Management Under Fire: The Paradigm of Desert Storm

BY NORMAN SCHREIBER

Warfare is a great model for business. Consequently, the Persian Gulf action, a complicated, fluid episode that evolved over many months and had a multitude of components, is a paradigm gained.

But some may wonder, can we really glean any lessons from how an American-led coalition with all its resources, power, technology, intelligence gathering and clout conquered a Third World nation? You bet! If power, technology, intelligence gathering, resources and clout were enough to guarantee victory, Americans would be studying brochures for Club Med's Saigon branch.

Bob Woodward's best-seller book *The Commanders* (Simon & Schuster, 1991) serves as an ideal management text. Woodward wanted to show behind-the-scenes decision making in the American defense establishment and started working on the book before the Persian Gulf exploded. The parallels to business management are startling.

When we talk about the Gulf

Norman Schreiber is author of "Your Home Office" (Harper-Collins, 1990) and writes on a variety of subjects, from business to folk life.

war, if we refer only to Desert Storm, the actual military engagement, we must marvel at a seamless fabric (see story, page 16). If we examine Desert Shield—the predecessor to Desert Storm—we must marvel even more, because we are looking at a patchwork quilt. The firm response to Iraq's kidnapping of Kuwait was sculpted from quicksilver.

President Bush's own management style showed itself at the 8:00 a.m. National Security Council meeting on August 2, 1990, hours after the Iraqi invasion. Woodward writes that "[National Security Advisor Brent] Scowcroft began running down an agenda, attempting to be discreetly directive, but the president immediately took charge of the meeting."

At the meeting, General Colin Powell, chairman of the Joint Chiefs of Staff, noted a difference between the styles of Bush and Reagan. Woodward writes: "Unlike Reagan, Bush wanted the details, all the details. He wanted to be the player, the guy who made as many of the calls as possible. It was not a matter of one style being good or bad, Powell told himself. It was just different….The net result was that principal military advisor Powell had a much smaller role under Bush than national security advisor Powell had under Reagan."

The first management tool is one Jerry Rubin would love: networking. And the first special someone to reach out and touch was Saudi Arabia's King Fahd.

Iraq's forces were positioned to invade Saudi Arabia, and the United States wanted to deter an Iraqi invasion of yet another oil-rich kingdom by drawing a line in the sand. Saudi Arabia's cooperation was required, but King Fahd and his advisors needed proof that the perceived Iraqi threat was not just a pretext to get U.S. troops on Saudi sand. They also needed to know that if they challenged Iraq, America would be ready to back them with force and commitment.

Fahd requested an American team to brief him on Iraqi positions and strength as revealed by satellite photos as well as such matters as U.S. intentions and requests.

"I want to do it big-time," said Bush. He communicated the mission's importance by sending Defense Secretary Richard Cheney and General Norman Schwarzkopf to head the team rather than lower-level people who could not speak authoritatively for the administration. His message was perfectly clear.

Saudi Arabia's commitment was just the tip of the network. As a former vice president, U.N. ambassador, ambassador to China and CIA director, Bush already
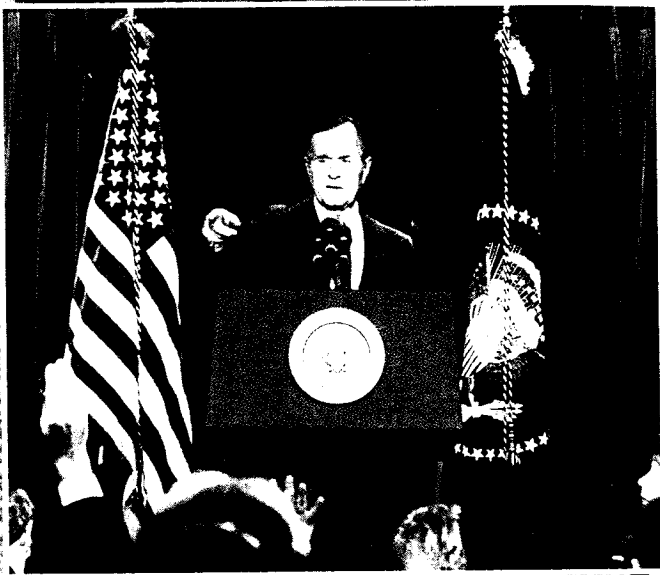
had a bulging collection of "while you were out" slips. After assuming the presidency, Bush worked hard at strengthening personal relationships with foreign leaders. He had no particular goal in this, he explained to pollster Robert Teeter, other than the strong sense that it could only help.

