Maximizing a Company’s Primary Data Collection Capabilities with Human Intelligence

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INTRODUCTION

Companies allocate considerable resources of time, money, and energy to capture competitive intelligence through secondary data collection, such as reading industry publications, subscribing to third party research services like Gartner, and reviewing business media. Ironically, a lot of that information is often already known by employees of the organization, as Caudron suggests is “up to 90 percent of the intelligence a company needs is possessed by its employees.” The challenge becomes how to access, share, and leverage that information already possessed by the staff of an organization.

Human intelligence or HUMINT is the data and information that is stored within the minds of people. It is not the published information readily accessible to others. Human intelligence is a source of primary data that is incredibly valuable as it is rare since no two employees have had exactly the same experiences. The goal of human intelligence is to use the data and individuals' knowledge base to guide the other forms of competitive intelligence.

Traditionally, some individuals perceive information as power or as a career advantage, not realizing that the organization in which they are working suffers by ‘silos’ of data. “They want to use the knowledge they possess primarily to advance their own purposes,” concludes David Kalinowski from Proactive Worldwide, Inc. Instead of sharing information to strengthen the company, the hoarding of information makes the company weaker and more susceptible to risk from a variety of forces including changing customer preferences, innovation from their competitors, and structural changes in the marketplace.

BACKGROUND

Competitive Intelligence (CI) is becoming increasingly important due to the globalization of the business environment, the dramatic advances in technology, and the value placed on information in
the ‘Information Age’. It is recognized that different departments within an organization have various bodies of knowledge. If the information is kept separate and not shared, it has little value. Once beyond its original, intended purposes, information from individual departments is consolidated, and then often patterns, trends, and even hidden realities become apparent. Sharing of human intelligence is one way to make sense of the complexity of business as David Kalinowski’s article on Strategic Collaboration explains, “cross-functional and cross-divisional sharing of knowledge must take place to help “connect the dots.”

This is very much like a puzzle: when pieces are looked at one by one, it is hard to see the relevance to each other. As the pieces are put together, a picture begins to be seen. When all of the pieces are in place, then the full image is revealed.

Each department, and even individuals within each area of an organization, all have ‘puzzle pieces’. Whether these ‘puzzle pieces’ are valued or not, may depend upon prior experience, expertise, or other factors, however, to the organization, the pieces are invaluable as it helps to tell the ‘whole story’. Even a small, missing detail or piece of information, can derail the entire understanding of the facts and alter the strategic direction of an organization.

In the business world, companies compete daily with each other. People within those firms regularly encounter data. Whether employees work in Customer Service, Sales, Marketing, or another department, what is learned can be critical to the success of the organization. While sharing of information seems to be a difficult goal for companies to achieve, the strategic purpose for sharing human intelligence is a worthwhile endeavour.

**KEY SUCCESS FACTORS**

Companies maximize primary data (HUMINT) collection capabilities when there is executive support, a culture of sharing information across an organization, technology to assist the collection, as well as access to that primary data, combined with a strategic use of business interactions with external business partners. Organizations have many priorities, so enabling the competitive intelligence to function both efficiently and effectively as possible is advantageous to realize the value. Each of these critical success factors will be examined further.

**EXECUTIVE MANDATE**

The environment nurturing an optimized competitive intelligence function is one in which academics from Romania say that, “cultural organizational readiness is the critical success factor for sustainable competitive positioning.” In order to maximize the primary data collection capabilities through HUMINT, a company must change its cultural perception. Gregory Tombs discovered that, “organizational culture is the fundamental element upon which the entire best-practices philosophy…for CI is based,” when he looked at using internal organizational sources for Competitive Intelligence. Organizations need to tap into their own intelligence in a way that captures the collective knowledge. There should be a corporate culture, supported by an executive mandate, to share information between employees, creating a collective asset. In an interview with Rahul Dhingra, a Senior Consulting Manager with Global Intelligence Alliance (GIA) in Toronto, he explained and referenced GIA’s World-class Market Intelligence Framework as, “a strong MI culture is reflected in the way the organization shares info and acts on it.”

