



STRATEGIES
and
TACTICS:
ULTIMATE
and
INTERIM SITUATIONS

THE LEIP PROGRAM

by Toby Hecht

The  Network

A LETTER FROM THE FOUNDER

In The Business Professional's Course (The BPC) new students often use the words "strategy" and "tactics". Rarely do they have any idea about what they mean or how to make practical and powerful use of them to fulfill their business' missions or their personal ambitions.

When I first began working with students I assumed that they knew what these words meant. After all, on average our students have been working in the marketplace 15-20 years and already out-perform 90% of the workforce in terms of annual income and capital-at-work for retirement. Many are business owners, executives and managers who have attended business school. A significant percentage of our students work for well-known corporations where these words are used regularly. We have salespeople who have taken courses in "strategic selling" and expert individual performers who "strategize" for their customers. Our students are smart, strong, educated and ambitious. I thought that they must have a powerful working knowledge of strategies and tactics. I was wrong.

The words "strategy" and "tactics" fall into a category of familiar distinctions people use mindlessly and without reflection. Other words in this category are trust, value, money, power, competitive advantage, dignity, product and service, identity, leadership and business. People have become so familiar with the words that they use them even if they have no pragmatic idea what they mean or what practices they actually represent. They use the words without realizing that they do not embody the practices the words represent as if using the words produces something other than wind. For instance, a person can speak the word "strategic" yet be unable to articulate what a strategy is, be able to design a strategy, formulate a strategic approach or use strategy practically themselves in order to accumulate power, competitive advantage, autonomy or identity to fulfill their ambitions. In The BPC and The LEIP Program students learn what the words really mean in terms of designing and performing actions that accumulate power:

The following excerpt is from a paper I wrote, "Strategies and Tactics: Ultimate and Interim Situations", for The LEIP Program. At every LEIP Conference students spend at least one full day using the 4,000-year-old Asian game of accumulating power, constitution, strategy and tactics called "Go". We use the game in The Aji Network because it can be a very low-cost, high-return practice for learning to think and act powerfully in the marketplace.

Depending upon the theme of The LEIP Conference, we use the game to practice how to design strategies and perform tactics using different distinctions of power to win a competition. At the end of every day in which students play Go we have a tournament with prizes to challenge everyone and hone their skills. Everyone is very serious about winning a prize and everyone has lots of fun. The learning they produce for themselves is practical and immediately useful for helping them compete, increase their autonomy, build identities of value, design their leadership skills, increase their annual income and, for business owners and executives, increase the enterprise value of their businesses.

I am always looking to produce sources of competitive advantage such as powerful allies for my Network of Help, knowledge, offers, practices, identity, time, money, organization, tools, powerful customers and employees as well as strategies and tactics. One way I classify knowledge and intuition for competitive advantage is as common or uncommon. Common knowledge is important, but basically produces mediocrity. Uncommon knowledge and the uncommon sense it produces are the best source for competitive advantage.

When I classify knowledge as common my strategy for accumulating power is to make sure I know it so that I can better anticipate how my competitors with common knowledge and intuition will think and act. Then I invent or look for knowledge and intuition that is uncommonly powerful so that I can produce a competitive advantage for myself. I have been quite successful with this approach, as have thousands of students who have taken The BPC over the past twenty years.

Once I realized how shallow people's interpretations of strategy and tactics actually are, I saw an immediate source of competitive advantage. The only purpose for the two distinctions is the accumulation of power, to produce effective action or to defeat a competitor. That is why in the military where actions result in life or death and there are no second chances, strategies and tactics are taken so seriously.

The following excerpt is a "First Talk" about strategies and tactics. The most ambitious BPC students, who also take The LEIP Workshop and receive this paper (which is open to the general public), report that this thinking on strategies and tactics is immediately useful. Clearly it is an example of uncommon knowledge and produces an uncommon sense that is useful for producing competitive advantage.

Business owners, executives and managers use the distinctions for leadership and designing their organizations. They use them to increase the enterprise value of their businesses. Salespeople and expert

individual performers use them to design their offers and practices for fulfillment. With an increase in power also comes the opportunity to increase one's annual income and capital-at-work for retirement.

