

ACCORDING TO LEGEND, the Z/Yen chop – symbol of the quest for Z/Yen enlightenment – was inherited by Chao Kli Ning's most fervent disciple, Lo Fan. Given Lo Fan's Z/Yen, a philosophical desire to make money, he began a chain of successive sales of the Z/Yen chop to faithful disciples through the centuries. Legend has it that the chop was lost in a fairly messy takeover battle in the early late Middle Ages. However, there are dark rumours that the chop still survives, wielded by modern disciples who continue to spread the Z/Yen creed, for a quick buck.

MICHAEL MAINELLI and IAN HARRIS are founders/directors of the risk/reward management firm Z/Yen and the modern scions of Chao Kli Ning's dynasty. Before reaching total Z/Yen enlightenment, Michael and Ian's monastic duties included service as management consultants and corporate strategists, advising businesses and organisations on the one true path(s), as well as writing and contributing to numerous business publications. CHAO KLI NING (499BC TO 401BC?): Quasi-mythological, proto-businessman from the late Zhou period in ancient China. Said to have had an uncanny knack for spotting an opportunity to make a quick buck. Legend has it that the Z/Yen business philosophy (see opposite), which later came to dominate the Early Imperial Eastern Mercantile Period, was founded as the result of a massive endowment from Chao Kli Ning's stupendous fortune (although some accounts attribute the Z/Yen Institution to Lo Fan, protégé of Chao Kli Ning, patriarch of the powerful Lo family and holder of Chao Kli Ning's subsidiary rights in perpetuity). The only evidence of Chao Kli Ning's existence is a rich oral tradition of case studies.

Z/YEN (PRONOUNCED "ZEE-YEN"): A mystical philosophy that encompasses enlightenment in business and enlightenment in life. Z/Yen is based on a unique blend of Taoism, Confucianism, Buddhism, decadent subcultures, arrogant supra-cultures and humour. The philosophy, which highlights the duality in all business problems and solutions, is sometimes summarised as "a philosophical desire to make money." Z/Yen is believed to have been founded by Chao Kli Ning (see opposite), although only fragmentary evidence of the origins of Z/Yen survives in its rich oral tradition. Historians have long sought documentary evidence of Chao Kli Ning, the origins of Z/Yen and the zest for enlightenment which made the ancient business world what it is today.

EXCERPTS FROM THE ENCYCLOPAEDIA OF BUSINESS ARCHAEOLOGY PRIOR TO THE DISCOVERY OF THE Z/YEN PAPERS - THE ANCIENT EASTERN BUSINESS TEXT CONTAINED HEREIN.

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A STRATEGY? SELL MORE. SPEND LESS. HAVE A BIG, ALL-EMBRACING, LUCRATIVE, FOOLPROOF BUSINESS IDEA

A MANTRA FROM THE BROTHERS IN ALMS

IF YOU'VE GOT IT, FLAUNT IT

(SAID TO BE FROM) THE SAYINGS OF ALM

CHAPTER SEVEN: STRATEGY

GREEKS HAVE A GENERAL WORD FOR IT

Documenting, at great length, a comprehensive mechanism for dealing with the future. Said mechanism being so comprehensive that documentation is unnecessary. CHAO KLI NING WAS VERY, VERY HAPPY. The grass was greener, the skies were bluer, the smile on Kli Ning's face was oh so bright. His face was even brighter when he reviewed his general ledger. The general ledger positively glowed with debits and credits. Kli Ning was a bit unsure what these debits and credits meant, but there seemed to be a lot of them. Lo Fan assured him that it was mostly good news.

Despite the confusion over this new method of tracking business, Kli Ning knew that franchising worked. All over the region, every town and village within a day's ride had a Kwik Klining Duck Tea House And Laundry. Unfortunately, Kli Ning's village was a bit remote, so a day's ride only meant eight franchises. But he had big ideas.

Lo Fan was very, very troubled. He came to see Kli Ning about his worries. "I want to be completely honest, open and straightforward with you, Kli Ning. Frankly, this could be difficult."



"What's going to be difficult?" asked Kli Ning.

"Being completely honest, open and straightforward, of course," replied Lo Fan.

"Don't worry about that. Just tell me what's on your mind," said Kli Ning in his kind voice.

"Well, O most esteemed one," began Lo Fan. "As you know our general ledger tells us many tales."

"Too many tales. Every time I read the ledger I seem to see each transaction twice!"

"That's because we enter them twice. Once on each side. Just like the Yen monks showed us. They call it duplicate entry."

"I call it double-effort bookkeeping," muttered Chao Kli Ning. "But what is the tale you read?"

