Neglected influences of wisdom of Sun Zi's *Art of War* on corporate leadership

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Abstract

The prevailing perspectives on Sun Zi's *Art of War* are predominantly strategic and limit leadership to implemented actions. This study seeks to examine the framework of an understanding of leadership actions and wisdom of Sun Zi's *Art of War*, including the values, ethics and morals. The qualitative design was used and semi-structured interviews were used in this study to answer the research questions. The inductive analysis on the participants' responses shows that their wisdom or deep knowledge and understanding are dependent on moral influences (*Dao*) such as being patient, doing away with inner greed, honesty and fairness, morality and a strategic mindset. Specifically, the themes of the influences are pointed primarily to the ethics and moral dimensions and secondly to the strategic dimension. This study has implications for extending research of roles of ethics and morality of Sun Zi's *Art of War* on leadership effectiveness.

Keywords: Sun-Zi's *Art of War*, ethics and morality, corporate leadership and inductive analysis.

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1. Introduction

There are many approaches in the studies of leaders and leadership, but the conclusions are not conclusive (Bass, 1985; Chemers, 1997; Gill, 2011; Stogdill, 1974; Yulk, 2010). Stogdill (1974), Chermers (1997), Guillen (2010), Whittington, Pitts, Kageler and Goodwin (2005), Timothy, Colbert and Ilies (2004) and Furnham (2010) focused on trait theories, whereas Likert (1961), Dixon (1985), Blake and Mouton (1982), Chomsky (1999), Moller (1994), Timmothy et al. (2004) and Hoel, Glaso, Hetland, Cooper and Einarsen (2009) studied the relationship between leadership behaviour and leadership effectiveness. Similarly, Wright (2000), Bryman (1992), Hodgson and White (2001), Ciulla (2004) and Gofee and Jones (2000) conducted research on the relationship between situational factors and leadership effectiveness, while Bass (1990), Randell (2008), Bass and Avolio (1994), Popper and Mayseless (2003) and Alban-Metcalfe and Alimo-Metcalfe (2007) explored transactional and transformational leadership.

There are a large number of Malaysian Chinese corporate leaders who started their businesses from a very small family concern to become a multi-billion business enterprise. Success stories of personalities, such as Robert Kuok, Lim Goh Tong, Lok Boon Siew, William Cheng, Vincent Tan, Lee Shen Jin, Yeoh Tiong Lay, Teoh Hong Piow, Quek Leng Chan and many others, are commonly splashed across pages in local newspapers and business magazines. Their business acumen, diligence, determination, beliefs, philosophy etc. have become the hallmark of their many successes. It is noted that most of these entrepreneurs are not highly educated and most of them are very stubbornly oriental and Chinese in their outlook, with minimal exposure to Western theories and approaches of leadership. Hence, their success in transforming their family businesses into multi-national business concerns across the globe is the focus of discussion in forums and interviews.

The strong oriental character in general and Chinese character in particular in the conduct of their business is a reflection of the deeply entrenched or embedded Chinese philosophy, particularly the evaluated understanding of Sun Zi's *Art of War*, and the ability to act as a result of their knowledge and understanding of the relevant values, morals, philosophies, strategies and traditions (Xi, 2011; Warner, 2008; Yeung, 2006). With regard to the normal approaches to leadership mentioned above, it is believed that there is a strong need to study leaders and leadership in a new light, not being unnecessarily confined and restricted theoretically to a strategic dimension that most studies encounter but through a qualitative research approach that has be chosen to explore and examine the potentials of how values, traditions, beliefs, morals and philosophies facilitating leaders in the transformation process of their organisations.

The lived experiences of eminent Malaysian Chinese corporate leaders, their knowledge and understanding of philosophy of Sun Zi's *Art of War*, thoughts, values and ethics have not been the focus of serious academic study, even though it has been published in various business magazines and newspapers. This experience in leadership is valuable. Virtually, every leader has achieved success by building on earlier experiences, learning from these experiences, analysing them to help solve future problems and meeting future challenges. This paper proposes a framework to explain the influences of Sun Zi's *Art of War* on leadership by mainly focusing on ethics and morality of leaders in the context of Malaysian Chinese corporates.

