UNIVERSITI TUNKU ABDUL RAHMAN
FACULTY OF ACCOUNTANCY AND MANAGEMENT (FAM)
FACULTY OF BUSINESS AND FINANCE (FBF)

ACADEMIC YEAR: 2023/2024
OCT 2023 TRIMESTER

UKMM1011/UBMM1011 SUN ZI'S ART OF WAR AND BUSINESS STRATEGIES

GROUP ASSIGNMENT COVER SHEET

Course details

Faculty : Faculty of Information and Communication Technology

Year and Trimester of study   : 2023 / Oct 2023

Lecture Group : L2, 4-6pm, Tuesday & 8 – 10 am, Thursday
(Eg: L1, 8 – 10 am, Monday)

Lecturer's Name : Mr. Fong Chee Yang

Assignment Details

Company's Name   : Microsoft Corporation

Due Date   : Week 4 (22 November 2023, Wednesday) by 5pm.

Important Note   : Submission of assignment is the responsibility of the students

Students' Details

No.	Student's Name (Arrange by alphabetical order)	Student ID No.	Course	Year/Sem
1.	LEE KEAN YANG	2203125	IA	Y1S2
2.	LEE LI JIE	2105297	IA	Y1S2
3.	LEE MIN XUAN	2200300	IA	Y1S2
4.	LEONG SIN YU	2202026	IA	Y1S2
5.	LEONG KAH HAN	2203563	IA	Y1S2
6.				

Note: Arrange name according to alphabetical order and course

Assessment	Overall marks (%)
Group Assignment	

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MARKING SCHEME FOR WRITTEN GROUP ASSIGNMENT

No.	Assessment	Marks Allocation (%)	Marks Given (%)
1.	**Section A: Organization Background** • Brief introduction of the company (full company name, location, business, products, brands, competitors, performance, etc.)	10	
2.	**Section B: Sun Zi's Art of War Theories:** Provide critical elaborations on the following theories: ● **Theory 1:** In war, it is better to go shift victories rather than engage in prolonged military campaigns (Chapter 2). ● **Theory 2:** For the troops to plunder the resources of the enemy, they must be motivated by material rewards (Chapter 2). ● **Theory 3:** Who is able to unite himself with his officers and men as one mind, spirit and purpose will win (Chapter 3). ● **Theory 4:** Who knows the other side and knows himself will not be defeated in a hundred battles (Chapter 3). ● **Theory 5:** The enemy is greedy for small advantages, offer baits to lure him (Chapter 1). ●	20	
3.	**Section C: Contents** - Discuss your chosen company's practices for each of Sun Zi's theories provided.	40	
4.	**Section D: Recommendations** - Based on your point of view, please recommend the practices which you are discussed in Section C.	15	
5.	**Section E: Conclusion** - Summarize the report and explain what you have learned from this assignment.	5	
6.	**Quality of the written assignment** - Format, layout, idea flow, languages, references, word count and structure.	10	
	Total Marks	100	
	(-) Minus (Non-compliance to structure/formats/instructions as stated in the Course Plan 2023 June) NOTE: A total of 30 marks can be deducted due to non-compliance. Marks should be deducted from the total marks of the assignment (if any).		
	NET MARK AFTER DEDUCTION OF NON-COMPLIANCES		

Section A: Organization Background

Introduction to Microsoft Corporation

Paul Allen and Bill Gates formed Microsoft Corporation, now known as Microsoft. The American holding firm Microsoft Corporation works in the technology industry. Microsoft Corporation is headquartered in Redmond, Washington. Besides, Microsoft Corporation was rated as one of the world's largest technology companies by revenue as well as one of the Big Five technology companies. As one of the world's largest companies, the businesses of Microsoft Corporation are involved in the technology field, such as software, hardware, and cloud computing, computer operating systems.

Products and Brands of Microsoft Corporation

Microsoft is an outstanding brand for its diverse variety of services and products. One among them includes Microsoft Azure, a cloud computing platform. Second, Microsoft Power Platform, a suite of business applications. Third, Visual Studio is an integrated development environment. Fourth, LinkedIn is a social networking service.

Competitors of Microsoft Corporation

According to the current situation, Big Five technology companies are divided into different sectors of competitors, including Apple, Alphabet Inc. (Google), Facebook (Meta) and Amazon. For example, Apple is a competitor to the operating system sector, which is macOS vs Microsoft Windows. Oracle, which is well-known for its database management systems and company software programs is also one of the competitors.