"I am concerned about the tale of the future, O most esteemed one," ventured Lo Fan. "Our future is written in the scripts of our history. The rise and fall of whole economies is recorded in untold transactions. Yet the future is like an empty ledger, waiting to be filled. There is not yet a single entry, let alone a duplicate."

"Thus is the future different from the present, Lo Fan," said Kli Ning. "But surely these philosophical questions do not concern us now. As you can see, the Kwik Klining Duck Tea House and Laundry franchise scheme flourishes beneath our enlightened management."

"O most esteemed one, surely was never a truer word spoken. Your

management is amongst the most enlightened that civilised man has had the good fortune to experience. Yea, even the ledgers bear testimony to your munificence. But the eight franchisees worry, and some even fret, for the future holds many terrors. The men want a plan."

"Get a big picture grip on the details. We'll tell the franchisees not to worry. This will make them feel better, especially as I have so clearly told them. This is my plan. Send each man a message confirming my prediction."

"As you command, so it shall be done," murmured Lo Fan, not altogether convincingly. "On your advice, I shall tell the franchisees not to worry."

The days passed. The bookkeeping entries doubled. The franchisees grew restless. They told Lo Fan that they felt the Kwik Klining Duck Tea House and Laundry chain lacked direction. Where would the new franchises be established? Was the slogan "Starching, pressing and a Kwik cup of tea while you wait? You've got it!" appropriate in every village in the region? Did all product names benefit from the suffix Chao, e.g. Duck Chao, Cow Chao, Tao Chao (monk's noodles), Now Chao (instant noodles) and Bao Wao Chao? Would regional demographics support a sustained rise in average household consumption amongst middle-income, dual-wage earning agricultural families? Did Kli Ning really have a plan? Lo Fan decided to tell Kli Ning another tale from the general ledger.

"Things are not going so well, O esteemed master," Lo Fan informed Kli Ning. "Ah, so the tales from the ledger are not good. Tell me the problem," demanded Kli Ning. 5

"There is a far-off country, away to the west, where there are many strange thoughts, and stranger men. This land is called Greece, and the people Greeks. They fight many pointless battles and spend little time making money or spending it. A general who leads these pointless battles is called a 'strategos', for that is his function. The strategos is responsible for the disposition of the troops. Thus is the importance of these things understood."

"Are you saying that just because we have a little downturn in profit that we should start wars and build a market in imported generals?" asked Kli Ning, positively perplexed. "Perhaps you could be a bit clearer, Lo Fan?"

"The men want a strategy."

"First the men want a plan, now the men want a strategy. I want them to make up their minds."

"They say you should make up your mind and tell them the strategy, just like one of those foreign generals," pushed Lo Fan.

"Get a detailed grip on the big picture, Lo Fan," declared Kli Ning. "I shall think about the franchisees' concerns. However, we really don't have time for these long-term strategies and crazy foreign generals."

But Kli Ning did think long and hard on these exotic matters at his favourite riverside gazebo. He imagined himself as the head of a great army, conquering whole regions with new duck recipes and innovative stainremoving techniques. He fantasised pitched battles where his franchisees wrestled to the death with in-bred village restaurateurs, local government health officials and imperial tax collectors. When he emerged from his reverie, he summoned his scribe and dictated his vision. He then summoned Lo Fan to the riverside to hear his words.

In Xianatu village did Chao Kli Ning a stately strategy decree. Thus spake Chao Kli Ning to Lo Fan:

My name is Chao Kli Ning, businessman of businessmen. Look on my franchises ye mighty and despair! The Art of War is a matter of vital importance to business – the road to survival or ruin. It is mandatory that it be thoroughly studied, otherwise you miss opportunities to make a quick buck.

At this point, Lo Fan broke into a cold sweat and wondered whether he had done the right thing by bullying his master into thinking about generals and long-range planning. Would he, Lo Fan, be held responsible for Kli Ning's delusions? Kli Ning continued, "There will be five fundamental factors upon which our glorious victories will be founded:

- The business of war is our business
- Our business is feeding and clothing
- The business of war gives us armies to feed and clothe
- Our franchisees are our front line
- Let's make war.

Kli Ning handed his scroll to Lo Fan with the words, "Now we've held our council standing beside this river gate. I am pleased and satisfied with my strategy. Chao Kli Ning has spoken. Now, Lo Fan, disseminate my words to the franchisees."

So Lo Fan toured the province, visiting each franchisee with Kli Ning's proclamation. Lo Fan did his best to explain Kli Ning's words to the franchisees. No one could quite comprehend the strategy, but all agreed it must be something to do with business acquisitions, possibly hostile bids. Most franchisees disagreed with making war, and a few felt that making love could be equally profitable and rewarding, as well as potentially more fun.

