2006 SCIP International Annual Conference & Exhibition

April 26-29, 2006 | Orlando, FL | www.scip.org

Sea Eye: Christopher Columbus and the Intelligence Process

SCIP 2006 - Orlando

28 April 2006

Arthur Weiss, AWARE

Agenda

- Understanding the impact of events
- Christopher Columbus and what he can teach today's CI professional
- Planning for the unknown and knowledge acquisition
- The four knowledge categories and the CI process
- Techniques for identifying the unknown

What will be the impact of an event?

"So, after the asteroid hits the earth, is it agreed that we need a strategy meeting to ensure that mammals take advantage of opportunities presented by the dinosaurs' extinction?"

Christopher Columbus

Born: 1451 in Genoa
Died: 20 May 1506
Parents: Wool merchants

- 1465: Starts life as a sailor

- 1470: Studies cartography with younger brother, Bartolomeo

- 1474: First major voyage

- 1476: Settles in Lisbon

- 1477: Sails to Iceland

Christopher Columbus

- 1479: Marries Felipa Perestrello e Moniz. Move to Madeira Islands where Felipa's brother is governor. Receives dowry of papers and charts on the Atlantic

- 1484: Columbus makes a pitch to King John II of Portugal to sail West to the "Indies"

- 1487: Columbus pitches to Ferdinand and Isabella of Spain

- 1492: Columbus finally makes his sale
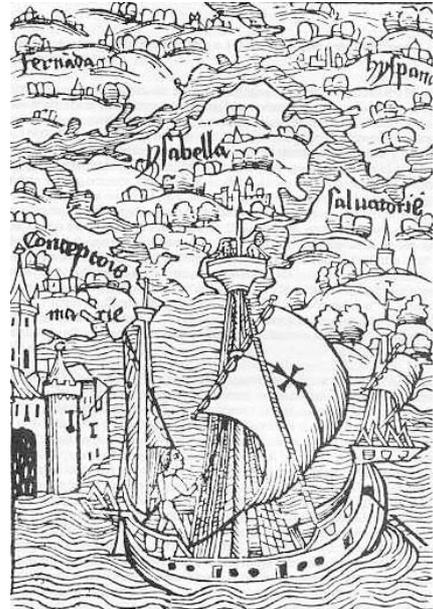
From letter written to publicise discovery of Americas - 1494

Christopher Columbus

- 3 August 1492: Columbus sets sail.

- 12 October 1492: Land is seen - Columbus reaches San Salvador, Cuba and the W Indies

- 20 May 1506: Columbus dies.

- Between 1493 and 1504 Columbus sailed to the Americas 3 times, but never reached the mainland!

How do you plan for the unknown?

- The Key Intelligence Topic process
  - BUT this presupposes that you know what to look for

- Experience and confidence
  - BUT how do you gain this in something completely new

- Scenarios
  - BUT this presupposes that you have a knowledge of what could happen

- Luck
  - Luck favours the brave… or the foolhardy?

A model for knowledge acquisition

	Knowledge	**Ignorance**
Overt	**Knowledge that is "certain"** *What we know we know*	**Identified Knowledge Gaps** *What we know we don't know*
Hidden	**Tacit / Hidden Knowledge** *What we don't know we know*	**The Unknown** *What we don't know we don't know*
	Internal	*External*

What I know I know

Knowledge that is "certain" *What I know I know*	Identified knowledge gaps *What I know I don't know*
Tacit or hidden knowledge *What I don't know I know*	The unknown *What I don't know I don't know*