Performance of Microsoft Corporation

Microsoft's financial performance has been robust with constant sales increase driven by using its diverse product portfolio and cloud services. Microsoft was the biggest software maker and the corporation had 181,000 employees in 2022. Microsoft Corporation is considered as a solid long-term investment because of its sprawling ecosystem.

Section B: Sun Zi's Art of War Theories

Theory 1: In war, it is better to go shift victories rather than engage in prolonged military campaigns (Chapter 2).

Sun Zi's theory of quick victories is still applicable these days. Inside the business internationally, corporations can achieve brief victories by launching new products and services quickly, by coming into new markets quickly, or with the aid of obtaining competitors.

Theory 2: For the troops to plunder the resources of the enemy, they must be motivated by material rewards (Chapter 2).

Sun Zi believed that fabric rewards are a powerful manner to motivate troops to combat hard. Sun Zi's idea is still applicable these days. Within the commercial enterprise global, agencies can encourage personnel with the aid of offering them better salaries, bonuses, and other economic incentives.

Theory 3: Who is able to unite himself with his officers and men as one mind, spirit and purpose will win (Chapter 3).

This theory is based on the analogy of military strategy and corporate management, emphasizing the importance of unity and alignment among organisations in order to achieve success. The key to winning, Sun Zi thought, was for leaders and their associates to come together in a common vision. This means developing a strong company culture with clear targets and values aligned to the employee's expectations, in this context of business. It is more effective to work together, overcome difficulties and reach collective success when a team has the same vision. In efforts to build an organizational environment where individuals will be unified, motivated and united in their pursuit of joint goals, that theory's emphasis on unity and collective purpose has a resonance. This unity allows the company to face challenges, innovate, and achieve its strategic objectives effectively.

Theory 4: Who knows the other side and knows himself will not be defeated in a hundred battles (Chapter 3).

Sun Zi believed that it's far more important to understand your enemy and to understand yourself. There are some methods to study your enemy, one is to have a look at their battles and techniques. Sun Zi also

recommended using spies to collect information about the enemy. You also want to be privy to the restrictions of your own sources and competencies.

Sun Zi's theory of understanding your enemy and knowing yourself continues to be applicable nowadays. Within the business international, groups can be triumphant by using information about their competitors and by being honest about their strengths and weaknesses.

Theory 5: The enemy is greedy for small advantages, offer baits to lure him (Chapter 1).

Sun Zi believed that the enemy is often greedy for small advantages. There are a number of ways to achieve quick victories. One way is to surprise the enemy. One other way, in order to prepare them for a larger defeat, is by providing them with a small victory. It was also Sun Zi's opinion that deception should have been used to deceive the enemy. Today, it's still important to persuade our enemies with small advantages. Companies are able to attract their competitors with offers of discounts, rebates or other incentives in the business world. By spreading misinformation and promising the wrong things, they can also encourage their competitors to make mistakes.

Section C: Contents

Theory 1: In war, it is better to go shift victories rather than engage in prolonged military campaigns (Chapter 2).

There are several approaches to achieving quick victories in the corporate realm. One effective method is to constantly assess the competition, and another is to strategically target their weaknesses. Following Sun Zi's teachings, attacking the competitor's supply chains or capitalizing on moments when they are divided can also be considered.

Sun Zi's theory of swift victories remains relevant in today's business landscape, and Microsoft Corporation exemplifies this through its consistent launch of innovative products and services. The company excels at swiftly entering new markets and has a proven track record of acquiring competitors to strengthen its position.

Microsoft's ability to adapt, innovate, and strategically maneuver in the dynamic tech industry has contributed to its ongoing success. The company's approach aligns with Sun Zi's principles, highlighting the importance of agility and decisiveness in achieving rapid triumphs in the business world.

Theory 2: For the troops to plunder the resources of the enemy, they must be motivated by material rewards (Chapter 2).

This theory is necessary for understanding how and why these employee difficulties happened at Microsoft. When Ballmer took over as CEO of Microsoft in the early 2000s, the business was able to talk about its excellent employee perks and charitable programmes in which it had made big investments. Employee interest in Microsoft's stock options decreased as a result, which was negatively impacted by the company's falling net income. Between 2002 and 2004, their turnover rates increased from 6.7% to 9.4%, and their morale declined (Chakraborty, 2010). Employee dissatisfaction has gotten so bad that some have taken to writing openly in their blogs about how unhappy they are with their work and the treatment they receive: "Today is a gloomy and depressing day at One Microsoft Way." It's best for you to avoid this. (Chakraborty, 2010, p. 6). Employees were dissatisfied with additional cost-cutting measures, such as do-it-yourself coffee machines, in addition to benefit cuts. As a result, morale and turnover are low.