Initially the management of a company may need to emphasize, illustrate, create, and support the desired sharing culture. The organization needs to have a culture of trust, collaboration, and teamwork according to David Kalinowski’s article on strategic collaboration, and “sometimes cooperation has to be mandated before it becomes the norm.” This leadership driven approach will ensure that all areas in an organization share the wealth of information, especially those groups that have frequent contact with the market. For example, in an article ‘Conceptualizing Salesperson Competitive Intelligence’, “the sales force is recognized as the single best internal source of information concerning markets, customers, and competitors.”

According to Gregory Tombs, competitive intelligence also requires that the executives, “model their support for CI by the way they, themselves, share knowledge and information.” Some information collected will be confidential and strategic in nature; therefore, management needs to allow for the flow of this primary data as well as to establish parameters to safeguard the information.

**SUPPORTING TECHNOLOGY**

A second key component of maximizing primary data HUMINT collection is having viable means of capturing the information. Executive supportive is a good start, but without a way to gather the
information already known by the staff, limited progress will be made. Gregory Tombs found that, “best-practice firms recognize technology as a tool that helps leverage knowledge for CI.” Software that allows for two-way communication, along with a centralized repository or database, would allow the building of a strong collection system. This is critically important for the sales function in dealing with a competitor’s value proposition to a prospective client, as stated in the article “Conceptualizing Salesperson Competitive Intelligence,” “the salesperson must be able to quickly determine the capabilities of his or her organization in order to counter.”

The executives need to provide resources to allow for the optimization of HUMINT. Every organization may be a little different in the technology required to maximize the collection of primary data, but the system put into place needs to provide a foundation for capturing human intelligence. In a published article from La Trobe Business School in Australia, it is recommended that, “organizations invest resources such as knowledge workers, systems and contents to facilitate knowledge sharing.”

To increase the likelihood of a successful implementation of a CI solution that leverages human intelligence, the network of people and information needs to be examined and understood. The main goal of the technology according to a Decision Support System article, is to realize that “these workers are connected to each other through IT-facilitated organizational social relationships.”

**FOCUS THE EFFORT**

A third critical success factor in human intelligence is having a focus on the issues of strategic importance to the company. The current Information Age has vast amounts of information, therefore users of primary data collection systems need guidance around what data is to be collected. Administrators of this same system also require an understanding of what should be shared back to the users, as described in an article on Key Intelligence Topics (KITs), “focus on helping managers define their need before beginning your intelligence collection,” is likely to lead to the desired outcome. Key Intelligence Topics (KITs) can bring the necessary focus in gathering the primary data from employees.

There is a tremendous amount of information available within an organization’s employees, as Gregory Tombs states, “either the employees share relatively little information, or they flood the system with information.” Since competitive intelligence is tasked with gathering relevant, actionable information, too much, too little or even the wrong kind of information can be a distraction and act as ‘noise’ to the facts that will inform and help influence management in their strategic and tactical decision making. Organizations can take a ‘shotgun’ approach with throwing their resources at many different topics. The result is that they will likely get a little information in each area, but it may
not be to the depth or thoroughness required to be valuable. The other approach, which is much more suitable to competitive intelligence is having a focus. This laser-like precision will ensure that the company’s resources are expended towards the right targets. KITs help organizations focus on what is most important to them by asking strategic questions. As Jan P. Herring states, “the Key Intelligence Topics (KIT) process has been used by many companies to identify and prioritize senior management’s key intelligence needs.”

**STRATEGIC INTERACTION**

Another process, that if implemented can be a differentiator between organizations, is the strategic use of external interaction. For example, one company may send people to attend a conference to cover the corporate booth and to go to a few information sessions, while another company may determine which information sessions require attendance and then send as many staff as necessary to cover those sessions. Some companies view tradeshows as an expense, however, a company that values CI and primary data collection through human intelligence in particular, will invest in acquiring knowledge through a planned approach to industry events.