Lo Fan returned to Kli Ning with his findings. "O mighty one," he began, "your stately strategy decree has been most enlightening and has led to further enquiries. Also, I humbly beg to report that your franchisees feel that they've had no chance to contribute to such an important document, no chance to debate the issues and no chance to affirm their commitment to a strategy of acquisition. For instance, most of your obedient and humble franchisees think that business acquisitions stink. Good acquisitions are hard to find, consume too much time, lead to resentment and rarely work. The franchisees have made up their minds. They want a different strategy."

Kli Ning grew sorely frustrated at this. "If they want a different strategy they can have one. But they can do it themselves." Kli Ning started to walk away. Then he turned back to Lo Fan. "But if they do decide to do it themselves you'd better watch them like a hawk." Lo Fan worked hard over the ensuing month. He felt like a camel trader trying to keep his dromedaries out of a Cantonese cooking pot. Lo Fan gained contributions to the strategy from visiting the franchisees. He developed a consensus through workshops with the franchisees and as the end of the month approached, he summoned all the franchisees to the village to meet with each other and gain their commitment before presenting the final strategy to Kli Ning.

The air was festive in the village hall where the franchisees assembled. Kli Ning struggled to remember names, although he had an uncanny memory for dishes served at a table where he was picking up the bill. Lo Fan also struggled to remember the franchisees names, a problem further exacerbated by Kli Ning's insistence on nicknaming the franchisees by the food they ate. Seeing the franchisees all gathered together for the first time, Lo Fan realised that consensus amongst these eight would be problematic, not least in agreeing the menu for meals during the day. He called the roll:

- Blood Pudding (dressed in leather armour, chanting war cries)
- Steamed Carp (desperately reading philosophical scrolls on Taoist business cycles)
- Drunken Chicken (nursing his bottle, dreaming of riches, occasionally yelling "hear hear")
- Double-Cooked Pork (currently reviewing the forty-seventh draft of his personal strategy)

- Seven-Treasures Duck (documenting every utterance, to ensure that the eventual strategy reflected all opinions)
- Spare Rib (arguing with everyone, using the single argument "keep it simple, stupid")
- Tofu (timidly refraining from all discussion, except the occasional, almost inaudible "no comment")
- Shark's Fin (convinced that the whole exercise was futile, but revelling in an all-expenses paid trip to Kli Ning's village).

The meeting was long and drawn out. It lasted most of the day. It would have lasted longer, but Drunken Chicken fell asleep and lightened Lo Fan's load. Shark's Fin excused himself and went to visit one of his cousins in the village. Lo Fan kept Double-Cooked Pork and Seven-Treasures Duck busy with notes, counter-notes, minutes and draft revisions. All seemed well, and Lo Fan had a slight sense of satisfaction as the day drew to a close. Then Kli Ning entered the hall. "Show me this new strategy upon which we have wasted so much time and money!" he demanded. The seven remaining franchisees and Lo Fan hastily assembled a presentation. They produced amazing pie charts, stunning matrix analyses and intricate financial projections. These proved beyond all reasonable doubt, to all but the most unbiased observer, that organic growth through franchising and territorial conquest was infinitely superior to acquisitions.

Kli Ning was truly astonished. "I am truly astonished," he exclaimed. "I never thought that you could develop a strategy on your own, especially one

with no need for acquisitions. However, this seems very similar to my old strategy of waging metaphorical war on our business opponents. Nevertheless, I am indisputably pleased with our progress and resolve that we shall all henceforth adhere, without divergence of any sort whatsoever, to our chosen path and achieve the profitable conquest we all so richly deserve."

Drunken Chicken burped in agreement and the mood of the entire meeting was one of hearty self-congratulation. Shark's Fin burst in to share in Kli Ning's celebratory round of free drinks. Unfortunately Shark's Fin also burst out with an announcement that his village cousin knew of two particularly exciting restaurants less than two days journey away that had their own self-contained laundry facilities. Both these restaurants were ripe for acquisition. All the franchisees grew excited. Kli Ning grew even more excited. As Shark's Fin explained the details, Kli Ning knew that this was an acquisition opportunity too good to miss.

It was a confused Lo Fan who left the village hall late that night. Perhaps it was the drink, but Lo Fan felt that something was wrong. They had all worked hard for over a month on a detailed strategy. They had all finally agreed the principles, even Kli Ning. Then in one night they had thrown it all away to chase the latest exciting opportunity that had come their way, even though it violated their principle of non-acquisition. For many days, Lo Fan did not recognise the inner emotion which troubled him. If he had been a religious man, and not a businessman, he might have recognised "opportunity guilt" sooner. Lo Fan would have felt guilty had they not jumped at the acquisition opportunity. Instead, he now felt guilty for not following the strategy. The guilt was unavoidable. If Lo Fan had been a religious man, he could have made a lot of money selling this concept. Instead, it was to be many generations until Z/Yen scholars were to profit from enlightening others with the concept of "opportunity guilt".