When it comes to motivating and retaining employees, Microsoft management has a lot of alternatives at its disposal. In order to increase motivation, the first strategy builds on the previous one by placing an emphasis on employee performance. Although cash rewards are a common way for employers to show their appreciation for their staff, verbal and written recognition can also be helpful. As demonstrated in this case, employees of Microsoft complained about being ignored and having their perks drastically cut, but management remained silent. Employees might have responded differently if the company's HR specialists had decided to give verbal rewards during a period of financial hardship rather than monetary perks. Writing "thank you" messages to the firm expressing thanks for their efforts to boost motivation and outlining the behaviors that would be rewarded moving ahead are examples of such verbal rewards. (Heathfield, 2016).

The second strategy is to foster a collaborative work environment to inspire staff members to be more innovative in generating new firm clients and practical client-attraction tactics. Collaborative teams are often driven by a sense of self-accountability for their performance. Additionally, employees will find that working in collaborative teams is more fulfilling because there is less pressure from "top-down" arrangements, when management makes all of the choices and issues staff requests.

There is also a method which Offers of attractive rewards and bonuses. The company provides competitive pay, comprehensive healthcare insurance, and excellent retirement benefits. Furthermore, Microsoft has a performance-based bonus structure in place that recognises and rewards outstanding work. These incentives not only encourage employees to give their all, but they also indicate the company's commitment to to acknowledge and appreciate their achievements.

The last method is to effectively communicate to employees any important information that will help them do their job well. It has the potential to directly enhance communication between Microsoft's management and dissatisfied staff members. The other option is to hold staff meetings to inform employees about important information that will affect their efficiency, to encourage HR professionals to drop by departments that were particularly affected by the negative decisions, to implement open-door policies, and to become more involved in employees' social lives (Heathfield, 2016).

Theory 3: Who is able to unite himself with his officers and men as one mind, spirit and purpose will win (Chapter 3).

Microsoft is a company with an excellent culture of collaboration and teamwork. The company supports its employees in achieving common objectives by working together.For instance, Microsoft's "One Microsoft" campaign aims to dismantle divisions across various teams and departments. Communication and cooperation at all levels of the company have been improved through this initiative.

At Microsoft, the Sunzi 's theory applied in its company is empowering their employees by several approaches. It is because empowering every person and organization to achieve more is the shared vision between the company and the employees. Hence, the Microsoft company conducts training and coaching on career development which involve the employees of the company by dividing them into different departments. For example, manager will be provided customized training to enhance their mentoring skills in order to achieve the company's goals. The purpose of these training session is to shape the employees to become productive which subsequently can help everyone to achieve their needs.

In order to raise the spirit of the employees, Microsoft will not hesitate to give rewards. Programs that are dynamic, strategic and sustainable were developed to attract as well as to retain top talented employees to do their best work. Microsoft's culture which is potential can be nurtured instead of pre-determined. This mindset is great to encourage employees to learn new things without feeling of fear.

Theory 4: Who knows the other side and knows himself will not be defeated in a hundred battles (Chapter 3).

The importance of understanding both your competitors and your own strengths and weaknesses is stressed in this theory. This requires thorough market research in order to gain an understanding of the competitive environment, identifying emerging trends and assessing your company's uniqueness.

Microsoft is effectively using this theory through a large investment in R&D, including research and development of new technologies. The company can thus develop innovative products and services that respond to customer needs, so as to remain at the forefront of competition. In order to keep up with evolving customer requirements and preferences, Microsoft also carries out regular market research. This knowledge is communicated to the company's product development strategy and ensures that it continues to be relevant and competitive.

Microsoft is capable of making informed decisions that position it to achieve success on the global market by understanding its competitors and their strengths. A major factor in Microsoft's long term success has been this deep understanding of the competition landscape.

Theory 5: The enemy is greedy for small advantages, offering baits to lure him (Chapter 1).

This theory suggests that, in doing so, one could exploit an opponent's desire to make gains for a shorter period of time. To do that, we have to identify and exploit the vulnerabilities of competitors in order to gain market shares on a global scale.

Through its aggressively promoted and sold strategies, Microsoft has proven itself to be able to master this theory. The company has a long history of targeted promotion, discounts and bundling strategies aimed at attracting new customers and enticing existing customers to leave their competitors. Microsoft's strategy of offering Windows 10 users an unrestricted upgrade to the most recent version has been a success,. significantly increasing its adoption rate.

By offering these "baits," Microsoft is able to lure competitors' customers away and gain a competitive edge. A large part of Microsoft's dominance in the software sector has been attributed to such a heavy emphasis on marketing and sales.