I hope you find this excerpt useful.

Toby Hecht

Founder of The Aji Network

A “FIRST TALK” EXCERPT

from

STRATEGIES *and* TACTICS:
ULTIMATE *and* INTERIM SITUATIONS

written for

THE LEIP PROGRAM

Tactics are the actions we can take in some specific situation to produce a different specific situation. If, for example, we are sitting at the breakfast table with a carton of milk and an empty glass we are in a specific situation. If we want to drink a glass of milk we first perform the tactic of pouring the milk into the glass. Then, we are sitting at the table in a different specific situation. We now have a full glass of milk rather than an empty one. Then we lift the glass to our mouth, which is another tactic, and drink the milk, producing yet another specific situation.

Almost all situations we care about require us to perform tactics to produce many *interim* situations that we do *not* care about in order to produce the *ultimate* situation for the sake of which we have acted. Knowing this deeply, like an *uncommon* sense interpretation of life, requires educating and training our body. *Knowing* the purpose of strategies and tactics to produce interim and ultimate situations is a source of great power in life, especially in business, marriage and family.

Every situation we wish to change from the one we are in at the moment requires tactics we can perform with our bodies. This claim includes the tactic of waiting, as when we wait for the sun to go down at night. It includes making requests, offers or commitments to others who can perform the tactic for us. It includes operating machinery and using tools.

Many of us have ambitions to be rich and wealthy, have a successful career or dignified public identity, hold the role of manager or executive, raise happy and well-adjusted children, have

a successful marriage, look forward to a satisfying retirement, etc. *All* of these appear as ultimate situations when we are naïve about life. The more sophisticated we become the more they appear as a constellation of situations in harmony with one another that unfold together over time. They appear as ultimate situations that are actually the consequence of an enormous number of interim situations we have to produce or cause to be produced over the forty years or 10,000 working days of our career. They appear as a cascade of interim situations we cause, one after another, with a powerful array of tactics or practices we embody. If we cannot formulate the strategies and perform the tactics with our body there is simply no hope of producing the situations we are committed to producing. Therefore, education and the practice of learning are essential concerns for human beings.

When people reflect, they have no trouble realizing that they have *learned* just about everything they know. That is, unlike television fantasies, knowledge does not just appear to us. It does not just “pop” into our head spontaneously upon demand. We do not walk around with a hard disk in our head filled with information and answers that we can access at any time. We have to learn what we know through *recurrent practice*, *reciprocation with others* who share our concerns and *recursive deepening of our understanding* of actions and their consequences. Learning is required in order to accumulate power for producing competitive advantage, autonomy, identity and organization. It is the first step to being able to hold increasingly valuable roles. It is the first step to being able to fulfill a satisfying ambition.

There are some behaviors, like breathing, talking, blushing and being ticklish, that are instinctive, but these are only the foundations for the sophisticated practices we need for living a good life. The powerful practices or tactics we use to compete in the marketplace must be learned. We have to learn to button our shirts and tie our shoes. We also have to learn how to hold a role and have an \$8,000,000 net worth that places us in the top 0.1% of the marketplace.

In order to produce an ultimate situation we need more than a simple set of tactics. For example, no one can pour a glass of milk unless they first produce a glass. Obtaining the milk and glass require enormous and distinctly different sets of tactics. Obtaining the money to pay for the milk and glass throw us right back to career and to earning income. No one can scramble eggs before breaking the shell. Obtaining the eggs in the first place throws us back to another set of complex tactics. No one can cause a harvest before planting seeds, etc. No

one can produce compensation for fulfilling a valuable offer before making the offer. And, no one can have a dignified identity before acting with dignity. Anyway we look at it, fulfilling an ambition is a very complex domain of actions.

The world in which we live requires us to perform tactics in specific sequences in order to produce an ultimate situation that is satisfactory. First, we break the eggs in a bowl. Second, we add the milk and stir them with a fork. Third, we put the pan on the stove and turn on the heat. Etc.

