

字鵬舉。二十歲從軍。北宋末靖康元年
(二二六年)在桐州抗金。以戰功升秉義郎。
次年四上書反對京師南遷。被奪官。投河
北。招討使張所亮中軍統領。奉令隨王老
收復汴鄉。在大行宮殺金將。被歸
宗澤。為留守司統制。澤死。隨杜充南
下。杜充守建康。降金。充被殺。金軍激
戰於廣德。官興常州一役。
南宋建炎二年(三三零年)擊七
一舉收復。此後三
恭 此後三
據連
江西
精忠岳
沿江安置
出兵收復
使。湖北
北歸。主
自部進軍襄陽。再次北伐。以張瑄為西南都統。
是期給大行山義軍邊近。因給養不足。撤
回。十年。擢軍北伐。取得鄆城。和朱仙鎮大捷。
正欲乘勝直搗黃龍府。高宗系檜以
十二道金牌急令北師。燭統下曰。十年之力
廢於一旦。十年金軍再度南犯。馳援淮南。
最後一次指揮北軍全軍聞風而遁。四臨宋後
北撤投奔。授樞密副使。不久被誣下獄。十月
十九日(二四二年五月十七日)以莫須有之罪名被刺害。



文周偏於東申江皖

LAURENCE J. BRAHM

THE **ART** OF **CRISIS** *MANAGEMENT* IN **CHINA**

A Practical Guide to Crisis Management, Decision Making and
Strategic Planning for doing business in China

Laurence J. Brahm

Discovery Publisher

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Of all of China's celebrated strategists, none is more celebrated, respected or honored than Zhu Ge Liang, immortalized in the Chinese classic "Romance of Three Kingdoms".

"Zhu Ge Liang was born in the year 180 A.D., during the waning days of the Han Dynasty. The dynasty soon cracked up and China divided into three kingdoms which in turn struggled and fought among each other for ultimate dominance. The classic historical novel "Romance of the Three Kingdoms" was based on this period of history.

During this time, a warrior-general named Liu Bei founded the Kingdom of Shu in western China. Liu Bei however, needed a strategy to defeat his opponents and therefore sought out Zhu Ge Liang to serve as his strategist. Zhu was described to Liu Bei as "a dragon in repose" and as an individual of exceptional talent. Liu Bei was advised to "seek out" Zhu Ge Liang and not to summon him.

The famous story of Liu Bei visiting Zhu Ge Liang's cottage three times to seek him in requesting that Zhu Ge Liang serve as Liu Bei's advisor

paid off well for Liu Bei. Zhu Ge Liang emerged with some of China's greatest legendary strategies having out-strategized such noteworthy generals of the day such as Si Mayi and Cao Cao.

One example of Zhu Ge Liang's brilliance was demonstrated when Si Mayi's troops surrounded the city where Zhu Ge Liang was staying. Knowing that Si Mayi's forces outnumbered his own, Zhu adopted a ruse, opening the gates of the under-garrisoned city when it was surrounded by the enemy leaving only street sweepers at the main gate entrance. Zhu Ge Liang himself mounted the city cower and played a musical string instrument. This had the effect of confusing the enemy. Si Mayi immediately suspected a trap. Unable to fathom the situation, he ordered his troops to retreat and they ran away as fast as they could to escape the perceived trap.

In another case, when fighting with Cao Cao's troops, Zhu Ge Liang's own forces ran out of ammunition (arrows that is). In order to remedy the situation, he had his troops tie straw bundles to the sides of war boats and then row back and forth along the river under the enemy's fortress walls during a foggy night. The enemy suspecting an attack but unable to see the boats clearly at night, fired many arrows at the river below. Wave after wave of arrows descended upon the boats all night long. In the morning, Zhu Ge Liang's men had a full supply of fresh arrows and the enemy sitting behind the fortress walls had depleted their supply.

Zhu Ge Liang was not one for academia, and in a famous debate, argued with prattling scholars who were encouraging Liu Bei to form an alliance with his enemy Cao Cao. The prattling scholars would not shut up talking all at once, like lawyers at a corporate meeting. Zhu Ge Liang however, argued each of them down with practical reasoning. Zhu Ge Liang suggested that they should instead give Cao Cao two pretty girls and let him sex his brains out which would lead to his eventual exhaus-

tion. The scholars however disagreed, and Liu Bei's generals went and fought leading to the battle of Chibi which was a bloody mess. Later everyone realized Zhu Ge Liang was right. Zhu's method of pacification has been adopted in many business practices in China today accounting for the plethora of nightclubs which have opened in virtually every city.

This book honors the spirit of Zhu Ge Liang's invariable pragmatism which underlies the spirit of a management style in managing crisis situations which may be adopted successfully in China today. This book embodies a selection of Zhu Ge Liang's writings on leadership intended for generals in managing their troops.

