



From Zero to Competitive Intelligence Team

In 2002, at business strategy conferences held separately in Singapore and Hong Kong, I was invited to speak on the topic of competitive intelligence (CI). A quick show of hands among the audience in both venues, many of whom were managers and executives from companies around Asia, revealed that only a handful have understood what CI meant, much less applied it in their organizations.

Over the past 15 years however, companies around the world have gradually adapted CI to systematically understand their external business environment. Yet while some organizations prefer to outsource their intelligence needs to specialized consulting firms, others have chosen to establish their own dedicated CI function internally.

And while it may sound like a tough challenge for the uninitiated, there is a universal process to jumpstart an in-house CI team regardless of size, experience, budget or maturity.

Here are the essential steps, in sequential order:

1. Identify the ultimate customer.

Determine who will be the definitive user of the intelligence. Ideally this would be the CEO, but usually it can also be the Head of Strategy, Marketing, Corporate Development, or Finance. Just like a typical product or service, the customer is king! As such the strategy, nature, structure, processes, and deliverables of the intelligence service will have to be tailored according to the decision requirements of the ultimate customer.

2. Seek a champion.

When the ultimate customer happens to be the CEO, it is essential that the intelligence team be granted direct access to the executive office. Unfortunately, this is not often the case especially when the CI leader is only a senior manager several layers below the top, competing for a spot on the CEO's weekly agenda.

This is where an intelligence champion comes in handy. Find a senior executive who can be the conduit to the CEO for intelligence matters, like the COO or Strategy Head. A champion will also shield the intelligence team from internal office politics (for admittedly not everyone will welcome this function openly).

3. Conduct an intelligence needs evaluation.

At the onset of any intelligence effort, the team must determine the decision-requirements of the CEO and senior management. Make a list arranged by order of importance, urgency and impact. Naturally the CEO's requirements take precedence, followed by upcoming major key decisions, then others. The size and nature of these priority intelligence needs will determine the structure, capability, activity and budget of the CI team.

4. Perform an intelligence capability audit.

While a company may not yet have a formal CI structure or process in place, it would have already been collecting, analyzing and storing data in various forms around the organization. Create a knowledge map showing what research is being produced, by which department, and how to gain access to these. Accessing existing internal company data and information can save a few thousand dollars in consulting fees.

Furthermore, this audit will also determine the knowledge sharing culture in the organization. Some executives and departments can be quite protective of their information, so this could pose a problem. A company that willingly shares or distributes information among departments is a great blessing for the intelligence team.

5. Define a clear intelligence objective.

Every department has to have a noteworthy purpose to fuel its drive and sustainable existence – this applies to the CI team as well. Craft a mission statement that clearly defines intelligence objectives and goals, and how it can add value to the organization.

6. Emphasize the ethical standard.

Many individuals are still averse to the term 'intelligence' and therefore have a misconception of the role of CI. At the same time, others seem to believe that deception, stealing, eavesdropping or bribery are part of the CI team's acceptable methods. Emphasize that a true intelligence professional does not have to resort to these techniques, and that there are legitimate and ethical practices that can be used to produce valuable results.

At the same time, learn to say 'no' to requests for information that are considered proprietary knowledge or trade secrets. Having a clear statement of ethics, including a list of actions to avoid, will go a long way in ensuring the integrity of the intelligence team, and protecting the company against potential lawsuits.

A good reference for this is the Strategic and Competitive Intelligence Professionals (SCIP) Code of Ethics (www.scip.org).

7. Clarify specific intelligence assignments.

The intelligence unit must be guided by clear research tasks, called key intelligence topics (KITs), that drive all their projects and deliverables. KITs are the currency of intelligence, which connects the decision needs of the CEO, to specific collection tasks for field researchers, to applicable analytical tools, and ultimately to the resultant insights and recommendations that are reported back to the top executive. Practice crafting good KITs over time, for this will increase the cost-effectiveness of the CI team.

8. Build the right team and deploy quickly.

Start recruiting the members of the CI team early, even as the mission, goals, and objectives are still being established. Begin with qualified homegrown staff for their deep understanding of the business. With this initial team, internal needs assessments and capability audits can be conducted already.

Specifically look out for candidates with exceptional intelligence skills, particularly primary research. Many firms will not have this resource internally, and so must recruit from outside. Alternatively, the primary research capability can also be outsourced when suitable candidates cannot be hired. Otherwise the intelligence function will be impaired, being limited only to secondary research methods.

Competitive intelligence is both an art and a science, which can take a while for a company to hone. And while there is no standard approach or template that can be successfully applied across organizations, following these general steps allows the intelligence team to proceed with confidence as it builds capability, credibility and expertise.

Actelligos is a market and competitive intelligence company with 20 years of experience in the Asia Pacific region.

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