When we realize that our tactics must be performed in different domains, at different times and in a specific sequence, we invent narratives about which tactics we will perform where, at what time and in what order to produce each interim situation most effectively. This is called strategic planning and it begins with speculation. It ends with making many commitments. (The first commitment has to be to learn the skills to fulfill the rest of the commitments or the entire plan is bogus.)

We say to ourselves that we are committed to producing a satisfactory *ultimate* situation in the future and that it can only be produced after we produce a series of *interim* situations first in a specific sequence. For instance, many people require more annual income in order to fulfill their ambitions. But income is not something a person can affect directly with one single tactic. In order to increase one's income most people must first produce a series of interim situations using an array of skills to produce a new assessment of their value.

At first we *speculate* about what the interim situations might be. We speculate to produce the lowest cost means to produce the most desired outcome. Always included in powerful speculations is an assessment of how we will get help because without powerful help our strategic options are very limited... except on television and in the movies. Our first source of help is always teachers, coaches, colleagues, advisors and the already accomplished.

Only after succeeding in designing the whole array of interim situations that produce the ultimate situation we desire can we be sure we “know what to do” or that we are competent. For many of our most important lifetime ambitions such as raising our children, developing a valuable business and/or career, or taking care of our retirement, we get only one forty-year opportunity to produce an ultimate situation that is satisfactory. When we have only one

opportunity to fulfill our ambitions, we will be acting primarily with speculations rather than real competence, and need all of the *expert* help we can get. Accumulating experts is strategically critical for ambitious businesspeople. When we have only one opportunity, failure is final and expert help can make the difference.

Expert help is *uncommonly* difficult to find. It is very valuable. Experts know this. It is only the naïve; the arrogant; and the complacent who do not value experts to help them fulfill important ambitions for which they have only one opportunity to succeed.

In order to successfully produce an ultimate situation, we invent a story of the interim situations and their sequence. Architects do this with a blueprint and instructions. We don't have to be an architect to know that the foundation is always built before the roof. In business we know that offers must first be designed before they can be made to a prospective customer, employer or employee. Offers have to be made before they can be accepted. And, only after our offers are accepted do we fulfill them. Of course, and not so obviously, we have to accumulate the capacity, knowledge or power to fulfill our offers before we can do so satisfactorily.

All too often businesspeople do not prepare themselves, as we endeavor to do in *The LEIP Program*, to make increasingly powerful offers and fulfillment practices in our future. Businesspeople then find themselves unable to move forward in the fulfillment of their ambitions. And, they find themselves unable to go back in time to take the years of study that are required to accumulate the power they need. Of course, this is good for *LEIP Participants*.

As we act to produce increasingly valuable ultimate situations, we also invent an interpretation of the tactics we will need in order to produce the sequence of interim situations we have specified. This narrative is called a *strategy*. Both strategies and tactics are essential for the accumulation of power.

Ultimate and Interim Situations

Here is what we need to always remember about ultimate and interim situations:

1. **Mostly we are concerned about producing Ultimate Situations.**

At Thanksgiving Dinner we are concerned about the food we will eat when we sit down with our family, not the “preparation”. In business we are concerned with the revenues, not their production. We are concerned about costs, not their reduction. We are concerned about earnings, not operations to produce them. Customers are concerned with getting what they paid for, not the practices that are necessary for fulfillment. Investors are concerned with enterprise value, not all that must happen to produce it.

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2. **We produce Ultimate Situations in business and to fulfill our ambitions after producing huge numbers of interim situations over a long period of time.**

Until we realize the truth of this claim we can have no power. We can only have fantasies, intentions, dreams and unfilled wants, wishes, desires and preferences. We cannot have or fulfill an ambition without the acceptance of this truth. And, once we realize this truth we discover that we have the privilege of living with it for many decades. Coping with this truth is one of the distinctions of being a powerful, dignified adult.

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3. **Interim Situations are situations we can produce as a *direct* consequence of our actions in a situation a *moment* before.**

Interim situations are not obvious, true, real, objective, fixed or seeable. An interim situation is an interpretation, not a fact. It is an interpretation that some situation is a necessary situation in order for the ultimate situation to be produced.

