

# **Establishing a Competitive Intelligence Capability**

**VSB**

**Zeist  
April 6 2004**

**By  
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# Introduction to Rodenberg Tillman & Associates

Rodenberg Tillman & Associates is a consultancy firm with a leading expertise in Business and Competitive Intelligence

- Rodenberg Tillman & Associates has been established in 1987
- Rodenberg Tillman & Associates is seen as one of the premier firms in Business and Competitive Intelligence in Europe
- In management consulting, we apply the right combination of functional skills and industry knowledge via established strategic alliances of which Arthur D. Little is leading
- Rodenberg Tillman & Associates consulting services in Business and Competitive Intelligence concern research execution, the process of implementation and training/workshops/seminars
- Clients tell us that we have a high commitment to solutions “that make things happen”

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# Introduction to Rodenberg Tillman & Associates

- Rodenberg Tillman & Associates can benefit from Arthur D. Little's global network with offices in over 30 countries, on a case-to-case basis

## ***Europe***

- ***750 employees***
- ***22 offices***

## ***Americas***

- ***210 employees***
- ***7 offices***

## ***Asia/Pacific***

- ***240 employees***
- ***10 offices***

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# Our Strategic & Tactical Intelligence Services

Competitive Intelligence goes beyond knowledge management

Knowledge Management	Competitive Intelligence
<p>... is an integrated, systematic approach to identifying, managing, sharing all the organisation information assets. This includes databases, documents, policies and procedures, as well as previously unarticulated expertise and experiences resident in individual workers</p> <p>Source: Gartner</p>	<p>... is the organisational means, by which information and knowledge about the complete business environment is systematically and consistently collected, interpreted, analysed and disseminated as intelligence to users, who can act on it</p> <p>Aim: future oriented</p> <p>Focus: key drivers of change</p> <p>Source: Rodenberg Tillman &amp; Associates</p>

***“Knowledge management is looking down the hall, whilst competitive intelligence is looking out of the window of opportunities”***

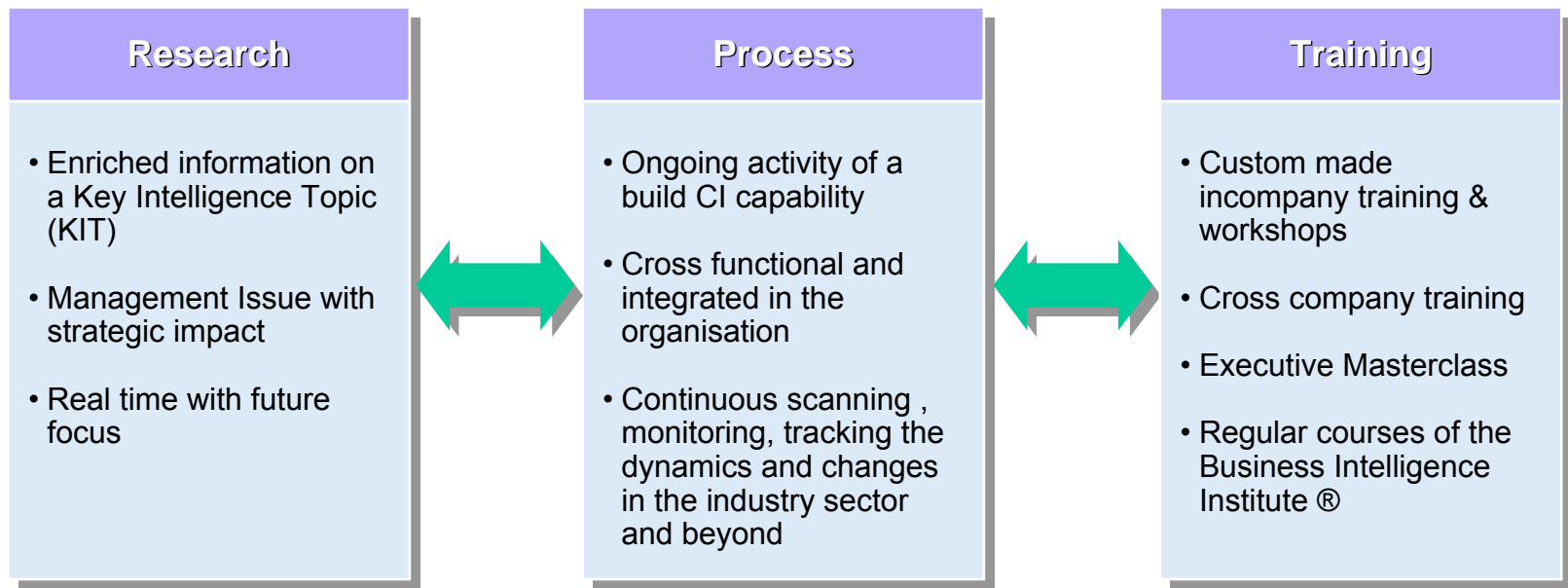
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# Our Strategic & Tactical Intelligence Services

Competitive Intelligence consists of a research, process and training dimension that are interlinked



