

# **STRATEGIC PLANNING RELATED TO BUSINESS MANAGEMENT AND COMPETITIVE COLLEGIATE CHESS: A COMPARATIVE ANALYSIS AND BUSINESS ADMINISTRATION EXTRA-CURRICULAR IMPLICATIONS**

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## ***ABSTRACT***

*This study provides a comparative analysis relating to various strategies utilized within both the field of business management and within the field of collegiate level competitive chess. Related implications regarding the benefit of including access to the development of chess mastery within the extra-curricular portion of Business Administration programs are proposed.*

*Within the field of business administration, one area of emphasis is strategic planning. Strategic planning largely refers to an organization's development of a competitive strategy for making decisions regarding the allocation of its resources to pursue success.*

*Within the field of chess, emphasis is also placed on strategic planning. Chess strategy largely refers to the assessment of positions and the development of goals and long-term plans for future play to pursue success.*

*Due to the common emphasis placed on strategic planning within the field of business management and chess, a comparative analysis is provided. Variables include cost-benefit analysis, decision tree analysis, contingency management, decision making constraints/limitations, hierarchy of authority, adaptability, competitive analysis, etc.*

*Chess has been a focus for many other disciplines including mathematics, computer science, art, and others. A review of the literature provides additional insight regarding the relationship to business management. In addition, the results of a survey regarding the major fields of study of competitive collegiate chess students on various university campuses, is presented. Lastly, implications regarding business administration extra-curricular activities are discussed and proposed.*

## **INTRODUCTION**

Chess can be traced back to Western India to approximately A.D. 700. It was called "caturanga" which literally meant "four arms" and referred to India's four military arms, which at that time included chariots, elephants, cavalry and the infantry. Over time these four arms evolved into the modern pawn, knight, bishop and rook. Chess and the benefits of playing the game has been a focus for many other disciplines due to the multi-faceted aspects and requirements of the game (Davidson, 1949). This paper attempts to link the field of strategic business planning to the field of chess in order to assess the potential benefit of chess skill mastery to business administration students. A survey summary then provides insight

regarding the most common areas of study for students participating in competitive collegiate chess. Finally, recommendations and conclusions are discussed.

### **STRATEGIC PLANNING AND CHESS**

Strategic planning is defined as “the process by which most organizations try to align vision, culture, people and structure with strategy”. More specifically, this process requires many of the steps required for effective strategy utilized when playing chess. For example, managers involved in strategic planning are required to conduct a situation analysis and analyze the business and corporate environment. Next, just as in chess, the manager must formulate alternatives, select strategies and then develop action plans to implement them (Huff, Floyd, Sherman, and Terjesen, 2008). According to Marshall and Macbeth (1944), a key factor contributing to success in chess is the ability to detect weaknesses in an opponent’s strategy, and then to take full advantage. As in business management strategy development, an important chess strategy is to avoid premature attacks upon opponents. Alburt and Palatnik (1997) place emphasis on chess planning and strategy. They present a plan as a visualized series of steps required in order to achieve one’s goals. Learning to plan is viewed as essential for every chess player due to the resulting skills related to foresight and planning. Strategy is presented as is the art of forming an overall plan. Furthermore, strategy is referred to as the "grand scheme" for a game of chess. Tactics, however, is presented as the application of a short series of forced moves made in order to achieve an immediate improvement. A number of business strategy planning variables relate well to the requirements for effective competitive collegiate chess including situation analysis, long vs. short-term planning, cost-benefit analysis, decision tree analysis and adaptability.

### **SITUATION ANALYSIS**

A situation analysis is the never ending assessment of one’s environment. Typically, a situation analysis requires assessing ones strengths, weaknesses, opportunities and threats. For businesses, these factors range from financing to human resources (Grewal and Levey, 2008). For chess, the never ending analysis regarding ones strengths, weaknesses, opportunities and threats, compared to the opponent, expands with each chess move and the first step in composing an appropriate strategy is to evaluate one’s position correctly. Based on the elements of (development, mobility, control of the center, the positions of the kings, weak and strong squares in both camps, pawn structure, queenside pawn majority, open files, and two bishops against bishop and knight or against two knights) a chess player can ensure complete evaluation of a position and develop a strategic plan. The evaluation then must be confirmed by a concrete calculation of variations, the range of which depends on the character of the position (Alburt and Palatnik, 1997).

### **LONG VS. SHORT-TERM PLANNING**

Business strategy consists of establishing and achieving more long-term goals while tactics refer to more immediate actions. Nevertheless, as in chess, these two parts of the planning process should not be viewed in separation from each other. Long-term strategic goals are largely achieved through a series of more short-term tactics. Due to the dynamic nature of the business and chess environments, tactical opportunities needed to achieve the long-term goal of success change constantly (Grewal and Levy, 2008).

### **COST-BENEFIT ANALYSIS**

Although originally used by government agencies to assess the desirability of a given economic intervention, the use of cost-benefit analysis has been adopted within the field of business administration. By weighing the expected costs against the total expected benefits for various actions, managers can more

confidently select those actions providing the most benefit. In chess, the competitor also requires such analysis in order to select the correct move to achieve an advantage in position (Dreze and Stern, 1987).

### **DECISION TREE ANALYSIS**

Business administration students, like chess players, are often presented with different alternatives. The use of various decision making tools and processes, such as decision tree analysis, provides a method for evaluating risky projects. A decision tree uses a graph or model of various decisions and their consequences. This decision tool is used to identify the best strategy for reaching a specific goal (Smith and Nau, 1995). Again, in chess, the competitor also requires such analysis, although conducted mentally, in order to select the correct move to achieve an advantage in position.

### **ADAPTABILITY**

Strategic flexibility refers to the important ability for a competitor to respond to unanticipated situations (Huff, Floyd, Sherman, and Terjesen, 2008). As in chess, business strategy must often project into the long-term future while anticipating several rounds of moves, responses and countermoves to competitors (Huffman, 2001).

### **SURVEY RESULTS**

A survey was conducted in order to assess the major areas of study of current students participating in competitive collegiate chess teams and clubs. Eight major universities were selected on a convenience-based sampling method and were surveyed regarding the majors of students currently participating in competitive collegiate chess teams and clubs. These universities included, UT Dallas, UMBC, UT Brownsville, Duke, New York University, Stanford, Yale and Texas Tech. Teams/clubs identified ranged from 3 to 25 student members. The most common majors were applied science and business administration. 31% of the chess players were applied science majors; 29% were business administration majors; 12% were computer science majors, 12% were engineering majors; 5% were arts and humanities majors; and the remaining 11% were classified as “other” majors.

### **RECOMMENDATIONS**

Recommendations for further study include expanding the survey assessing the majors of students currently participating in competitive collegiate chess teams and clubs to include a more random and representative sample. Furthermore, identification of specific business administration majors such as management, finance, etc., should be assessed. In addition, the application of chess-related strategy within the field of strategic management and business administration in general should be assessed after the students graduate and engage within actual business organizations.

### **DISCUSSION/CONCLUSIONS**

This study relates various strategies utilized within both the field of business management and within the field of collegiate level competitive chess. Related implications include the benefit of including access to the development of chess mastery within the extra-curricular portion of Business Administration programs. Therefore inclusion is proposed.

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