Chapter X

Building a Competitive Intelligence System: An Infrastructural Approach

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ABSTRACT

Competitive intelligence is understood as the process of acquiring environmental data and transforming them into strategic relevant intelligence. To realize the activities in the four stages of the intelligence process (directing, collecting, analyzing and distributing), a so-called intelligence infrastructure is needed. This infrastructure consists of all the requirements (division of tasks and responsibilities, human resources, and ICT) to perform the intelligence activities. In this chapter we propose an infrastructural approach to designing and implementing a competitive intelligence system. In the infrastructural approach, it is acknowledged that ICT solutions are only a part of the total infrastructure, realizing the
CI activities. Moreover, the infrastructural approach is characterized by a specific view on the development process. The different elements of the infrastructure are simultaneously developed and the design of the process is actually executed by the future users. The goal of this participative design process is to create user commitment by taking the interests and needs of the potential users into account. This commitment is supposed to be a necessary prerequisite for a successful implementation of a CI infrastructure. In this chapter, a case is described to illuminate how an infrastructural approach with respect to CI works.

INTRODUCTION

Competitive intelligence is understood as the process of acquiring environmental data and transforming them into strategic relevant intelligence (Philips & Vriens, 1999). The main contribution of competitive intelligence is to enable organizations to operate proactively in a complex and turbulent business environment. To realize this contribution, both quantitative and qualitative data are required. Quantitative data refer, for instance, to market share, financial figures, or growth percentages. Qualitative data cannot be captured in figures. They include, for instance, movements of competitors, their marketing approach, their organization, or possible future developments. The competitive intelligence process should collect both kinds of data and transform them into strategic intelligence.

As many authors point out, the process of collecting and producing intelligence is often described as a cycle of four interrelated stages: the direction stage (defining the required strategic information); the collection stage (searching the information); the analysis stage (analyzing the strategic relevance of the collected information); and the dissemination stage (where the intelligence is forwarded to the strategic decision makers). See, for instance, Kahaner (1997), Bernhardt (1994), or Fuld (1995) for similar descriptions of the intelligence process.

To realize the activities in these four stages, a so-called intelligence infrastructure is needed. This infrastructure consists of all the requirements (in terms of a division of tasks and responsibilities; of human resources and of ICT) to perform the intelligence activities. During the last decades, many organizations have tried to implement an intelligence infrastructure—e.g., in the form of “intelligence units,” equipped with CI staff and necessary ICT tools. At the same time, the role of ICT (as a part of the intelligence infrastructure) has been
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www.igi-global.com/article/business-intelligence-practices/78273?camid=4v1a

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