***“Know your enemies and know yourself and in a hundred battles you will never be in danger”***

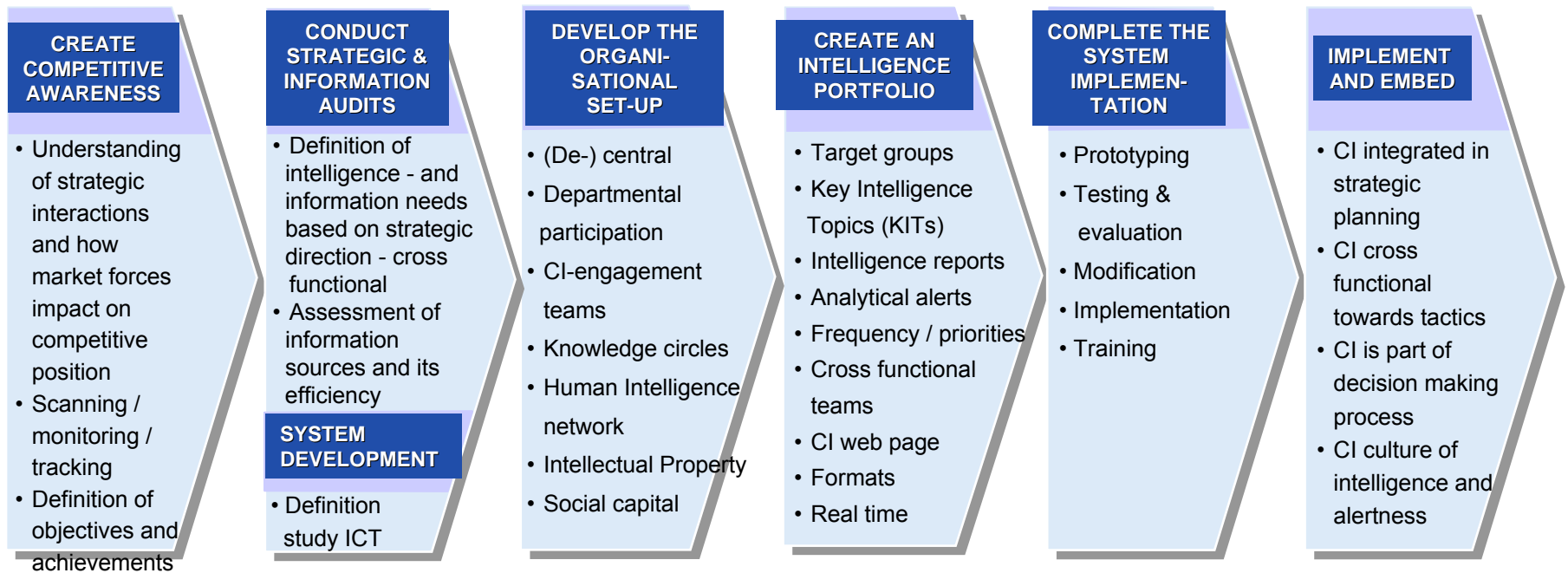
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# Our Strategic & Tactical Intelligence Services

## The Six-Phases-Model for making Competitive Intelligence work



PROJECT TEAM: Key Driver, Co-drivers, Senior Management and Navigator

INTELLIGENCE ACTIVITIES: Actual KITs to be used as show cases, practical group efforts, analytical skills

TRAINING: Awareness & understanding of CI discipline, involvement and commitment

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# Introduction to Rodenberg Tillman & Associates

“Virtually everything in business today is an undifferentiated commodity, except how a company manages its information.

How you manage information determines whether you win or lose”

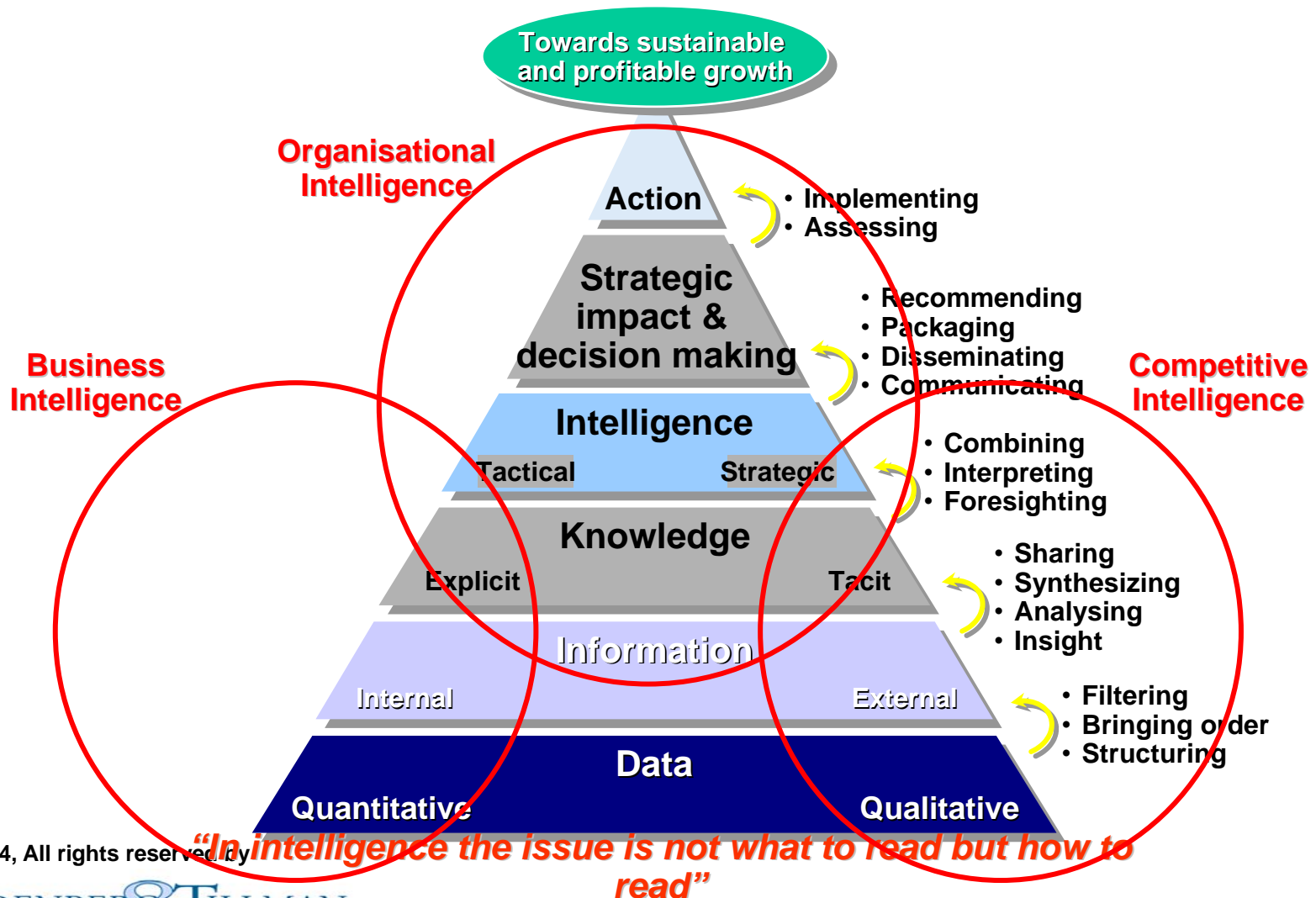
*Bill Gates*

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# “Enterprise Intelligence, creating the intelligent and alert organisation”



