation and execution indicates that all you really have are ideas. A lot of companies fail because of this, especially startups.

When you look at past battles, analyzing and reflecting, avoid making snap decisions about what went wrong or right. You might have tried something six years ago and it didn't work out, but that doesn't mean that the same would necessarily hold true today. Laying out the assumptions and ask: What really happened? Why did it happen? What were

When you look at past battles, analyzing and reflecting, avoid making snap decisions about what went wrong or right.

the conditions that enabled that situation and are things different right now?

Document your organizational memory. When you regularly war game for your strategic planning, you have Playbooks that you can refer to. The key is to reflect and war game new strategies as often as possible.

Reflect on your value proposition and your customers. For external reflection, ask yourself: In our previous battles, who connected with our customers more effectively? Could we have helped our customers gain satisfaction or a solution better than the competition? For internal reflection, ask yourself: If we failed our customer in some way, or proved successful, was this due to internal operations rather than comparing ourselves to the competition? Maybe your customer service lines are horrible, there was no follow-through, or you didn't have the right answer. Be intentional in your reflection and reflect on what other companies did as well.

Chapter 10: Gathering Intelligence

Competitive intelligence is where you look behind the surface, or under the competition's skin to understand the bones of their operation. Remember, with competitive intelligence, you must dig deeper.

- The first question you ask your team is, what are we interested in, whether it's an established competitor, emerging competitors, or other entities? Is our interest longer or shorter term?
- The second question you ask is the following: What do we need to know about them? What information is crucial?
- To legally and ethically gather competitive intelligence, rely on:
- Open sources. This is where search engines, like Google, are a great starting point. But you don't stop there at the easily available information.
- Primary research. You need to think outside the box, here. Follow the flow of information. Put the story to-

gether with multiple data sets. The most valuable, and the most complicated part.

There are two forms of competitive intelligence: Tactical and Strategic. Tactical intelligence answers questions such as: What are we selling? Whom are we selling it to? How is the competition going to attack us? How do we compete today? What's the competition's product? What's their price? How are they promoting it? What's their distribution? It's about here-and-now business for the short term. Sales and marketing rely heavily on tactical intelligence.

Strategic intelligence is much more future-oriented and answers questions such as: What will the macro environment look like, and how do we prepare for the future? What are the core dynamics of the industry? How is the industry changing? How is the operating environment changing? Which type of intelligence you gather depends on your company's time horizon.

This is the difference between interesting and actionable intelligence. Determining whether intelligence is just interesting or actionable is where the filtration comes in. Private companies generally release a lot less information, but you can still find clues in press releases, trade shows they attend, podcasts, blogs, social media, and other marketing copy. From there, you can gain an understanding of how they're thinking about the market. For private and public companies, you can also try patent analysis, which you can look up on the United States Patent and Trade Office (USPTO) website or find global patents in your search. Finally, put the pieces together by using multiple data sets.

Chapter 11: Assessing Troop Strength

At this point, you're about to move into your war game and will need to think about what resources you have at your disposal. Resources are straightforward: capital, capabilities, infrastructure, or a combination of these three. The softer part of your resources is fundamental to your war game: Do you have the morale to execute your strategy?

Your capabilities are the toolkit of your organization. Your

toolkit differentiates you in terms of how you use the same raw materials your competition has access to in novel ways. Here are a few ways to look at capabilities, but to get you thinking:

- **SWOT analysis:** strengths, weaknesses, opportunities, and threats.
- **Four corners analysis:** What is a company currently capable of, what are they currently thinking and doing, and what are they likely to do in the
- **Value chain analysis:** How your company creates value and understanding the core components of that.
- **Business model canvas:** What your core value proposition is, how you go to market, connect with customers, and run operations in terms of your systems and processes.

Break your resources down into five categories:

- **Financial** (how much capital on hand)
- **Physical** (retail locations, warehouses, and equipment)
- **Intellectual** (patents and trademarks)
- **Human** (troops, morale, and skill sets)
- **Digital** (technology, data, and underlying infrastructure)

Now, line up and survey your troops: Is your team capable or incapable of doing this war game? Going into any battle, you're going to have weaknesses and strengths. Your challenge is to figure out how this informs your strategy. Get a feel for overall company morale. As you organize your teams, you want to balance negative personalities with more positive types.

Now it's time to organize your key stakeholders into teams for your war game, considering morale and skill sets. You will make sure your teams are cross-functional, with balanced personalities as well as balanced seniority. This ensures that there's diversity of thought and that everyone contributes. Every team should be comprised of the following roles:

- **Team Lead.** The team leader should not be someone who's in a leadership position in the company, because they tend to dominate the conversations.
- **Notetaker.** This person is the team player responsible for writing down the ideas that come up in the breakouts.
- **Timekeeper.** You need one within each team, to stay on track during breakouts.
- **Team Presenter.** For each round, the teams should

appoint a different person to present their strategies to the other teams and judges, to give everyone a chance.