who have the same title and responsibility they have."

"You have to remember," said Beverly Goldberg of the 20th Century Fund and co-author with John Sifonis of the forthcoming *Looking Beyond Tomorrow: A Holistic View of Business Management* (Oxford University Press),

international contributions proved we can't afford to have a chip on our shoulders (especially when the chip is Japanese-made).

The Center for Strategic and International Studies stresses the reality of interdependence in its interim report, *The Gulf War: Military Lessons Learned.* "Even as the United States settles into the position of the world's only true superpower," states the report, "U.S. leaders must recognize the very real limitations on their freedom of unilateral action. U.S. dependence is threefold: political, logistical and industrial. These areas are particularly important for the coming era in which facets of national power—besides the military—are of growing importance relative to brute force. The Gulf war confirmed that the United States is the world's preeminent military power; politically and economically, however, it remains dependent on allies for legitimacy and assistance."

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Bush's strength as the "Rolodex president" clearly did help.

"There is no such thing as too much networking," agrees entrepreneur Zane Tankel, president of Tankel Partners in New York. "A mistake people make," he adds, "is that they network too narrowly. For example, they'll only talk to people they think can help them now, or they'll talk to people

"that getting an international agreement was critical. Putting together a coalition of countries so this would not just be a U.S. effort required a very limited goal: Free Kuwait."

The coalition was not a Miss Manners nicety designed to allow the United States to go for broke. It was crucial, and therefore the networking was crucial. The

GOAL PLANNING

Tankel views President Bush's prime stated objective—Kuwait's liberation—as a mission statement. A clear declaration of purpose helps keep any enterprise on track. Adherence to this objective helped the Bush administration and coalition allies shun unacceptable negotiation stances, such as linkage to a Mideast conference or allowing Iraq to keep some Kuwaiti territory.

Bad things can happen to good businesses that stray from their objectives. By late autumn of 1990, some administration officials strayed from the "free Kuwait" mission by hinting our objective really focussed on oil and/or the hostages (human shields). At that point, the administration's hand seemed a bit less firm. As troop strength increased, legitimate questions about the real goals popped up everywhere—including Saudi Arabian sands where American troops were encamped and waiting. Public opinion polls showed a droop in approval ratings.