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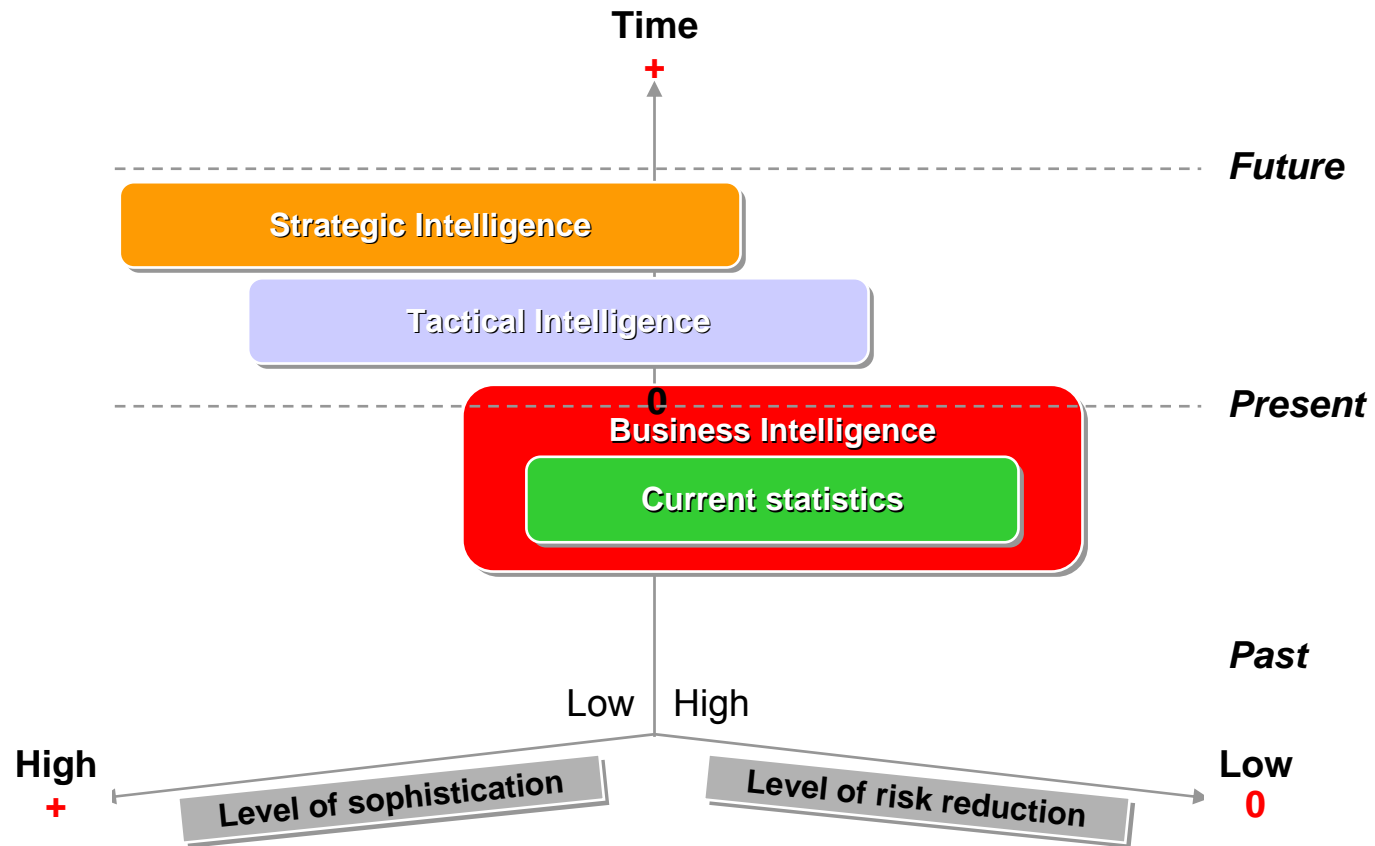
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# The aim of Intelligence is to reduce risks and uncertainties



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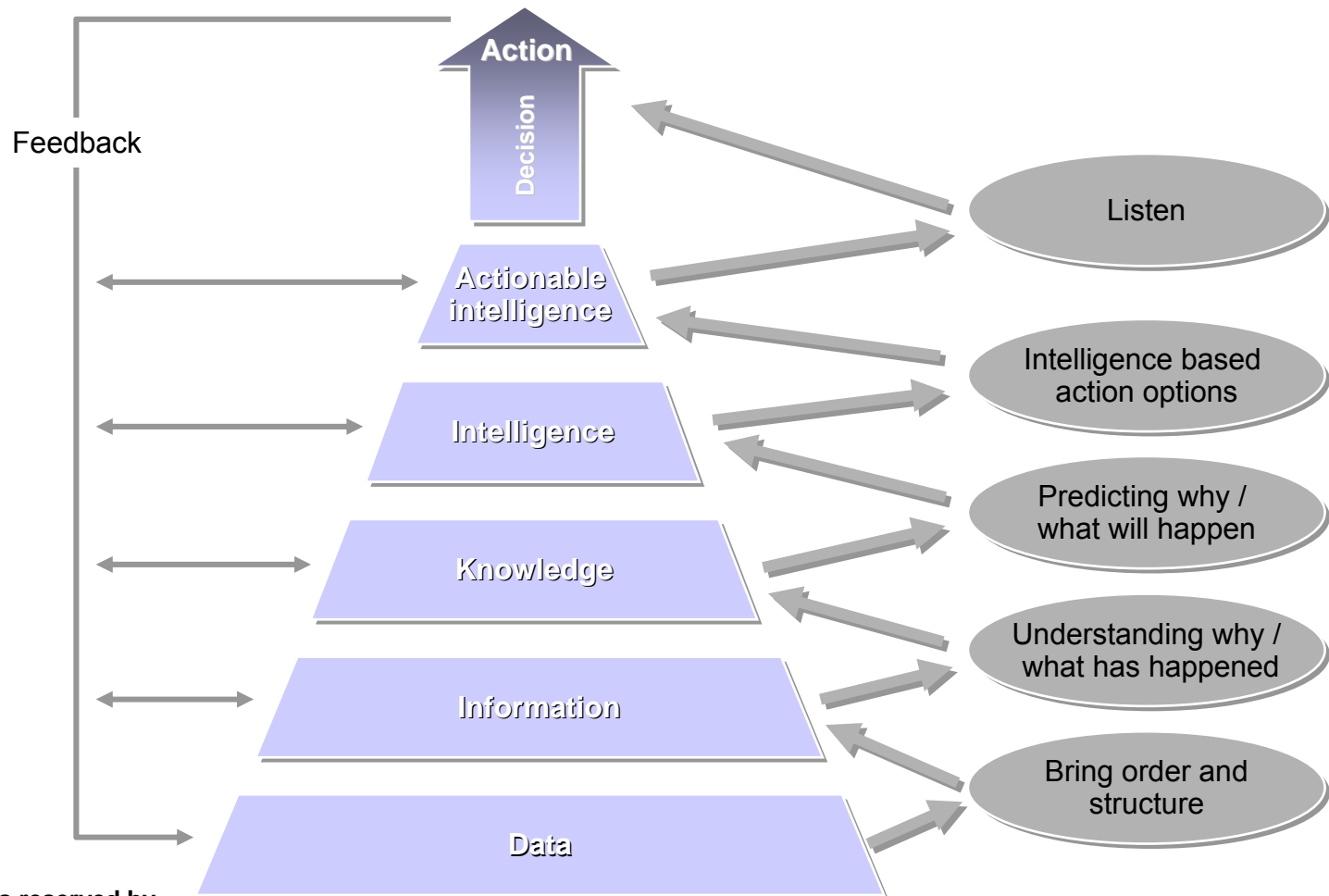
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## Aim of Intelligence is to reduce risks and uncertainties (continued)

