



Nurturing the Intelligence Function

A shipping and logistics company in Southeast Asia has been facing significant challenges from regional and global competitors in many of its key markets. At the same time company managers are fighting to satisfy changing demands of their existing customers while simultaneously searching for new market segments and revenue streams. In order to address this situation, the company built an in-house market intelligence unit specifically tasked with providing the needed information and analysis to support key decisions. Yet after nearly 3 years, the intelligence service has struggled to unlock its full potential for its internal customers. The team is still viewed as an outsider in many parts of the company.

While Competitive Intelligence (CI) functions have significantly evolved and grown in many large multinational companies in recent years, there are still those who continue to perceive it as a covert function specifically designed to track the competition.

This is the view in some sectors of Asian business, particularly those who are still new to the intelligence function. However, in more mature organizations, CI is already an open secret. After all, monitoring counterparts and assessing a company's relative edge (or weakness) over them – against the backdrop of the market arena where the competitive battle is taking place – is now an essential function of any responsible business leader to ensure that their company survives and thrives in the face of any opposition.

The more a company recognizes the importance of CI in its operations, the better it can establish and nurture the various intelligence functions, like competitor tracking, market monitoring, sales opportunity evaluation, or even customer targeting. All these produce critical analysis and actionable insights that feed into the firm's decision-making process.

Well-developed intelligence functions in a business organization would pay handsome dividends especially if it is channeled through the right corporate structure that encourages information-sharing from the ranks and provides immediate access to timely and accurate evidence to company decision-makers.

In order for a CI team to function like a well-oiled machine in an organization, five crucial elements must be present.

First, develop a common CI language.

Intelligence activities of the corporate CI unit should be synchronized so that there can be a collective understanding of terms, processes, objectives and roles across management levels (vertical hierarchy) and business units or divisions (horizontal hierarchy). Set a clear definition of what is intelligence, why it is not spying, how its methods are different from survey research, how

everyone can – and should – contribute to the process, and most importantly why CI is a shared responsibility in the company, and not a distinct task of the intelligence team alone.

Second, build transparency.

The existence of the intelligence unit and its adherence to ethical principles, should be communicated explicitly across the organization and beyond. This will dispel wrong notions of corporate espionage and manage executive expectation of what intelligence should and should not produce. Window-dressing the intelligence activities of the CI in public would open the notion that the company may be undertaking sinister practices to gain vital business information.

Third, empower the company.

Involve as many executives and teams in CI projects and assignments in order to spread awareness, ownership and support. Beyond simply teaching about CI, enabling other company departments to participate in the process allows them to see the real value of intelligence as an integral part of their operation and decision dynamics, thereby further reinforcing their role and contribution.

Fourth, fuel the process.

The company should allocate appropriate resources internally to sustain the operation of its CI unit. Since the intelligence service cuts across all levels and departments of the company, then funding should to be sourced proportionately across business units to sustain the delivery of insights that effectively raise efficiency and productivity levels. Usually the CI unit is treated a cost-center, although its output supports the profit-generating centers of the organization. Alternatively, the CI unit can be organized as a special profit center which sells intelligence services to the various business units. In both instances, it will need resources to do its job.

Fifth, get 100% top management support.

As the main customer of the intelligence service, the CEO or top management should be the prime supporter of the CI function. This will send the right signal across the company to support the function, to allow access to critical information and data, to contribute necessary resources, and to participate in major intelligence projects. When senior executives are fully supportive of the CI unit, it greatly enhances the efficiency of the intelligence service, generating impactful analysis of market opportunities and competitive threats, and resulting in better business strategies, decision and action.

Most businesses aspire to dominate their markets and outmaneuver their competition. Some have established intelligence units specifically to deliver the required insights to support their plans. But left alone, many CI teams languish rather than thrive because one or a few of these elements have been missing.

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

Learn more at: www.actelligos.com