The significance of Zhu's philosophy nearly two thousand years later lies in its pragmatic relevance in managing joint ventures in China today. This book represents a collection of management crisis situations in which Zhu's approach would have prevailed if applied. For the benefit of joint venture managers in future crisis situations, the collection of war stories contained herein, is presented together with excerpts from Zhu's own classic treatise on leadership and management of situations.

【CRISIS MANAGEMENT】

“We Americans are very good at ‘crisis management!’”

—the executive

“Yes, because there is always a crisis.”

—the secretary

Decision Making

The corporate executives and decision-makers of the American multinational arrived from all over the world: New York, Los Angeles, London, Paris, Frankfurt, Tokyo, Hong Kong. They arrived in Beijing for internal discussions and strategic planning concerning the multinational's market entry strategy for the China market. They all convened at the China Universe Hotel's Five-Star Executive Floor to discuss, contemplate and consummate a universal executive plan.

The Senior International Division President together with the Senior Vice President for Regional Planning, Budgets and Expense Accounts convened the meeting.

The Senior International Division President spoke:

“Our multinational which leads the world markets in dispensary and health products is committed to enter the China market. We realize that our dispensary products alone should be a great success in this market of 1.3 billion. As China's economy develops and the intake of food moves further away from natural grains, rice and vegetables, and more toward a consistently western diet, fibre intake will drop and the demand for our laxative products will increase accordingly. I hereby turn this meeting over to the Senior Vice President for Regional Planning, Budgets and Expense Accounts.”

The Senior Vice President for Regional Planning, Budgets and Expense Accounts spoke:

“During this meeting, I expect to hear from our executives the results of the various studies and reports which we have hired consultants to prepare so that we can better understand the usage techniques and market patterns of enema intake in the current market and projections for the future. I also expect to see presentations by those consultants who

may be selected to assist us with our market entry plan implementation and action coordination of our negotiation efforts in the future. I will now turn this session over to the General Manager of our company's first China joint venture for an explanation of today's program."

The General Manager of the company's first China joint venture spoke:

"I will begin reviewing with all present today the schedule. This morning we will have presentations by our market research team on the 'China Market Phenomena and Growth', our technical team will then present 'China's Technical Developments and Opportunities', our market research consultants will then present 'China's Market Potential and Consumer Patterns', and our technical consultants will present 'China's Technology Development and Potential for Further Growth'. Then we will break for lunch."

"Who is the luncheon speaker?"

"During lunch, we have invited a local consultant to provide us with a 'reality check.'"

"Reality check?" asked the Senior International Division President.

"Yes. Reality check." replied the General Manager.

"What may I ask is a reality check?" inquired the Chief Executive Decision-maker for Planning, Budgets and Expense Accounts.

"Oh, a reality check is the latest consulting trend for China investors."

"But, what is it?"

"Well, in seminars like this where executives fly in from the developed world into the under-developed world, get whizzed in a limousine from airport to hotel, listen to refined presentations, but never leave the comfort confines of five-star treatment... well, these kind of executives can lose their perspective on what the actual difficulties are for those working on the ground"

“Do you want to explain what you mean?”

“Well... let’s put it this way, the buzz created by silk *cheongsam*-padded waitresses serving champagne and cappuccino in the lobby amidst live orchestra music is rather intoxicating. Unfortunately, when we on the ground are trying to manage factory operations and sales forces, most of our employees will most likely never have seen anything like this.”

“I am sorry but as General Manager of our company’s first China joint venture, you will have to explain what this ‘reality check’ is and how this is supposed to help.”

“Well... it will help all of you have a more realistic understanding of what we have to deal with when you leave this hotel after making big decisions and fly back to where you came from.”

“Why don’t you explain to us what will happen in this ‘reality check’?”

“First of all, the consultant will arrive about a half-hour late.”

“But this is a luncheon presentation. He is supposed to be on time, sharp at 12:30.”

“But in China, nothing starts on time. In fact, the reality check consultants even have an ‘Executive China Time Realization Program’ for those living in China on a long-term basis. The first day, the consultant comes a half-hour late. The second day, an hour late. The third day, two hours late, and the fourth day, four hours late.”

“What happens on the fifth day?”

“Nobody shows up at all...just like at State organizations on Friday. This is reality in China.”

“What else will happen at today’s luncheon ‘reality check’?”

“As this is a luncheon presentation, the consultancy has arranged for a special contingent of waiters from the State-enterprise sector to come in

and serve everybody food instead of those waiters trained by a foreign management company working for the five-star hotel.”

“Serve food? Why? What makes the State-enterprise sector waiters different?”