Level of information	Time horizon	Risk reduction	Sophistication	What
I. Current statistics	Past-present	Low	Low	SOM, sales/pricing, regional data, marketing information
II. Business Intelligence	Past-more-present	Low	Medium	<ul style="list-style-type: none"> <li>• View current status</li> <li>• Projections from the past</li> <li>• What has happened ≠ WHY</li> <li>• Customers ≠ potential customers</li> </ul>
III. Tactical Intelligence	Foresighting near future	Medium-high	High	<ul style="list-style-type: none"> <li>• Pro-active advanced analyses</li> <li>• Limited company disciplines e.g. ND, R&amp;D, new marketing initiatives</li> </ul>
IV. Strategic Intelligence	Mid-longterm	High	High	<ul style="list-style-type: none"> <li>• Strategic early warning</li> <li>• CI on key drivers of change</li> <li>• Impact on overall strategy</li> </ul>

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# Recommended Achievements of the CI efforts



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Source: Shell – Rodenberg Tillman & Associates

# Business is changing

- Internationalisation
- Liberalisation
- Co-operations
- New technologies
- etc. 
- 
- 
- 

**Increased competition and complexity**

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# Without intelligence

## Important changes:

- markets/segments
- customers
- competitors
- technologies
- etc.....



**Reaction**

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# With Intelligence

## Important changes:

- markets/segments
- customers
- competitors
- technologies
- etc.....



Time

- information gathering & analyses
- strategic-operational impact



**Action**

**Re-active  
management**



**Pro-active  
management**

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# The top of the iceberg

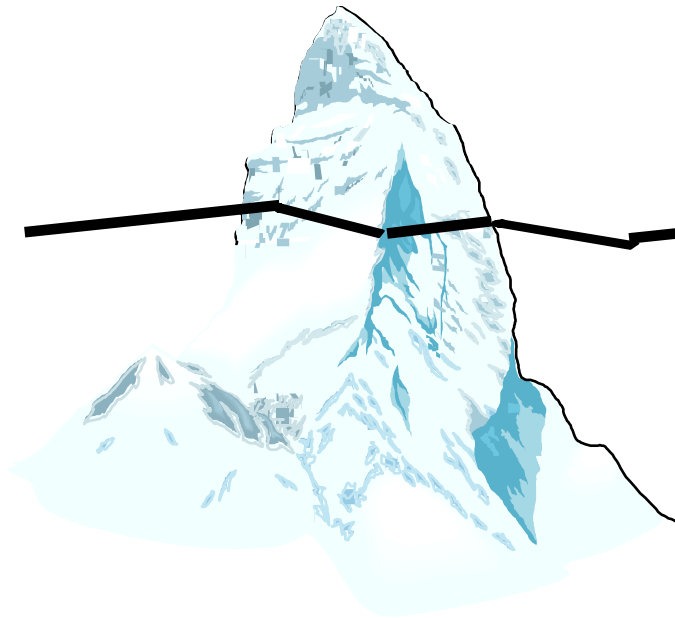
## Basic Analysis

Customer needs, market shares, SWOT



## Extended analysis

Market developments, competitors, suppliers etc.



## Industry Watch

Business development, innovations, core capabilities & competencies, network relations, strategic intentions. etc.

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**Some of these will decide your company's development**

**And on what conditions?**

The Environment



**But which ones?**

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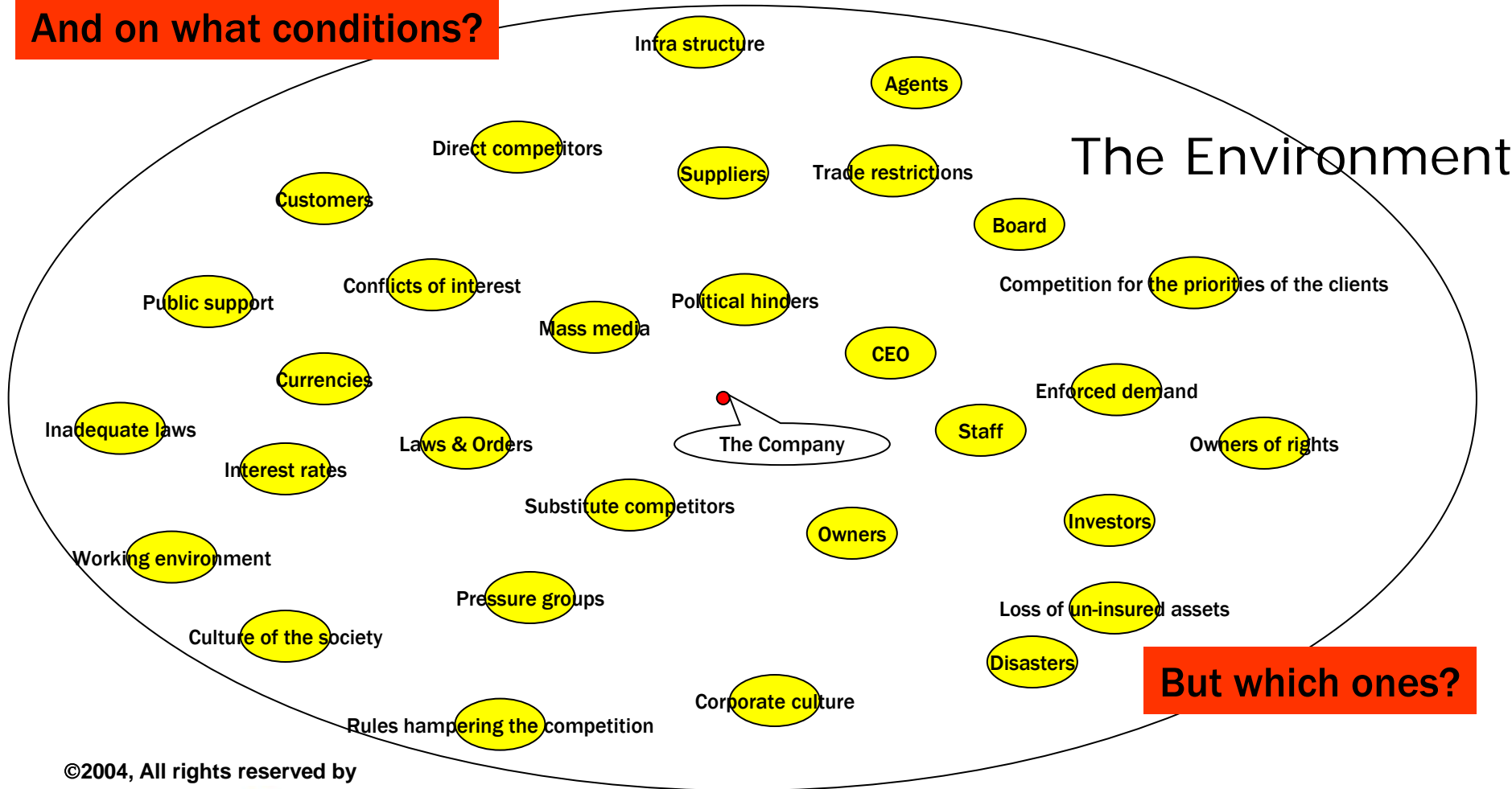
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# Some of these will decide your company's development