The objective was reaffirmed
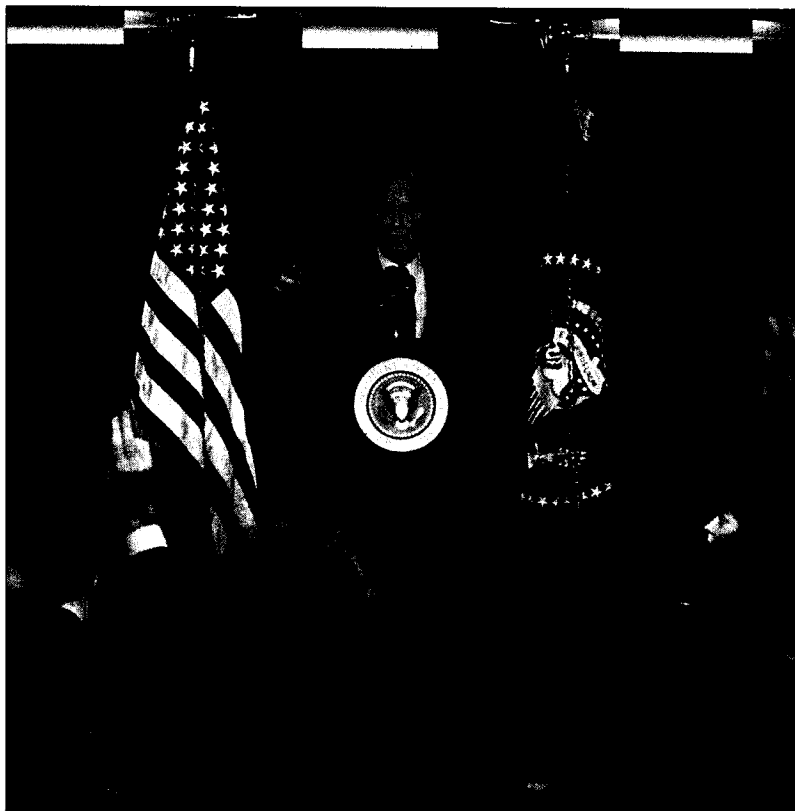
A clear declaration of purpose is key for any organization. President Bush's prime stated objective was the liberation of Kuwait.

by presidential statements that there can be no compromise on the freedom of Kuwait. The objective was again articulated by President Bush in his speech to the nation at the beginning of Desert Storm.

"WHAT IF" PLANNING

Much credit for Desert Storm's success properly goes to strategic planning. And no discussion of planning can neglect the importance of contingency plans. Once Iraq invaded Kuwait, even if the placement of American troops was a foregone conclusion—which it was not—the movement of personnel and vehicles and supplies required some fancy juggling with aforethought.

Fortunately, a contingency plan for moving 100,000 ground troops and support to the Mideast already sat on the shelf. Operations Plan 90-1002 (known as "ten-oh-two") was one of the many "what if" scenarios stashed in the Pentagon storeroom. Drafted in the early 1980s, 10-02 anticipated a conflict with the Soviet Union or Iran. Implementation of 10-02 requires at least three and possibly four months, as well as 30 days advance notice. This ability to keep plans on standby significantly reduces reaction time.

Contingency planning is an absolute must in a new enterprise, says Tankel. Managers may not have to worry about how to move troops to defend a specific territory, but they should think about just those possibilities they never want to think about.

What if key personnel jump ship, or—to paint a bleaker picture—go down in a helicopter accident? Larger companies might plan by having heirs apparent. Tankel recommends that smaller firms plan by making a point of cross training.

What do you do if the new business, acquisition or line of products doesn't catch on? Tankel says not only must companies plan on how to enter the fray, but businesses must design an emergency exit that, if necessary, allows them to escape with as few

GETTING THERE IS HALF THE BATTLE
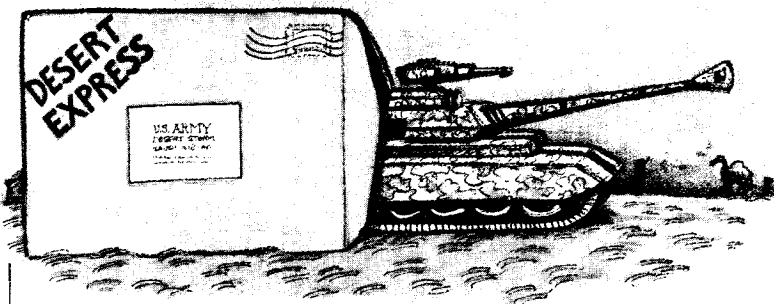
PETER BONO

"An army marches on its stomach." Every business executive who has started up a greenfield site, moved corporate headquarters or developed a marketing campaign knows the truth behind Napoleon's aphorism. Large groups of people, banded together for a common purpose, can move only as quickly as their supply chain.

