

ETHICS: THE COOPERATIVE ANGLE

ELLEN NAYLOR

When I consider ethics in connection with competitive intelligence (CI), I think of all the gray territory that exists around collection, especially primary intelligence. So many discussions focus on this one aspect of CI ethics, particularly telephone solicitation.

Today's social networks have added another new dimension to the ethical collection of CI since it's easy to misrepresent yourself on the Internet. One example of a flagrant misrepresentation was when John Mackey, Whole Foods Supermarket co-founder, used the pseudonym Rahodeb (an anagram of his wife's name Deborah) to make unflattering remarks about major competitor, Wild Oats Markets for several years on online investor message boards. This issue came to light when Whole Foods decided to acquire Wild Oats Markets in February 2007, and this error added about 6 months to the acquisition timeline, not a good competitive move.

The ethical focus on competitive intelligence collection is too narrow and misses the essence of trust and excellence. When I first entered the field in 1985, neither our company nor our CI team had a code of ethics, and yet I think we were more ethical than many organizations today who broadcast their code of ethics. Why was this? We embraced three simple concepts as the backbone of cooperative intelligence: cooperative leadership, cooperative connection and cooperative communication.

COOPERATIVE LEADERSHIP

When we started our CI operation we provided a good example of

cooperative leadership to all those we met inside our company. I clearly explained our mission in developing this function at Bell Atlantic and what was in it for them to work with this effort.

Working in a cooperative vein, I did not expect people to GIVE to me until I had proven myself by GIVING them information or analysis that they said would be valuable. We provided a high standard by delivering excellent data and analysis to them. This set an example for what I would expect from them, although we didn't explicitly say so.

As relationships developed, we helped build successful marketing initiatives thanks to their peers providing information on the competitive landscape and competitor data. We kept nourishing the cycle of appreciation, as people shared what they knew with our CI team. In addition we sent the appropriate communication to highlight those people's contributions to the individuals who could positively impact the contributor's career path.

So much of cooperative leadership is simply providing a good example through your actions, intentions, and deliverables.

COOPERATIVE CONNECTION

In a similar vein, when our competitive intelligence operation began, the most important activity was developing relationships. So early on we met in person with as many sales and marketing managers as possible. This was relatively easy as the company was primarily located in the Mid-Atlantic US states.

Today, this personal contact is still a priority. If budget is an issue,

use teleconferencing such as SKYPE to connect with the people you can't travel to meet. It's extremely important to connect with individuals personally and to maintain those connections. In our increasingly impersonal workforce environment, personal connections are all the more valuable.

When we first met these sales and marketing managers we focused on their need for competitive data and analysis, rather than telling them what we expected them to provide to us. We had one legacy competitive product that we had to introduce. That proved difficult, since the salespeople hadn't asked for it. Not surprisingly, sales did not use that product very much, despite our best intentions and our thorough training sessions. This product actually benefited marketing managers more, but it was identified as a sales need, probably because sales had the budget to pay for it.

On the other hand, sales had asked for a tactical description and comparison of our competitor's markets and products across our region. We had just started delivering it as we met with the sales and marketing teams across the company. It was so well received, that many sales people connected this deliverable to the new CI team. When we modified this product to include additional data sales said they needed, our connections with sales became all the more solid.

Since salespeople are a key source of competitive information, you must make a connection to them early on, even if your CI function is defined as "strategic." So much strategy rolls out of tactics, and that's sales' strong point.

Protect your relationships. We became a key conduit from our

marketing staff to the sales staff. Many of our contemporaries would call sales people without respecting their time and demand information that wasn't necessarily quickly acquired. Over time we consolidated other marketing manager's requests for information from sales, and would periodically connect with sales people with these requests. The right requests got through and there were fewer demands on sales' time for needless marketing "stuff."

When people realize you're there for them and that you respect your relationship and their time, they will do just about anything for you because they want to.

COOPERATIVE COMMUNICATION

Clear, crisp audience-centered communication should be the norm, although it often isn't. Many people don't take the time to write or speak in a way that their audience most favorably receives and can digest the information.

When we deliver competitive intelligence in person, we often use the "one size fits all" approach as we deliver our lengthy and impressive Power Point decks. For most meetings a few visuals suffice, and also encourage audience participation. Large Power Point decks encourage audience passivity which benefits no one, especially CI practitioners. We need to engage and inform, and have people share their opinions, ideas, and experiences.

While email has minimized the boundaries of time, it also has limited much personal communication. How many emails do you receive whose senders know you don't care about? (This does not include spam.) Prolific senders often use email to cover their actions by making sure no one can come back and say they weren't informed. Or they simply don't think or care that you don't need what they're sending.

Email has also changed our behavior in brash ways. Just this

week, I was told I was being given the opportunity as a volunteer to do more work on projects I didn't even know were in the works. The senders assumed or didn't care to ask me if I had the time to do this work. Through both communications, I was told the details of my assignment and when it was due. In both cases, I did not feel respected and that my efforts were being taken for granted.

As a CI practitioner, you provide an intelligence service to your company and your clients. Don't make assumptions about people's time by barraging them with unnecessary communication of any type. Everyone at every level of every organization receives far more information than they can humanly process. I routinely delete emails when I am simply too busy to read them, and know they contain "nice to know" information at best.

If you send your CI clients only quality data and analysis you know they're interested in, they will read your communications. More importantly you engage your readers to send back their thoughts and reactions, and perhaps provide you with more intelligence that you didn't know about (even if they didn't like the message you delivered).

For example, we did not create a newsletter since we knew it wouldn't be read. Rather we focused on event triggered bulletins, only sent out when an important or actionable event had happened or was about to happen. Sometimes management didn't agree with our message, but we knew managers at all levels read it since they provided us their reactions, questions, and knowledge.

BACK TO ETHICS

Admittedly not everyone was perfectly "ethical" in our first foray into competitive intelligence. We did take the responsibility to ethically police what was collected and sent to us. Sales did send material that they shouldn't

have, but we used that material as examples to build an understanding of what was ethical and what was not. In hindsight, we were lucky that we were developing our 'on-the-fly' ethical knowledge in an earlier time.

Remember, ethics goes far beyond developing a written code of ethics. It involves establishing behavior, doing what's right, and showing respect for those you deal with in business. Your actions tell another person much more about your ethics than any written code of ethics.

Ellen Naylor is president of Business Intelligence Source, Inc. She has 25 years of marketing and sales competitive intelligence experience, including at Verizon, where she initiated a competitive intelligence department and built a CI process that included sales. Ellen conducted financial competitive analysis and economic forecasting while at Northwest Airlines. She has held leadership positions at SCIP on the board of directors and with the Minnesota and Rocky Mountain chapters. In 1995 she was honored with the Catalyst Award, and in 2006 she was named a SCIP Fellow. Ellen earned her MBA at the University of Virginia's Colgate Darden School. She can be reached at answers@thebिसource.com.