And on what conditions?

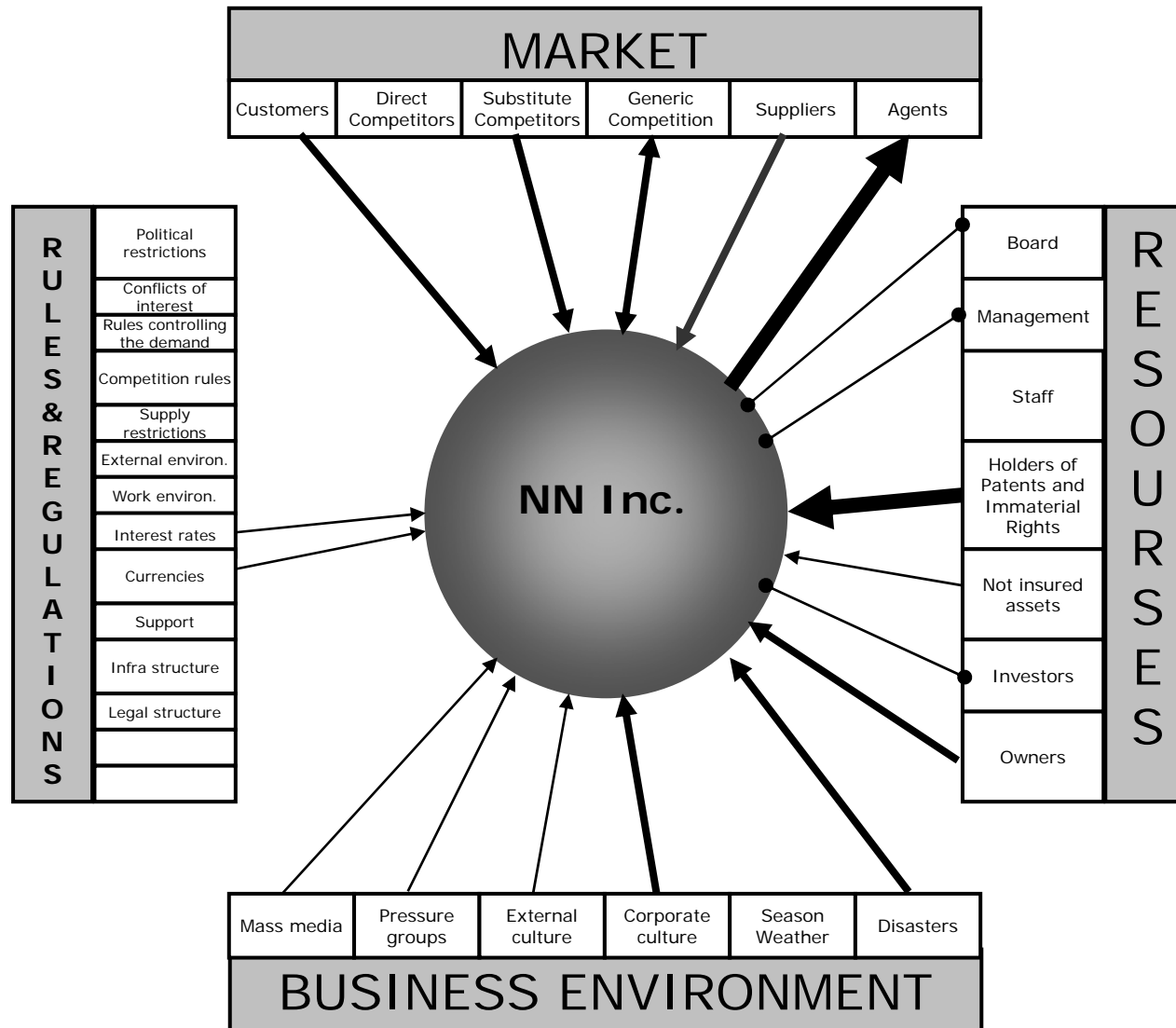


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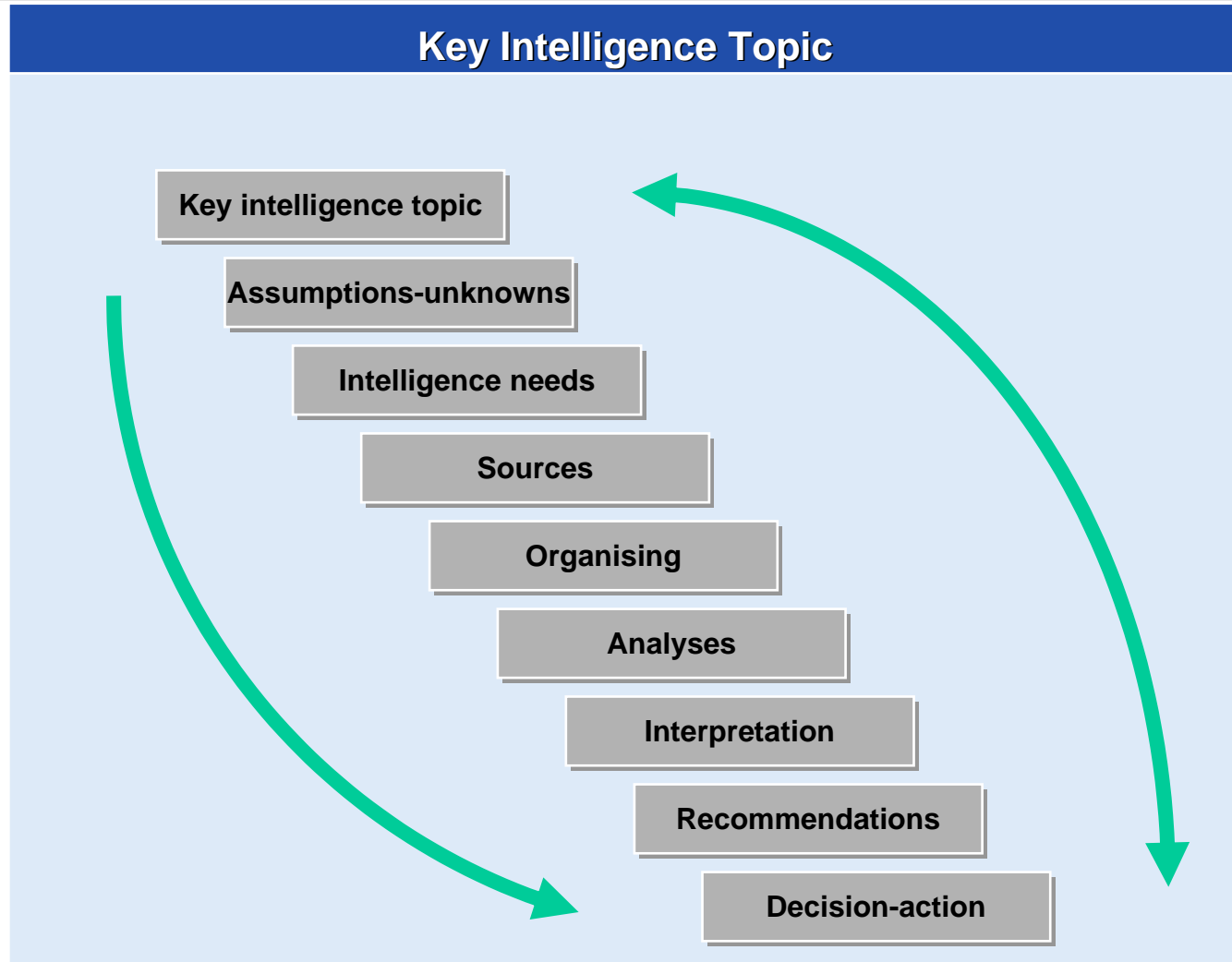
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# Business Position



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# Introduction to Competitive Intelligence



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# Objectives of Competitive Intelligence