* This concept was originally discussed by Sheila Wright and David Pickton during the 3rd SCIP European conference, Berlin (1998) in a paper called: Improved Competitive Strategy through Value Added Competitive Intelligence
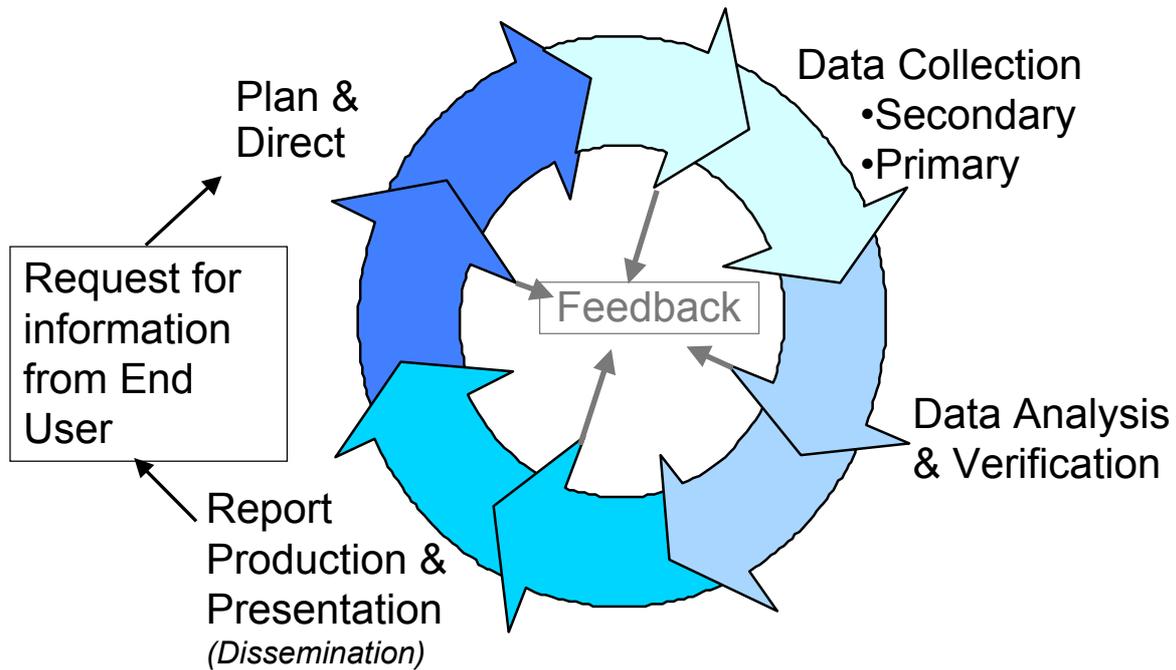
- **The aim of CI (and KM) is to enlarge this box as much as possible - and reduce the size of the other boxes***

- Errors in this box can be critical - as the contents of this box guide strategy

- Identify through an audit of available knowledge

- Need to be wary of assumptions

What I know I don't know

Knowledge that is "certain" *What I know I know*	Identified knowledge gaps *What I know I don't know*
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- May be identified via knowledge audit
- The "KIT" process
  - Defines particular sets of needs for particular CI user(s)
  - Involves interviewing CI users to identify what information they need for decision making
  - Three main types:
    - Strategic decisions and actions
    - Early warning topics
    - Key player descriptions
  - The KIT process allows for a targeted approach to answering knowledge gaps

The "Traditional" CI Process

Plan & Direct

Data Collection
•Secondary
•Primary

Feedback

Request for information from End User

Data Analysis & Verification

Report Production & Presentation *(Dissemination)*

What I don't know I know

|	
Knowledge that is "certain" ***What I know I know***	Identified knowledge gaps ***What I know I don't know***
Tacit or hidden knowledge ***What I don't know I know***	The unknown ***What I don't know I don't know***

- Ensure an information sharing culture, so that all staff realise the importance of competitive information and pass it to the appropriate channels