{ ... }

We know that some interim situations, such as a product that is only partially manufactured, are unsatisfactory by definition. Ultimate situations are usually unsatisfactory as well after a brief period of time.

Once a product is completely manufactured, we need to move on to make the next one. Once the grass is perfectly mowed it continues to grow until it needs to be mowed again. After we meet our sales promise at the end of the quarter we need to fulfill the next promise. After the perfect wedding we have to produce Day One of our marriage.

4. **We produce *Interim* Situations with *tactics*.**

{ ... }

Tactics are *interpretations* of capacities. You can't "see" them. You can only interpret them into existence.

Operationally, tactics are explained in terms of worldly mechanics. Tiger Woods, for example, swings a golf club. So can you and I. We make the interpretation that he has effective or powerful tactics because he can produce situations that are more satisfactory than we are able to produce, i.e. low scores in tournaments. Only after we notice the differential in his capacity versus ours do we look to distinguish any difference in his movements or mood.

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Tactics are actions that direct actions that change one situation into another one.

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If, for another example, we are managing our sales so that we can make and keep meaningful promises for our company, then producing a list of possible sales is a good tactic so that we can begin to seduce the most likely possibilities with our limited resources. The bigger the list of good possibilities, the more we can refine the list to seduce only the best possibilities to increase revenues while keeping costs low.

The more possibilities we have, the less likely it is for us to fail to keep our promise if we are wrong about a specific possibility or a possibility disappears. Some people don't use this tactic of building lists of possibilities. They employ the tactic called "flying by the seat of their pants". Some people's bodies are only able to perform the tactic called "wait for people to place orders". Which tactic is most powerful from your point of view?

{ ... }

5. ***Interim* Situations must be produced in a sequence that is consistent with the facticity or mechanics of life in order to end up with the *Ultimate* Situation we seek.**

You have to lay the foundation of a house before you put on the roof. You have to make a valuable offer, seduce the customer *and* fulfill *before* you can produce a satisfied customer. There is no other option and this is not a matter of theoretical debate.

You can't produce customer satisfaction before you make the offer or before you fulfill. Therefore, a powerful thinker and actor would accept these facts as well as the costs of learning to design, make and fulfill offers before looking to produce high income, net worth, enterprise value or public identity.

{ ... }

6. ***Ultimate* Situations are a consequence of businesspeople producing many *Interim* Situations that are produced in a sequence of *tactics* in a narrative that specifies the performer, conditions of satisfaction, location, timing and sequence called a *strategy*.**

{ ... }

Strategy is your *narrative* of action. It is the narrative that specifies the performer, conditions of satisfaction, location, timing and the sequence of interim situations you think need to be produced in order to produce ultimate situations that are satisfactory.

Tactics *are* the specific actions some person will perform in each interim situation. Actions are the name for whatever we do that takes care of a concern or situation and produces another situation that is at least more satisfactory. Actions are not tasks, procedures or movements. Actions are the narrative or explanation of care we say to ourselves as we move in a situation to make it satisfactory. The narrative is our moment-by-moment observation of the situation in which we are acting, as well as the specification of the situation we are working to produce.

{ ... }

The specification of the ultimate situation, the mission or ambition, precedes the invention of strategies. Strategies include the sequence and specification of the interim situations that must be produced. Strategies specify the tactics to be performed to produce each interim situation. The tactics specified have to be available to the actors in the interim situations in which they must act. Strategies that do not include sequence and a concern for real tactics are bogus. Strategies that include fantasy tactics are also bogus.

Careers, net worth, marriages, businesses, roles, incomes, etc., all require *specifications* of ultimate situations or ambitions to enable people to act powerfully to produce them. *Strategies* specify the sequence of interim situations necessary in order to fulfill the ambition as well as the tactics needed to produce them. They also require committed people who are powerful enough to perform the necessary tactics at the right time.

For further information or conversation about offers from The Aji Network please e-mail us at request@theajinetwork.com or call us at (408) 730-2234.