- Support the decision-making process on strategic and operational level
- Gain competitive advantage by decreasing reaction time
- Improve long- and short-term planning
- Real understanding of your market, competitors, suppliers, etc...
- Radar environment: identify threats and opportunities

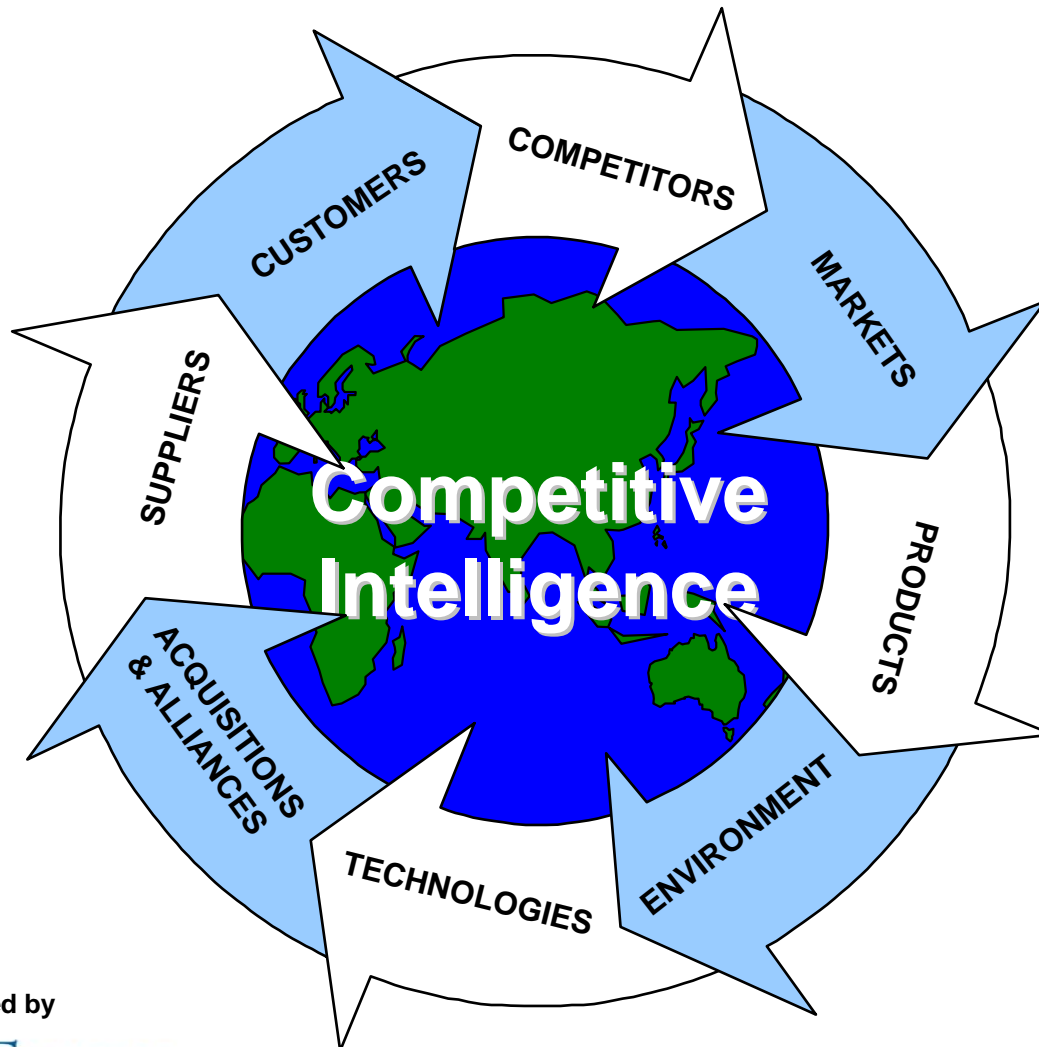
***“Anticipate and act versus react and regret”***