  Ensure that CI staff network effectively and know internal information sources

- Cause mapping - identifying the root causes for company strengths & weaknesses

- Challenge organisational assumptions - blindspot analysis

Identifying root causes… Cause Analysis

- What are the causal factors leading to the strength or weakness….
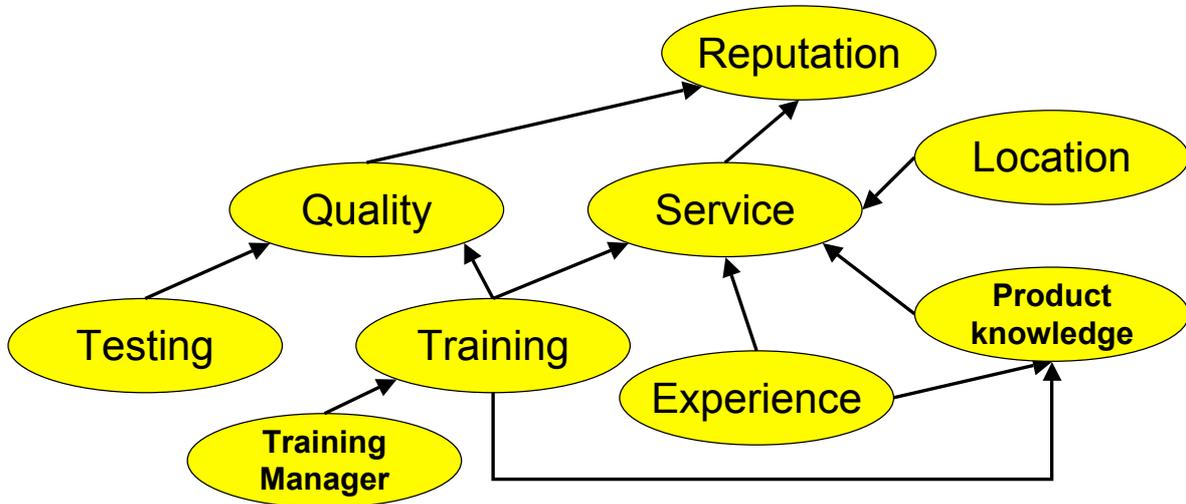
Blindspot Analysis - The Real Issues

- The Zone of Comfortable Debate
  - *What we all agree on: myths, assumptions and beliefs about what is happening. e.g. "we are losing sales because X has a lower price" - A blame the competitor approach!*

- The Zone of Uncomfortable Debate
  - *What we can't all agree on: different perceptions on what is happening and why e.g. "How can X still make profits and flourish despite selling at a lower price".*

- The Core Issue
  - *How did we get to where we are, and how do we move forward? E.g. What do we need to do to ensure long-term profitability and sales against competitor X*
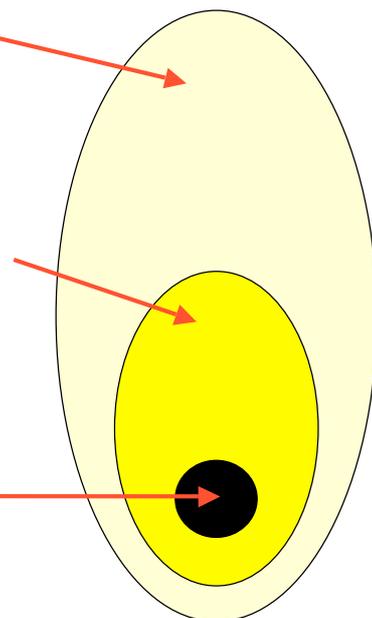
Business Blindspots

- Unchallenged Assumptions
  - "It worked last year"
- Corporate Myths
  - "We've always done it that way"
  - "That's just the way it is"
- Corporate Taboos
  - "The CEO grew up in the industry. He knows it inside out"
- The Seven deadly business sins:

  Greed, **O**pinion, **R**outine, **E**go & **E**motion, **S**uccess, **H**ope

"He who cannot change the very fabric of his thought will never be able to change reality, and will never, therefore make any progress"
                                                              Anwar Sadat

What I don't know I don't know

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- Errors in the "What I know I know box" enlarge this box
  - Crucial to identify any false assumptions
- Identify knowledge gaps and hidden knowledge to gain clues on what could be in this box
- Close the unknown box through environmental monitoring and analysis

Porter's 5-Forces Analysis

- Use to understand the industry, and industry structure
- Where could radical change come from?
  - Customers - possible especially if "non-customers" find alternative
  - Suppliers - possible but unlikely
  - New Entrants - likely, but should be able to identify barriers to entry, and where and how new entrant could enter
  - Substitutes - the real threat!
    - New technology
    - Changed or new customer needs