“Oh, they will cough and sneeze all over the food while they serve it. When all the plates have been clattered down on the table, they will then come up to you before you start eating and demand that you pay the bill—at once.”

“That’s ridiculous. What happens if we don’t accept such behavior?”

“Oh, the waiters will lean over your shoulder and stare at you while you are eating. All the while they will be picking their nose. You will just have to pay.”

“This is the ‘reality check’?”

“This is the reality.”

“How much are the consultants charging for this reality check?”

“A lot...but they are cheaper than flying executives out from headquarters.”

“You have just been transferred to our Bosnia emerging markets division.”

Strategic Planning

The windows of the joint venture’s office conference room were steamed in winter cold frosted over a layer of pollution. Light filtered through in fine hair-like beams between the blotches of smut all over the windows.

Amidst the rattling of the radiator, the management team of the joint venture shuddered in their padded jackets over business suits. Froths of steam bubbled into thin air as hot water poured into room-temper-

ature tea cups.

“So what does last year’s fourth-quarter-end-year result look like?” the American General Manager asked the Financial Controller.

“Losses upon losses and more losses,” he murmured pitifully.

“What? We have to show profit to the head office. This is the fourth consecutive year of operation,” screamed the General Manager.

“Well,” responded the Financial Controller, “We might be able to move some of the profit from the second quarter to the third quarter and that would loosen up some of the third quarter’s earnings to put into the fourth quarter. We could then take some of the earnings from this year’s first quarter and move them back into the fourth quarter, and then—”

“What are you doing? We can’t do this!”

“Well, according to what was taught at my special training course at headquarters-sponsored Special Financial Controller’s Advanced Seminar in Solutions for Accounting Methods in Emerging Markets which was held at a five-star hotel in Singapore last month, one of the big accounting firms presented the latest method of balancing books for joint ventures in China.”

“What is it?”

“The formula is to take the existing earnings for the previous year and after deducting expenses and depreciation, gross up the total amount and multiply it by the expected earnings which were not achieved and then divide this by the number of months in the following year multiplied by the expected earnings which are hoped to be earned in that year assuming that there are no expenses, and then subtract the entire amount of all the expenses that could not be paid during the previous year because the earnings were not enough, and carry these over to the next year and classify them as profits because no expenses have yet been incurred.”

“Brilliant!” exclaimed the General Manager. “This will really impress headquarters. Those seminars are really useful. Now what do we do about sales for the first and second quarter of this year?”

“Nothing”, explained the Sales Manager who had just been sent to the joint venture from headquarters after completing his MBA.

“Nothing? Why not?”

“Because the entire sales force is busy making preparations for all of the directors visiting from corporate headquarters this year,” explained the Sales Manager. “In addition to preparations, we must make presentations.”

“What?!”

“Didn’t you realize that all of the directors from the headquarters will be visiting our China joint venture this year,” explained the Sales Manager. “We have to put on a good impression.”

“That’s right,” noted the General Manager. “Who is coming?”

“The headquarters’ Sales Director is coming next week, the Strategic Planning Director is coming the week after, the Production Director is coming the week after that, the Director of Advertising is coming the week after that week, the Director of International Division is coming the week after that week, the Director of the New Emerging Markets Division is coming the week after the week before that, the Director of the Asia-Pacific-Siberia Sub-Region is coming out the week after that week, and the New Products Director will be coming after that week but not before the previous week, and after the week after that week the Marketing Management Director will be coming. He will be followed by the Group Administrative Administrator the week following the last week when the last director visits, who will be followed by the Vice President of the Accounts Receivable Division the week after that previous week, who will be followed by the Chief Superior Legal Counsel of our Legal

Counseling Department following the week after that week, who will then be followed by the International Group Financial Controller the week after the week following the week that the Chief Superior Legal Counsel of our Legal Counseling Department will be here—oh, by the way he will be staying for two weeks.”

“Do you have this all written down?” asked the General Manager.

“No, but I have written to the secretaries of each of those officers of our company and ask them to send confirmations after they have confirmed their air tickets there so that they can come here, so that we can confirm their air tickets here to go back there.”

“So what should this have to do with our first quarter sales?”

“All members of the sales department are on standby to confirm the return air tickets.”

“Oh, I see.”

“No, you don’t. I haven’t finished.”

“So what’s left?”

“Well, after all of the company officers visit our China operations, then the Chief Financial Officer (CFO) will come the month after the last week that the last of the other company officer comes, and the Chief Executive Officer (CEO) will come the month after the CFO comes, provided that the CFO doesn’t; come late which will depend on his busy schedule which will depend on the busy schedules of all of the other corporate officers who will be busy visiting all of the international operations.”