As it was, thanks to all the changes of strategy and the paid expenses, the franchisees were reinvigorated and increased their earnings. Kli Ning's coffers grew with his share. The tales from the ledger improved. The strategy was safely framed on each franchisee's wall. Each franchisee fondly remembered the arguments they had had agreeing the strategy and referred to the arguments often when making new decisions.

Kli Ning also had the framed strategy on his wall. Kli Ning referred to the strategy often – too often – when making new decisions. He often used arguments from the strategy to justify his decisions. Kli Ning could never remember the actual arguments, as they were from sessions he had not attended. Kli Ning sometimes wondered what would have happened had they stuck to the strategy, without the acquisitions. The results of his acquisitions would take many more months to reveal themselves. There had been so many interesting ideas in the presentations at the village hall that night (known in Chao circles as "The Night of the Long Range Planning and Kitchen Knives"); ideas which wouldn't be tested in the heat of business battle.

Every time Kli Ning regarded the strategy on his wall, he asked himself "What does the future hold for my businesses?" The grass seemed browner, the sky seemed greyer. Kli Ning frowned as he pondered the future. But Kli Ning was a man with a strategy. Chao Kli Ning was very, very worried.

QUESTIONS FOR STUDENTS

Design a workshop for Chao Kli Ning, Lo Fan and the franchisees which would lead to all workshop delegates eventually barn dancing in matched pairs, with or without odd numbers of delegates.

Opportunity guilt is the same feeling as the feeling one has when remaining faithful to one's spouse. Discuss (at home).

Clean Business Cuisine: Now and Z/Yen the humorous risk/reward management novel

<u>The Sunday Times</u> Book of the Week "highly entertaining . . . wonderfully daft . . . hilariously sophisticated stuff" - DJ Taylor, "Zen and the Ancient Art of Making Yen"



OVERVIEW How to manage organisations, motivate people and make a quick buck: the eternal Z/Yen questions. As with many ancient questions, the answers have been locked away in obscure Eastern texts that have only recently re-emerged. At last, these excerpts from The Z/Yen Papers, modernised and republished as **Clean Business Cuisine**, reveal to our age the one true path(s) to enlightenment. Today, with the benefit of these teachings, businesses everywhere will thrive and the course of history will be irrevocably improved.

DESCRIPTION Clean Business Cuisine: Now and Z/Yen is a novel modelled as a rediscovered ancient business text. It comprises a series of stories (or case studies) set around the workings of an ancient laundry and restaurant and its legendary proprietor, Chao Kli Ning. Each story is based on a simple duality, centralisation versus decentralisation, managing people or managing results, technology is wonderful or technology is useless. Clean Business Cuisine is firmly grounded in management theory and practice, served up in a wry, lighthearted manner for the general reader to enjoy.

Clean Business Cuisine is a uniquely enjoyable yet informative read, perfect for managers, students and <u>anyone in</u>terested in enlightenment. The design of this book is stunning – a great gift.

DETAILS	
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- *"it's a must for any management student . . . it really does make management studies fun while simultaneously covering all the main topics"* Lucy Cole, "Dealing with Dirty Laundry", <u>Kaleidoscope</u>, page 26 (Autumn 2000).
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- "Clean Business Cuisine is the 1066 and All That of management." Francis Beckett, "No More Chinese Laundry Blues", <u>Ambassador</u>, page 32 (September 2000).
- "very tongue in cheek and very funny but also strangely enlightening" Alex Smith, "Clean Business Cuisine", <u>Business Age</u>, page 126 (September 2000).
- "light style and unforced humour" David Shirreff, "Fishy path to enlightenment", <u>Euromoney</u>, page 6, (August 2000).

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Michael Mainelli and Ian Harris are founders/directors of the risk/reward management firm Z/Yen and the modern scions of Chao Kli Ning's dynasty. Before reaching total Z/Yen enlightenment, Michael and Ian's monastic duties included service as management consultants and corporate strategists, advising businesses and organisations on the one true path(s), as well as writing and contribution to numerous business publications (see also *www.zyen.com*).

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TELEVISION

"a fascinating book with fascinating accolades" - Becky Anderson, CNN <u>World Business This</u> <u>Morning</u> (7 August 2000).

"a recipe for success" - Heather Scott, Sky News, (1 September 2000).

CELEBRITY ENDORSEMENTS

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