The Air Force Logistics Command (AFLC), headquartered at Wright-Patterson air base in Ohio, kept the air force moving quickly during Desert Shield/Desert Storm. The deployment proved to be "something like moving Oklahoma City, all of its people, all of its vehicles, all of its food and household goods, halfway around the world," one insider said.

Air Force Logistics Command employs 90,000 people, of whom 90 percent are civilians. This is the force that buys, supplies, transports and maintains Air Force equipment in battle-ready condition in peacetime—and which sustains combat operations during times of war.

Logistics Command planners regularly run computerized "war games" to keep up-to-date and to prepare for the unexpected. By coincidence, the AFLC had reviewed Middle East war scenarios in July 1990, just days prior to Iraq's invasion of Kuwait. This exercise resulted in the development of spares and support equipment data to support the first troops that were sent to the Middle East.

Computerization has changed the way in which logistics is managed. At Wright-Patterson, a prototype information system called the Air Force Logistics Information File tracked the entire spare parts pipeline that fueled the war effort. Parts could be located in transit and diverted as required to units with more urgent needs.

Quality improvement programs in the military service mirror results enjoyed in civilian shops. Knowing that a lack of spare parts could ground the aircraft, for instance, AFLC created a "Desert Express" service designed to identify and expedite high-priority material. This system reduced delivery time to the battle area from three weeks to two to three days. "Our quality program is exactly what brought us here," says Gen. Charles C. McDonald, AFLC commander. "Support to the [overseas] commands was often beyond their expectations."

Bottom-up suggestion systems also played their part. One AFLC employee suggested purchasing a "Shrink Wrap" machine to wrap pallets of tires together prior to shipment. This made loading, shipping and unloading quicker and safer, offered cost reductions, and most important, shortened the downtime of airplanes that needed new tires.

All told, thousands of troops and tons of thousands of pieces of equipment were moved to Saudi Arabia, leading one observer to call the effort "the equivalent of the Berlin Airlift every six weeks."

—*Martha H. Peak*
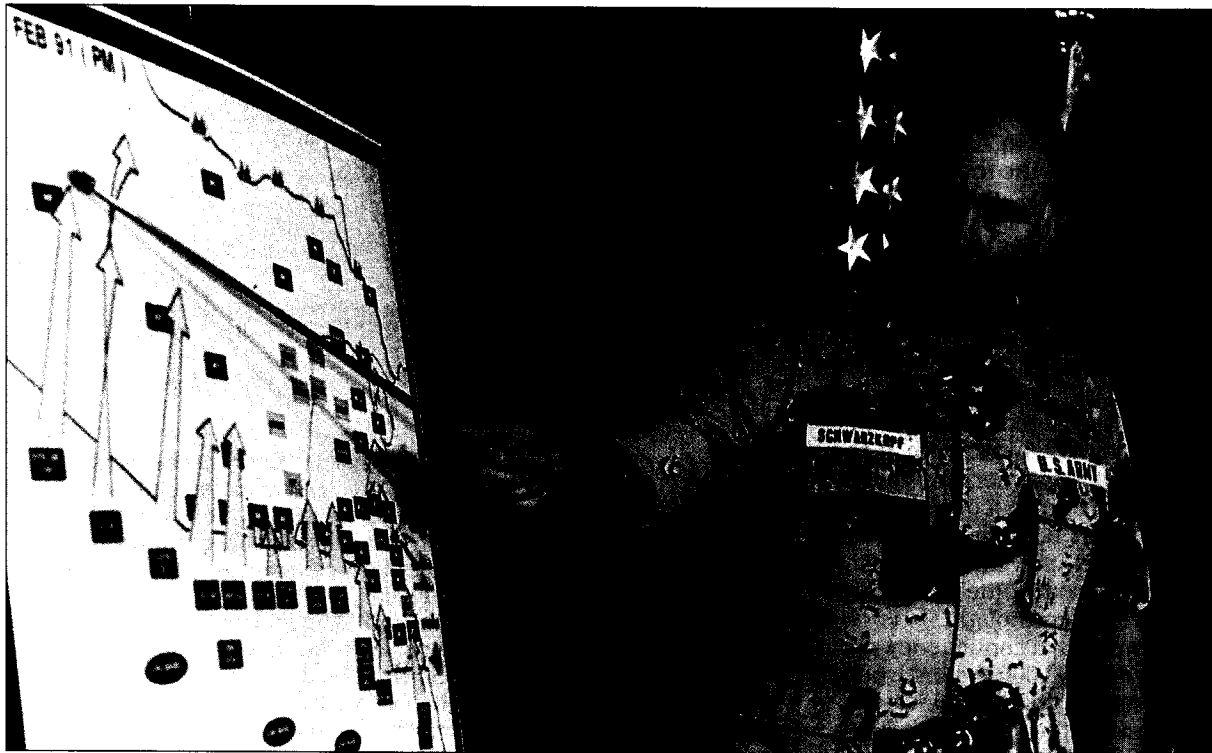
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scars and as many resources (human as well as financial) as possible. If you spot a staffer doing a great job, you want to find a place for that person, even if the particular enterprise goes down.

