



Learning The Pentagon's Secrets For Business Success

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Tucked away in a busy corner of the Pentagon is a little-known bureau known as the Office of Net Assessment. Headed by Andrew W. Marshall, the legendary nonagenarian strategist who has advised every American president since Richard Nixon, it serves as the U.S. military's in-house think tank on a broad range of foreign policy and defense issues. Its specialty, however, is a very specific discipline: the study of the different ways in which the United States can identify and exploit emerging trends in an increasingly complex geopolitical environment.

For nearly four decades, Net Assessment's work was largely secret, known only to a small circle of policymakers and opinion shapers, who relied heavily on its insights about long-term strategic competition to help inform their handling of foreign policy and national security affairs. Of late, however, the circle of those who have learned how to "weaponize" the discipline of net assessment has gotten a little bit bigger.

This spring, Georgetown University's McDonough School of Business began offering a course on the use of net assessment for business strategy. The week-long class, the first of its kind, is designed to systematically explain and apply principles and methodologies honed over decades in the Pentagon to the global business environment.

It's a logical fit. "Net assessment is what is done before strategy," says Adam Lovinger, one of three professors who teaches the Georgetown course (and, in the interest of full disclosure, a good friend). "You do net assessment to get your strategy 'right,' since any good net assessment will reveal strategic opportunities which then should be used to form the basis of strategy."

Lovinger would know. In addition to his role at Georgetown, he serves as a senior advisor to the Pentagon's Office of Net Assessment - the very bureau that pioneered the discipline. The course's other instructors are equally expert. David Fahrenkrug serves as a senior military advisor to the Office; Matthew Fleming is a fellow at the Homeland Security Studies and Analysis Institute, a federally funded research and development center serving the U.S. Department of Homeland Security.

It's easy to see the value of the type of analysis they are promoting. The behavior of nations is driven by numerous complex factors - from declining demographics (take Russia and Iran) to internal religious competition (Egypt and the countries of the "Arab Spring," for example) to shifting allegiances and worldviews (such as in Turkey).

That behavior, in turn, has an impact not only in the political world, but on the global business environment as well. For example, Lovinger notes, "a mercantilist China - especially as it combines military and economic levers, such as cyber spying/theft - necessitates a 'new look' at business education that combines security, economics, technology."

This sort of analysis is par for the course in the U.S. national security community, where the study of contemporary political developments and the deeper strategic culture of foreign nations is the cornerstone of informed decisionmaking. In the business world, however, it so far has received remarkably short shrift, despite its obvious implications for the future of global business competition.

Until now. Georgetown's foray into the use of net assessment as a business discipline is a significant development, insofar as it signals a growing awareness of the proximity and interplay of international security and global commerce.

It might also be the start of something bigger. This sort of interdisciplinary study has the potential to serve as the backbone for a larger, more systematic approach to international business that could catapult Georgetown - already a leading university in its own right - to the head of the pack among those institutions of higher education that are preparing the leaders of tomorrow to properly apply the theories they learn in the ivory tower to the real world.