Now that your Briefing Book is done, you've taken stock of your resources, and thoughtfully organized your teams, it's time to start creating your Scenario Book by ideating scenarios and tactics for each round of your war game. You can find it in the appendix for this chapter's template or scan the QR.

Chapter 12: Deciding On Scenarios and Tactics

Scenarios explore a range of different future negative and positive options in terms of which way the industry, the marketplace, and the competitive environment could go. Best-case scenarios, of course, get a lot less attention, because nobody questions good news, and worst-case scenarios put everyone into defensive mode.

When most corporations ideate scenarios, everyone automatically thinks about the world ending. But sometimes scenarios could mean that the world is giving you a huge opportunity. The question for you is as follows: Are you and your company ready to capitalize on that?

Scenario planning fits into all three types of war games, but the types of scenarios that you would use differ for each:

- **Tactical short-term scenarios** help you figure out how to win, more specifically what will impede your ability to execute as you go to market.
- **Operational short-to mid-term scenarios** tend to be around more issues like your competition and your competitive environment.
- **Strategic long-term scenarios** are a future look at macroeconomic factors that will affect your competitive environment farther down the line.

For the purposes of war gaming, you go through this twenty-minute, three-step process and quickly build scenarios:

- **Step 1:** After a few rounds of strategy ask your teams: Based on the external insights that you've generated so far, what would be the most disruptive event in this marketplace? What would be disruptive to our company? What would be disruptive to the other teams? What would be disruptive to key stakeholders in that environment?
- **Step 2:** Give everyone a Post-it Note and a few minutes to fill it out, and then ask them to stick their notes

onto a wall. With twenty to forty people in the room, you very quickly see themes emerge in terms of what those potential disruptive scenarios might be.

- Step 3: Then you ask the participants to vote, choosing the top two to four disruptive things they see on the wall.

Chapter 13: Conducting the War Game

Running a war game is no easy task, but if done right, you can create a Playbook for a winning competitive strategy. Consider the logistics before entering your war game. Preparing for your war game is just as crucial as the game itself. You want to ensure everything goes smoothly, the teams have fun, and that the outputs generate big competitive wins for your company.

Make sure you have the room confirmed. On each table, have a couple of copies of the Briefing Book available for participants. Make sure you feed people, or you could get tired and hungry players who aren't good for much.

Depending on whether you want to run your war game low-tech or high-tech, this is some of the equipment you might need: Flip charts, Post-its, Pens, Notebooks, Templates (you can copy and use the templates in the appendix of this book), Projectors people can hook up to laptops, Wi-Fi depending on how connected you really want people to be.

A typical in-person war game is conducted over one or two days. Virtual war games are now also very popular as well as they save on travel costs and time. Virtual war games are generally broken into three-hour sessions over a few days to avoid screen fatigue for the participants.

Chapter 14: Moving From War Room to Real World

Competitive success does not stop at a war game, because the war game is basically just your locker room. You can't win the game unless you get out onto the field and put your strategies into play. Your Playbook, and what you do with it, is what differentiates your war game from an educational, interesting workshop to an actionable, winning competitive strategy.

Most companies, after doing a war game, realize that their winning aspiration has evolved. Revisit your winning aspiration. Pick and choose your battles. If the war game answered for you the "So what?" then after your war game, you and your team will answer the "Now what?"

Keep the momentum going with the next steps. Your next steps should be in terms of a timeline: What do you need to do within the next few months then in six months, and then in a year from now?

Conclusion

War gaming is an ongoing, lifelong process. For it to be successful, it can't just be a one-off. Integrate it into your company as part of your culture, with an open, humble, and curious mind, and you will build winning strategies that lead to competitive success. I hope that some of these stories have helped you as you embark on your war-gaming adventure.



Arjan Singh has advised 68 of Top 100 companies in the Fortune Global 500 list in building winning strategies and co-authored *Best Practices in Managing Competitive Intelligence Research: For Pharmaceutical and Biotechnology Managers*. With over twenty-six years of experience, Singh is an expert in helping companies develop data-driven strategies through war games, strategic and competitive analysis, scenario planning and building business early warning systems that deliver significant impact.

Competitive Success: Building Winning Strategies with Corporate War Games by Arjan Singh. Copyright 2024 by Arjan Singh. Summarized by permission of the publisher, Forbes Books. ISBN 979-8887503240. Summary published by Soundview Executive Book Summaries. Copyright 2024 Soundview, Inc. All rights reserved. Reproduction in whole or in part is prohibited. For permissions and reprints, please contact service@summary.com. 46SS010C