2. Literature review

2.1. Moral influence

Moral character is seen as one of the most important qualities of an effective leader. Moral rules are social contract that must be adhered to. The fundamental factors determine the success of a war is the 'Way' (Lin, 1995). The way is the underlying factor that makes people think in line with the leader with devoted followership.

Likewise, Wee (2005) stated that moral influence refers to the additional quality of a leader which distinguishes him from others by playing the role of a commander or general. Moral influence is critical in determining the success of organisational endeavours. Recently, there have been a number of evidences of corporate corruptions and issues of moral decay among the corporate scenes in many parts of the world, caused by the crisis of confidence due to immoral or unethical leadership.

Leadership will fail in the long run unless it is supported by moral influence. Sun Zi also mentioned that the ability to command is another factor that should be observed. According to Sun Zi, leadership includes wise, trustworthy, sincere, benevolent and courageous behaviour (Lin, 1995). The leader needs to establish his moral influence with good personal characteristics for effective leadership. By wisdom, a leader should be wise in his thoughts and actions (Wee, 2005).

According to Sun Zi, an effective leader uses authority and law to govern the behaviour of followers. In enforcing discipline, a leader must be responsible, flexible and impartial where reward and punishment are concerned. Sun Zi's *Art of War* has drawn an association between living wisdom leadership and strategic leadership theory, suggesting that the existing transactional–transformational construct does not effectively lend itself to the ineluctable pace of organisational change manifesting in today's geopolitical environment.

3. Strategy and stratagem

Sun Zi believed that a good leader must know how to attack by stratagem. The success in warfare is determined by the following five factors quoted in Sun Zi: *The Art of War* (Wee 2005):

'The which knows when to fight and when not to will win. The side which knows the difference between commanding a large army and a small army will win. The side which has unity of purpose among its officers and men will win. The side which engages enemy troops that are unprepared with preparedness on its own part will win. The side which has a capable commander who is free of interference from the sovereign will win.'

For instance, Sun Zi says leadership (towards war) is a question of vital importance to the state, a matter of life and death and the road to survival or ruin. Hence, it is a subject which calls for careful study. To assess the outcome of war, a leader needs to examine the belligerent parties and compare them in terms of the following five fundamental factors: first is the way (*tao*); second is heaven (*tian*); third is earth (*di*); fourth is command (*jiang*); and fifth is rules and regulations (*fa*). 'It is he who masters them that wins and he who does not that loses' (Wee 2005). In the next section, the theoretical development and research propositions are presented.

3.1. Theoretical development and research propositions

The art of war has been applied to many fields well outside of the military. Much of the text is about how to fight wars without actually having battle: it gives tips on how to outsmart one's opponent so that physical battle is not necessary. As such, it has found application as a training guide for many competitive endeavours that do not involve actual combat. Figure 1 shows the five factors and three dimensions of Sun Zi's *Art of War*.

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Leadership will fail in long run unless it is supported by moral influence. Sun Zi mentioned that the ability to command is another factor that should be observed. According to Sun Zi, commanding includes wisdom, trustworthiness, sincerity, benevolence and courage (Lin 1995). A leader needs to