This intentionality of external interaction can also be applied to customers. Organizations often rely only on a few key clients or business reviews with their key suppliers for an update on market opportunities. While this is a good start, what needs to occur is a rotation across a representative cross-section of all business partners including clients and suppliers to ensure complete coverage of the economic landscape. An example of a suggested subset of business partners could be selected on a variety of attributes including:

- **Size of Organization** (small, medium or large)
- **Type of Organization** (customer, supplier, or other)
- **Geographic Location** (Western Canada, Ontario, Quebec, Atlantic Canada, International)
- **Age of Relationship** (new, long-standing, former)

Based on my own experience, it is often surprising how much CI can be gleaned by visiting clients in particular. Clients often have contact with one or more competitors and can be an excellent source of information. If a company invests in the time to travel, the information received is quite likely to be worthwhile.

**OBSTACLES**

All of the critical success factors to maximizing the primary data collection capabilities or HUMINT are needed. There will be an obstacle if one or more of these four factors are ignored. Without executive support, the time and energy of employees will be re-directed to other priorities. If management supports CI, but technology is not in place to capture primary data, human intelligence can’t be accumulated. Unless there is focus, copious amounts of information can be collected but will have little value. Finally, if companies don’t strategically use their external interactions to gather, document, and report back on primary data, then intelligence will have to come from another source or be missed altogether.

Secondarily, an obstacle to maximizing primary data collection is the cultural perception that there is value in keeping data to oneself. Restrictions on information flowing from management would hamper the efforts of data sharing as the Decision Support Systems article states that, “the ability of a firm to be productive depends not only on the talents of its employees but largely on the way in which they interact.” This mindset can have devastating affects on the business, as a survey published in David Kalinowski’s article on strategic collaboration found that, “86% of respondents blame lack of collaboration or ineffective communication for workplace failures.”

Third, challenges and questions from the staff through formal and informal communication channels, may also present a considerable obstacle to primary data collection through human intelligence. It would be naive to think that only management needs to have a ‘full picture’ of what is happening within the organization. A full and open discussion between a company’s leadership and the staff will help set the groundwork for a collaborative environment.

Finally, management will need to consider the timing of re-evaluating the focus. As organizations, industries, and even economies change, the focus of the company’s primary data collection needs to change in turn. An organization has employees coming and going, industries have new competitors,
and economies have regulatory, financial, and technological changes, all of which require an adaptable focus. The strategic decision will be to determine when to change the focus of the human intelligence. If the focus changes too quickly, it will be difficult to get the required information, however, if the focus changes too slowly, then a strategic opportunity may be missed.

**BENEFITS**

A strengthened organization will be the greatest benefit of a company with a sharing culture for primary data collection or HUMINT, supported by an executive mandate, technology to facilitate the storage of and access to this data, a focused approach on what data is collected, and strategic use of external interaction. Table 1 from David Kalinowski’s article illustrates that collaboration has many benefits to both the CI function and the organization, including that it “fosters teamwork.” Dr. Deepa supports this idea in his article, that the morale of an organization will improve as sharing knowledge “contributes to cohesion and a feeling of belonging through mutual interdependence.”

Another benefit to leveraging human intelligence in primary data collection capabilities, is a company with a much better competitive advantage. Increased information about one’s customers, suppliers, and markets, will be indispensable in the information-intense age of the twenty-first century.

**SUMMARY**

A common problem-solving technique is to first define the problem. Then once the problem is defined, the solution can be discovered, sometimes by making linkages to different pieces of information. Information that may seem irrelevant may become more relevant with the addition of another piece of information. A company needs to harness the collective primary data of an organization’s staff to clearly identify and begin to address its strategic challenges through the use of human intelligence. In so doing, the organization increases its likelihood of success.
REFERENCES


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Steven Levson is a seasoned Customer Service, Marketing and Sales Professional with over 15 years of experience in the grocery, retail, technology, healthcare, and supply chain management industries. He is currently completing his MBA from Wilfrid Laurier University and has a keen interest in promoting information sharing with individuals, within organizations, and across industries. This is reflected in his experience on two separate industry associations and teaching at a college. He lives with his wife and two children in London, Ontario, Canada.