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# Types of Competitive Intelligence



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# Characteristics of CI

- Future focused
- Pro-active
- Continuous monitoring
- Direct linked to decision making
- Linked to strategic management
- Perspective in stead of precision
- Qualitative information
- Analysis & interpretation
- Knowledge sharing
- People's business
- External developments translated towards the internal organisation
- Published & non-published information

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# The 7 Guiding Principles of CI

1. CI is a line responsibility
2. CI supports decisive action
3. CI covers the entire competitive environment
4. CI is not about the past, but the future
5. CI is not found on internet, but created by people
6. CI is about the brutal truth
7. CI is done legally and ethically

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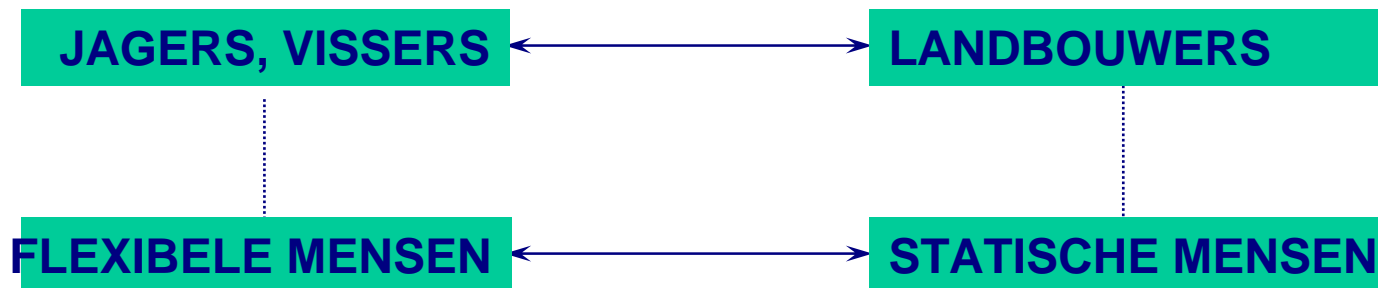
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Source: SIEP Inc.

# De Dynamiek van een Onderneming

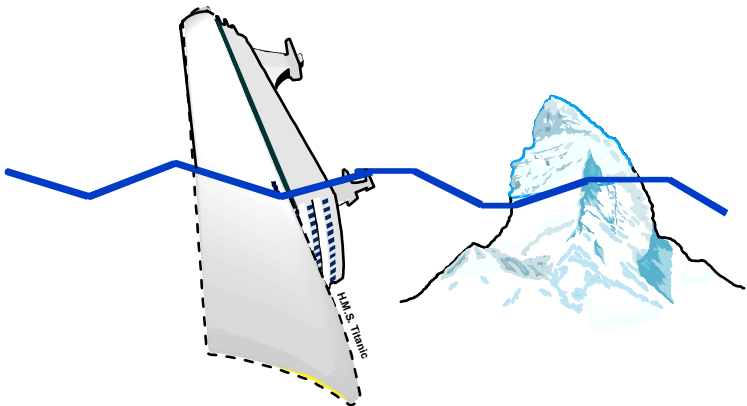
“VEEL ONDERNEMERS BESTUREN HUN BEDRIJF  
ALSOF DE DAG VAN **VANDAAG** DEZELFDE ZAL ZIJN  
ALS DE DAG VAN **MORGEN**”

“HET PROBLEEM IS DAN DAT JE NOOIT  
DE **WINTER** ZIET AANKOMEN”

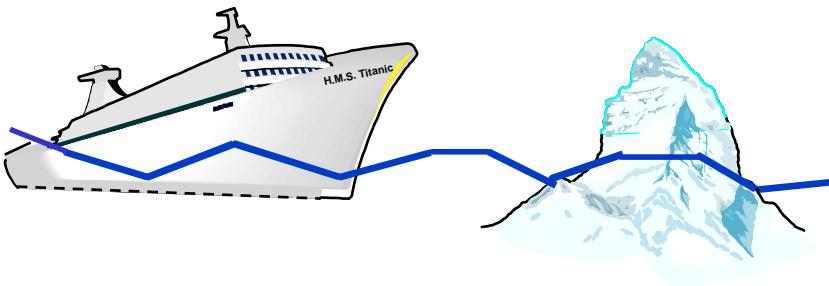




# De Dynamiek van een Onderneming



“VAN DE **ONBEWEEGLIJKHEID** VAN DE GEVESTIGDE ORDE KAN JE TRANEN IN JE OGEN KRIJGEN. ALS ZE NIET MEER DURVEN TE BEWEGEN ZULLEN DE MULTINATIONALS ALS DE **TITANIC** TEN ONDER GAAN.”



“OP VEEL PLAATSEN ZIJN BESTUURDERS AAN HETBEWIND DIE HUN SCHIP WEL BIJ DE **IJSBERGEN** VANDAAN HOUDEN. MAAR DAT IS STRIJDEN IN DE **EERSTE DIVISIE**, NIET IN DE **EREDIVISIE**.”