“What?! Our company’s CEO will come to China?! This is the most important thing that has happened to our joint venture since we were issued the business licence three years ago,” shudders the General Manager in excitement. His mind flashes with visions of transferring back to corporate headquarters, suburban coffee commuting along tree-lined

superhighways, backyard barbecues on the Fourth of July—”

“—sorry to interrupt your thoughts,” cuts-in the Sales Manager. We will have a lot to do to prepare for all of the corporate officers visiting the next few months and especially for the CFO and CEO.”

“Yes, the CEO, the CEO, the CEO...this is so important,” gasped the General Manager. “So what is the joint venture’s Sales Department doing about all these?”

“Well, we have to make preparations for each of these officers when they come. You see, they are all bringing their wives.”

“What?”

“Yes, first trip to China—you know, well need to do the regular thing: trip to Forbidden City, Summer Palace, Great Wall. You are the General Manager, you know. We will need you to escort each of them to the Great Wall. It wouldn’t be appropriate for any of us to do that.”

“Every week?”

“That’s not as bad as the fact that each group of visitors will need to have Peking Duck dinner at that famous State-run Peking Duck Dinner Restaurant which opens at 5:00 p.m. and closes at 6:00 p.m. every night.”

“I have to eat Peking Duck every week?”

“That’s not what we are worrying about at the Marketing Department. We are worrying about the reaction from the environmentalist lobby in Washington when news leaks about the number of ducklings being devoured each week in China by the senior corporate officers of our company. There was an Asia Environmental Watch group under the Senate Foreign Relations Committee established by Jesse Helms this year.”

“This could be serious.”

“Especially given the fact that following the CFO and CEO’s visit, the

whole Board of Directors will come back to China to hold the annual board meeting here.”

“With their wives?”

“Yes, their wives and their mother-in-laws as well.”

“This is really serious,

“We will have to hire more personnel management type and public relations managers as well as translators for the visitors.”

“What for?” demanded the General Manager. “To take the wives and mother-in-laws of our corporate officers to Silk Alley for shopping or something?”

“No,” explained the Sales Manager. “All of the corporate officers, the CFO and the CEO, as well as their wives and mother-in-laws, have requested private individual meetings with Jiang Zemin. We have to begin making arrangements now.”

“With Jiang Zemin?!”

“Yes. All of our staff will be busy making preparations.”

“Then, when will we have time to sell product?” asked the General Manager.

“We won’t,” exclaimed the Sales Manager. “Our CEO is coming! This is very important.”

“But how will the joint venture make money?” implored the Deputy General Manager appointed by the Chinese side of the joint venture.”

“That’s a minor technical issue,” retorted the General Manager.

“But as the Chinese partner to the joint venture, we have transferred all of our assets into the joint venture, which in turn has laid-off 70% of our original work force,” explained the Chinese-appointed Deputy General Manager. “Those people are waiting at home to be fed. They all depend

on the profits of the joint venture. But it cannot make profits because the foreign management is too busy doing other things.”

“That’s unreasonable,” snapped back the foreign General Manager. “You don’t know how important our company’s CEO is. He is a very important man. You Chinese all have unreasonable demands.”

“But don’t you see, in China—”

“Don’t give me any of this ‘Chinese special characteristics’ stuff. Our CEO is a very important man! Remember that when he comes to China!”



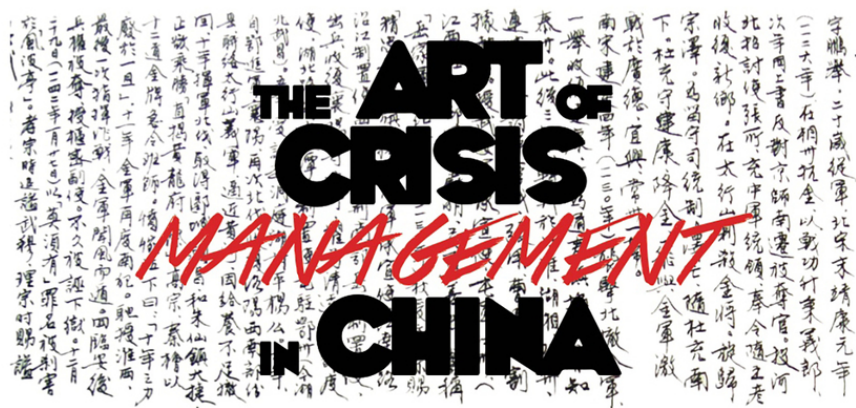
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*... The Art of Crisis **MANAGEMENT** in China is the one book that helps smooth out relations between partners, and comfort the lonely expat managers involved in China's joint ventures...*

Elliptical interaction: Pointless management discussions which drag on for hours but achieve nothing.

Divergent viewpoint: The only constant variable between the joint venture's Chinese and foreign partners.

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