Chapter XI

It’s All in the Game: How to Use Simulation-Games for Competitive Intelligence and How to Support Them by ICT

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ABSTRACT

In this chapter, we explore the role of simulation games for intelligence activities. Although games have been used in intelligence activities, the contribution of building and using simulation games to Competitive Intelligence has, to our knowledge, not been examined thoroughly. In this chapter we fill this gap by explaining the building and using stages of simulation gaming and by discussing the contribution of these stages to
directing, collecting, analyzing and disseminating Competitive Intelligence. Moreover, we discuss the role of ICT to enhance the contribution of simulation games to competitive intelligence.

INTRODUCTION

As many authors on competitive intelligence point out, organizations need to collect and process information about the environment to (re)formulate their strategy. Moreover, the pressure to produce timely, accurate, actionable and strategically relevant information is growing because the complexity and dynamics of the environment is increasing rapidly (cf., Kahaner, 1997; Fuld, 1995; Cook & Cook, 2000 for similar arguments). Hence, organizations are trying to structure their competitive intelligence process—the process by means of which strategically relevant information about the environment is delivered.

In the literature on Competitive Intelligence (CI), this process is usually broken up into four stages: direction, collection, analysis, and dissemination (cf. Sammon, 1986; Bernhardt, 1994; Fuld et al., 2002; Kahaner, 1997; Vriens & Philips, 1999). In the direction stage, CI professionals establish what data are relevant for the purpose of strategic decision-making. In the collection stage, relevant data sources are determined and data are collected from them. In the analysis stage, collected data are transformed into competitive intelligence that can be used by strategic decision-makers. In the dissemination stage, the competitive intelligence resulting from analysis is disseminated over strategic decision-makers so that they can incorporate it in the process of (re)formulating their strategies (for a more thorough treatment of the process of competitive intelligence, see Chapter I of this book).

If CI is to deliver its contribution to the process of strategy formulation, a pro-active mode of intelligence gathering seems most appropriate (cf., Ellis, 1993; Hannon, 1997; Tessun, 1997). In a pro-active mode, intelligence practitioners try to anticipate environmental developments that may have a strategic impact and assess their consequences. Pro-active intelligence requires, in our view, a deep insight into the “organization in its environment.” For instance, directing the search for information requires an insight into strategic problems the organization in focus has to cope with and environmental factors having an impact on these problems. To direct the search for data, CI professionals need to construct models of these strategic problems and environmental factors. Analyzing collected information and transforming it into