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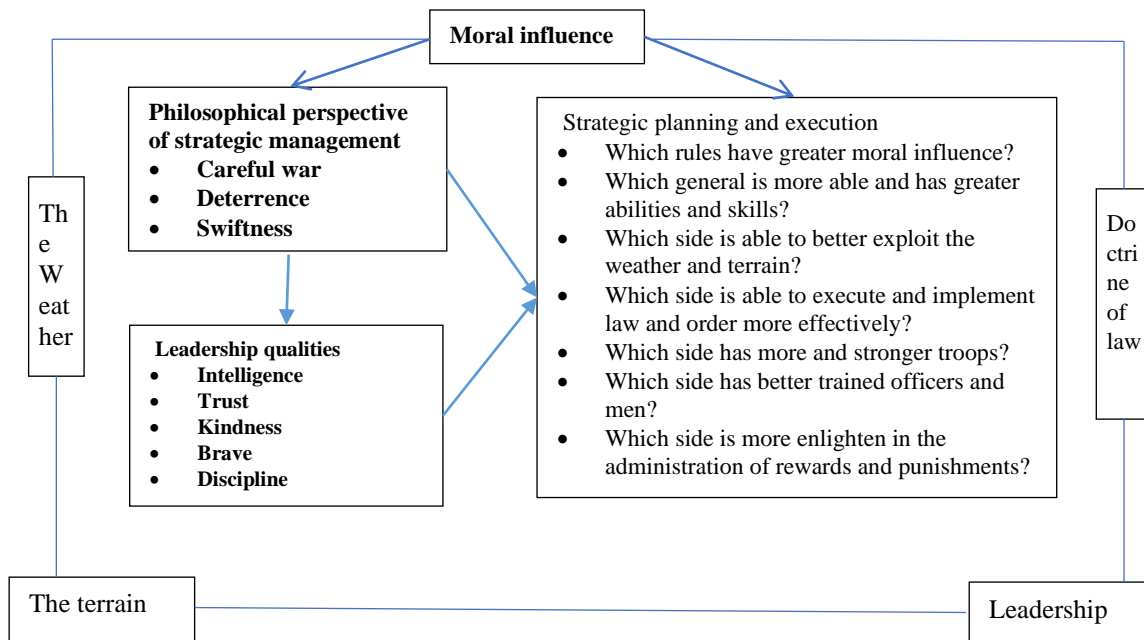

Figure 1. Five factors and three dimensions of Sun Zi's Art of War

According to Sun Zi, an effective leader uses authority and law to govern the behaviour of followers. In enforcing discipline, a leader must be responsible, flexible and impartial where reward and punishment are concerned. Sun Zi's *Art of War* has drawn an association between living wisdom leadership and strategic leadership theory, suggesting that the existing transactional–transformational construct does not effectively lend itself to the ineluctable pace of organisational change manifest in today's geopolitical environment.

Nevertheless, the system of thought of Sun Zi has manifested a strategic planning decision that should be made prior to any war or confrontation and with the awareness of the importance of prior planning and the calculation of chances of winning the war in terms of careful war (sheng zhang). One should be able to obtain the pre-emptive position on offensive and defensive possibilities. Thus, the main issue of winning in a war is of highest strategic intent and content.

Obviously, Sun Zi's philosophy focused on the five factors that governed the outcome of a war. Nevertheless, initiating a war is considered the last resort to conflict resolution in relation to prior political harmonisation. Thus, the practices of wisdom on any confrontation should be utmost encouraged.

4. Concluding remarks

The theoretical sampling and its analytical process involved semi-structured interviews which were used in this study and have provided reasonably rich data on the participants with the flexibility to probe answers more deeply and gather more information. To relate this study to previous work with leadership research, interview questions were created based on the literature reviewed and theoretical framework developed. Questions were designed to allow the respondents to reflect upon

the element of knowledge and understanding of Sun Zi's *Art of War* philosophy with their experiences and practices of corporate leadership.

The finding indicates that even though the participants possess the knowledge of Sun Zi's *Art of War* philosophy, in general, they show higher level of evaluated understanding of Sun Zi's *Art of War* on moral influence rather than on the strategic dimension; hence, while leading their organisations, ethics and morality are the tenets they subscribe to the most. Participants' responses based on the knowledge and understanding of Sun Zi's *Art of War* philosophy show that in terms of frequency, intensity and consistency in the qualitative responses/data collected via interviews were quite consistent reflecting overwhelmingly the elements of ethics and morality and secondly the strategic dimension, which most confirming studies postulated (Boal & Hooijberg, 2000; Eflin 2003; Goodwin, 2005; Hersley & Farrel, 1997; Holliday and Chandler, 1986; Hsieh, 2015; Korac-Kakabadse, Korac-Kakabadse & Kouzmin, 2001; Kriger & Seng, 2005; Liu, 2014; Malan & Kriger, 1998; Whittington, Pitts, Kageler & Messmann, 2014; Yang & Bond, 1990).

This study reveals that, specifically for Sun Zi's *Art of War*, spiritual rather than strategic understanding is seen as more critical for complex corporate decision-making, applying both knowledge and actions for organisational purposes and reasons.

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