Monitor the wider environment
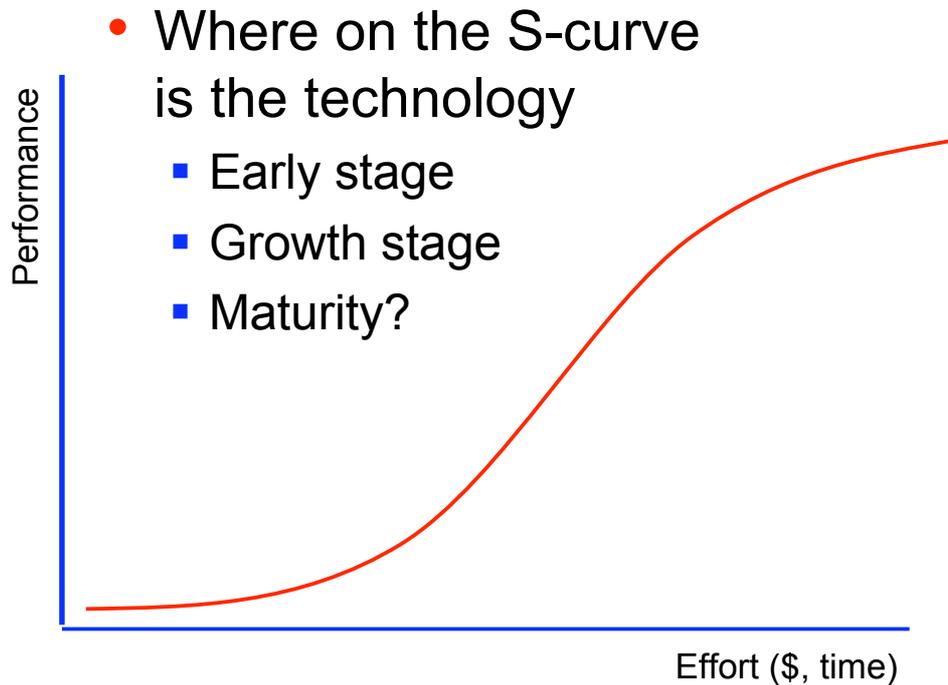
- What else is happening?
  - Politico-legal impacts
    - Within the US, Europe & Globally
  - Economic aspects
    - Oil, Global economies, Local economies
  - Socio-cultural issues
    - Impact of religion, family cohesiveness, position of women….
    - National Statistics!
  - Technological / Environmental changes
    - Digitisation, global warming, medical advances….

- "Messages in the bottle"

S Curve Analysis

- Where on the S-curve is the technology
  - Early stage
  - Growth stage
  - Maturity?

Performance (vertical axis)

Effort ($, time) (horizontal axis)

PARTS Analysis

- Who are the *Players?*

- What is their *Added Value*?

- What are the *Rules* in the industry?

- What are the *Tactics* used?

- What is the *Scope* of game?

Identifying the Unknown

- Monitor customers - are their needs changing?
- Monitor technologies
- Monitor the geo-political environment
- Monitor for clues to changes in the "game" and PARTS

The OBJECTIVE:

To enlarge the "known knowns" box and decrease the other boxes!

Known knowns	Known unknowns
Unknown knowns	Unknown unknowns

Monitoring the Industry

- Industry changes
  - Trade press
  - Industry Listservs & Discussion forums
  - Trade Associations
  - Industry Portals
  - Blogs, Podcasts, RSS, etc.
  - Competitor press release alerts, etc.
 - The "rumour mill"

Watching the wider environment

- Global developments - scenarios and trends
  - The Global Business Network (www.gbn.org)
  - Trendwatching (www.trendwatching.com)
  - Shaping tomorrow (www.shapingtomorrow.com)
  - World Future Society (www.wfs.org)
  - Wired (www.wired.com)
  - Business 2.0 (www.business2.com)

Using the Information

"We do not deal with certainties. The world of intelligence is the world of probabilities. Getting the information is not usually the most difficult task. What is difficult is putting upon it the right interpretation. *Analysis is everything.*"

Issur Harel
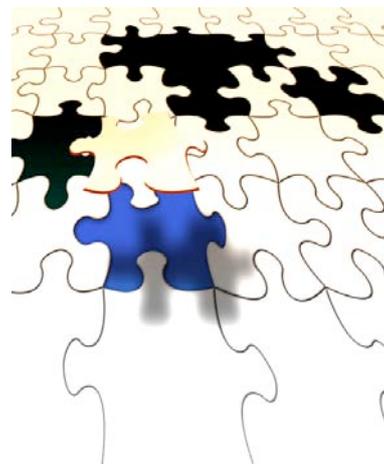
The role of Intuition - the missing element

The intellect has little to do on the road to discovery. There comes a leap in consciousness, call it intuition or what you will, and the solution comes to you and you don't know how or why.... The only real valuable thing is INTUITION .

Albert Einstein

Often you have to rely on INTUITION.

Bill Gates

Follow your instincts. That's where true wisdom manifests itself.

Oprah Winfrey

INTUITION becomes increasingly valuable in the new information society precisely because there is so much data.

John Naisbitt

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