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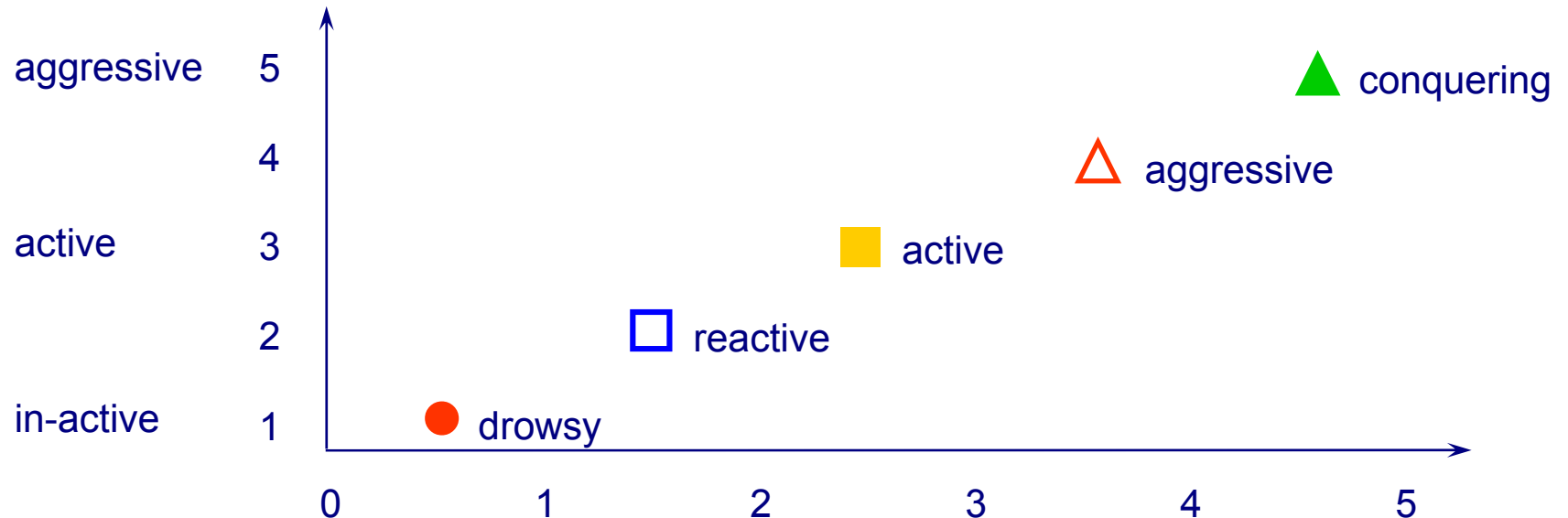
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Bron: Paul Fentener van Vlissingen - SHV  
NRC/FD, 7 februari 1998

# Determinants of an Intelligence Competency

<u>7 elements</u>	<u>Traditional investments</u>	<u>Competency determinants</u>
people	2%	20%
processes	2%	15%
organisation	2%	10%
culture	1%	20%
leadership	1%	10%
information	10%	15%
technology	<u>82%</u>	<u>10%</u>
	100%	100%

# Different Levels of CI Effectiveness



- = no fear of competition
- = re-acting when under attack
- = active but in-efficient
- △ = active in highly competitive markets
- ▲ = consistently pro-active, total picture, ready for battle

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Source: Prof. Daniel Rouach, EAP Paris

# Organisational Sensitivity

1. DO YOU HAVE AN ANTENNAE, RADAR OR WATCHTOWER IN PLACE TO DETECT CHANGE IN THE EXTERNAL AND COMPETITIVE ENVIRONMENTS?
2. WHEN YOU DETECT MISFIT ARE YOU ABLE TO DECIDE WHEN AND HOW TO ACT?
3. DO YOU HAVE THE SKILLS & CAPABILITIES TO PRODUCE MEASURED ACTION TO THE WATCHTOWER?

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# What can we learn from the US Marines?

## IO Cell

- Dedication of personnel and resources
- Full-time IO Officer
- Diverse group of individuals with different backgrounds
- Individuals are not fully dedicated but is part of core responsibility

## IO Plan

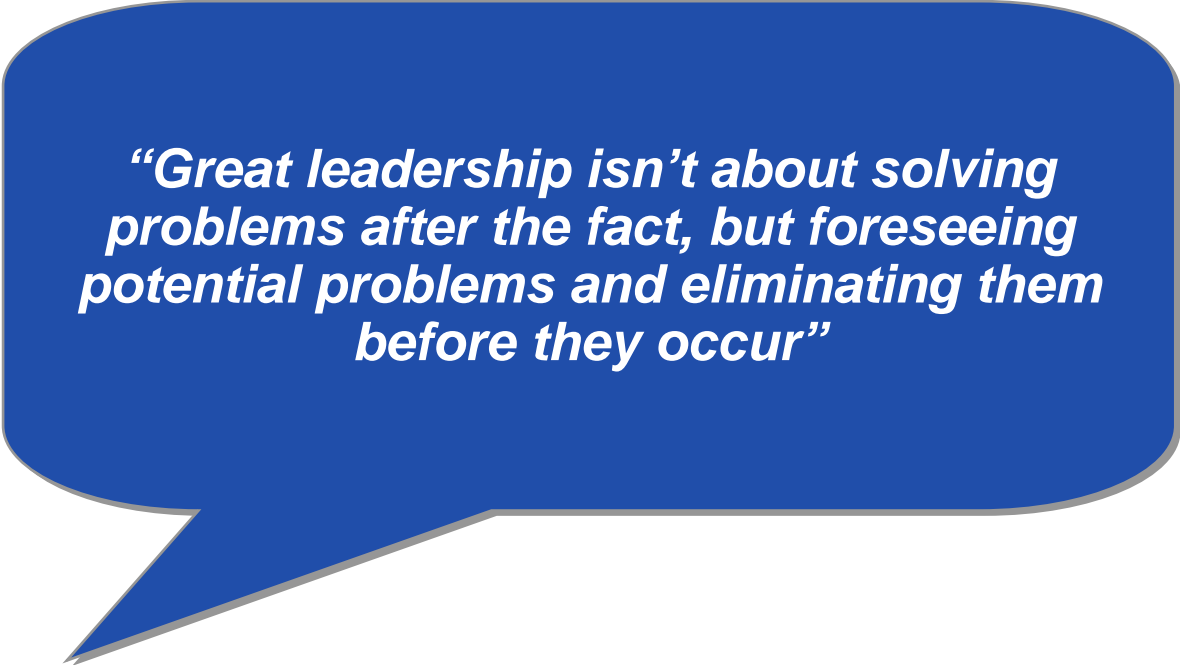
- Based on commander's guidance
- Selection of information based activities
- Formulation a preliminary plan for employment
- Extensive coordination and participation with others

## IO Implementation

- Execution of the operation
- Monitoring the effectiveness of efforts
- Fast response to changing events
- Making the appropriate adjustments

## IO is from

Start to finish  
involved in all aspects  
of the operation



***“Great leadership isn’t about solving problems after the fact, but foreseeing potential problems and eliminating them before they occur”***

***Jack Welch,  
Former CEO of General Electric***

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