The rest of the planning took place during Desert Shield in an environment of uncertainty. Who was really in? How far would the coalition go? Would the Iraqis use weapons of mass destruction? What would the Soviets do? What would the Israelis do? Would the Arab nations make a separate agreement? Furthermore, Woodward writes, the American military felt frustrated when asked to prepare options without receiving a semblance of a guiding policy.

"At times," writes Woodward of the days in late September 1990, "brooding in his daily secure phone conversations to Powell in the Pentagon, Schwarzkopf was regularly looking for clues, or asking directly, about the next step. Were they going to hold for the defensive mission? Or were they going to build up the forces to do more?"

And then there was the plan for Desert Storm. On October 8,

1990, Schwarzkopf was asked for an offensive plan. On October 10, his chief of staff, Marine Major General Robert B. Johnston, flew to Washington and made a presentation in the Pentagon to Cheney, Powell and the Joint Chiefs of Staff. He made the appropriate did-it-in-a-hurry, not-carved-in-stone disclaimers, and then outlined a four-phase plan:

"Phase one: …Air attack on Iraqi command, control and communications…Simultaneously, air power would destroy Iraqi Air Force and air defense system. In addition…an air attack to destroy Iraqi chemical, biological and nuclear weapons facilities.

"Phase two: …a massive continuous air bombardment of Iraqi supply and munitions bases, transportation facilities and roads…

"Phase three: …An air attack of the entrenched Iraqi ground forces of 430,000 men, and on the Republican Guard.

"Phase four: …ground assault …launched on the Iraqi forces in Kuwait…U.S. Marines in an amphibious assault from the Gulf…U.S. Army on the

ground attacking directly into Iraqi lines. . .an Egyptian ground division, also going straight into enemy forces, while protecting one of the U.S. flanks."

In discussion, the particulars of the tentative phase four were scrapped. Another element of planning deserves mention.

"Johnston," writes Woodward, "said there was a window of opportunity of some six weeks, from about January 1 to February 15, when offensive actions would be most desirable. After that, the weather and Muslim religious holidays would conspire to make combat more difficult."

With offense becoming a greater possibility, Powell called for planning that dealt with nuts-and-bolts needs—ranging from ammo to medicine to what you do with prisoners of war.

Targets were selected.

"Schwarzkopf's planners," writes Woodward, "were working with a series of matrixes and computer models to match the targets with the available weapons over a timeline of 20 to 30 days of bombing."

A small group of majors and

lieutenant colonels revised phase four. Known as the "Jedi Knights," they infused the plan with some fancy footwork and panache. The notion of a headlong ground-force confrontation was out the window. They replaced it with the "feint and end run," a tactic successfully used by Ulysses Grant in Vicksburg.