Section D: Recommendations

Microsoft's success can be traced back to its strategic framework, which is underpinned by swift and decisive actions as a fundamental principle. The company's speed of entry into new markets, as well as its

disruption of existing players, demonstrates the need for adaptability to seize emerging opportunities. By taking advantage of changing trends and market requirements, a company can gain an edge by acting fast but also helps it to stay ahead of its competitors.

The core components of Microsoft's business ethos are employee motivation and empowerment. It is essential to encourage excellence in the performance of employees by recognising their contributions, providing growth opportunities and promoting a supportive working environment. This method supports a high performance culture, retains talented people and fuels innovation within the organisation. In order to achieve its success, Microsoft aims at promoting collaboration and teamwork. Effective communication, problem solving and innovation are encouraged when the barriers to collaboration between departments are broken. An organization's ability to evolve through collaborative culture is enhanced by valuing different points of view and emphasizing cross-functional teams. Furthermore, the company's aggressive marketing and sales methods strengthen its competitive advantage. To attract new customers and increase market share, it is necessary to use novel campaigns, offer incentives or compete on a strategic basis with competitors. This approach is of crucial importance in the promotion of a solid position in high competition sectors.

In order to further emulate Microsoft's success, firms should emphasise their role as leaders in promoting excellence, placing a high priority on adaptability to changing market conditions, continuing development of communication strategies focused on clarity and transparency, and investment in the acquisition of market intelligence for strategic planning and informed decision making. Businesses must take a diversified approach if they are to survive today's evolving business environment. In response to change in market conditions and new opportunities, it is advisable for companies to take advantage of agileness and decisiveness. Fostering a culture of engagement and empowerment encourages employees to come forward with best practices, increasing productivity and innovation. Promoting teamwork and collaboration breaks down silos, facilitates knowledge sharing, and enhances problem-solving capabilities. It also attracts new customers, expands market share and strengthens the firm's position within the sector by adopting a competitive marketing and sales strategy. Businesses can build a thriving, sustainable business environment to spur growth and compete better than their competitors through the effective implementation of these recommendations.

Section E: Conclusion

Sun Zi's Art of War, an ancient military treatise, has transcended the battlefield and found resonance in the practices of modern business. Its emphasis on agility, harmony, information, and strategic positioning aligns with Microsoft's approach to navigating the complexities of the modern business landscape. Microsoft's success can be attributed to its ability to effectively apply Sun Zi's principles, embracing agility in its product development and market entry strategies, motivating its employees through competitive compensation and recognition, fostering a harmonious and cohesive work environment, gathering information to guide its product development and marketing strategies, and strategically positioning itself in the market to divert competitors' attention and gain a competitive advantage. By adhering to Sun Zi's timeless principles, Microsoft has established itself as a leader in the technology industry, continuously striving for innovation and maintaining its position at the forefront of the business world.

Sun Zi's "The Art of War" remains a timeless and adaptable masterpiece, offering insights that transcend the realm of battlefields and find resonance in various aspects of contemporary business practices. Its emphasis on agility, harmony, information, and strategic positioning aligns remarkably well with the strategies employed by successful corporations such as Microsoft. The principle of achieving swift victories, advocated by Sun Zi, parallels the need for adaptability in a rapidly evolving marketplace. This aligns with Microsoft's strategy of swift market entries and product launches, emphasizing the importance of seizing immediate opportunities rather than engaging in prolonged campaigns. Sun Zi's focus on motivating troops through material rewards resonates with Microsoft's approach to incentivize its workforce. Microsoft's practice of offering competitive salaries, benefits, and stock options ensures a motivated and engaged workforce, contributing significantly to the company's success. The principle of unity of purpose advocated by Sun Zi aligns with Microsoft's emphasis on a shared vision, collaboration, and fostering a cohesive work environment. This cohesion is pivotal in driving success within the company, fostering innovation, and achieving common goals. Sun Zi's emphasis on understanding oneself and the competition mirrors Microsoft's commitment to extensive market research and understanding customer needs. Microsoft's product development and marketing strategies, ensuring alignment with customer preferences and market demands.

In conclusion, Sun Zi's principle of luring the enemy with baits finds reflection in Microsoft's strategic, such as strategic announcements or product launches. These tactics divert competitors' attention while positioning Microsoft favourably in the market, demonstrating the applicability and relevance of ancient strategies to modern business practices. Microsoft's alignment with Sun Zi's principles underscores the enduring wisdom of "The Art of War" in guiding contemporary corporate strategies and decision-making processes.

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Appendices