INFORMATION VS. ANALYSIS

Planning requires intelligence gathering. One must conclude from *The Commanders* that America's intelligence operation was excellent but flawed. The information was all there; but the analysis was lousy. Even as Iraq's army gathered, no one believed there would be an invasion. Well into late December, the CIA was sure that Saddam Hussein would recognize his hopelessness and scramble out of Kuwait. Military intelligence was a bit sharper.

Management consultant John Sifonis, vice president of New York-based consulting firm Temple, Barker, Sloane, talks about the importance of careful analysis: "We say, 'Gee, if you look at this and this and this and track them over time, you realize a trend is emerging.' That trend indicates that our current way of doing business just will not be valid or viable three years downstream. One assumption said the market for travel and leisure primarily geared to retirees will grow to 6 percent per year. And we looked at the business and said, 'You're looking at only one factor: existing information about one thing called demographics.'"

Sifonis explains that this analysis neglected the loss of skilled labor, and consequently, people of retirement age would be asked to stay on. "You cannot predict the future," observes Sifonis. "What you can do is know what to watch for and make sure you don't blindly say, 'Gee whiz, there are going to be more elderly people who have money, and that's what we're going after.'"

As preparations for war accelerated, military intelligence helped tremendously. The combination of satellite photos, SEAL probes and sophisticated eavesdropping played a major role. They helped identify the exact targets that enabled the smart weapons to paralyze Baghdad. Tankel says that what might be called retro-intelligence also helps. The Coalition military destroyed the Baghdad infrastructure by finding those elements that were most vulnerable. Tankel feels that managers should discover and strengthen the most "vulnerable" elements in their companies.

One more management lesson is the wisdom that comes from luck. The Bush administration never had to answer three questions during the Desert Shield phase of the war: What will happen if the Soviet Union does not cooperate? What will happen to the Coalition and world opinion if Saddam Hussein actually does vacate the Kuwaiti premises? The third question is the most haunting: What will happen if, in the early days of Desert Shield, the Iraqi forces cross the border and massacre 10,000 to 20,000 American troops in the Saudi desert? The skill attached to using luck is to first recognize it when it comes knock-knock-knocking.

THE BATTLE OR THE WAR

The final lesson is a negative. The coalition response displayed a lack of a long-term policy within which to structure tactics. "President Bush had a tactical objective," says T. Quinn Spitzer, a management consultant for Kepner-Tregoe Inc., Princeton, N.J., "which was the elimination of Iraq from Kuwait. He had tactical objectives in terms of assembling a coalition and positioning of the United States intervention in the world arena. What was missing were the geopolitical elements that define strategy.

"You've got to have broad, long-term vision," continues Spitzer. "If you're dealing on a situational basis, if you're so focused on an objective—getting Saddam Hussein out or getting Iraqis out of Kuwait—that you lose the broad

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perspective, you're going to win the battle and lose the war.

"A broad perspective means that you have a large strategic time frame. You don't think about the next 12 months; you think about the next five years. What's going to happen? And you think about it from a visionary standpoint. Rather than taking your realities and projecting them into the future, you take a look at the vision. How far away are we today, and how do we build those bridges?"

The Center for Strategic and International Studies makes a similar point this way in its interim report: "It is not at all obvious that the coalition military effort should have gone on even an hour longer than it did; by the end of the war, coalition air and ground forces were merely slaughtering Iraqis for no pressing military purpose at the time. But the coalition's strategy for transition from war to peace had not been decided, and this impeded winning victories in peacetime as great as those that had been won in war."

Thomas Paine condemned "summer soldiers and sunshine patriots." Fortunately for historians, he said nothing about hindsighters and second guessers. As the repercussions of the events in the Gulf continue to unfold, we will have more than our share of lessons for managers. □

(For reprint and photocopy information, see p. 1.)