Cooperative Intelligence: The Executive Angle

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Competitive intelligence (CI) professionals commonly feel frustrated when executives don't use the information or analysis that we provide them. We often believe that our analysis falls into a black hole when directed at the executive suite.

However, coming at this situation from the cooperative intelligence angle, consider what motivates executives. Competitive intelligence is low on the list of needs for most company executives, particularly those who are forward-looking and believe they know all about the competition. Granted, they often know existing competitors quite well. But executives are disturbed when a new company enters their company's market or a known competitor announces a new product that they had no idea was being developed.

We all have examples of these instances, right?

EXECUTIVE PERSONALITY STYLES

When meeting executives for the first time, understand their fears — they often fear the competition. Regardless of their personality type, they hate surprises. Take the time to conduct due diligence. Know their personality predisposition, and when you meet them, mold your personal style so they'll be more comfortable and receptive to your message and more likely to communicate with you.

Don't assume that just because they're executives, they want only the facts. There is no one typical executive personality style. Some executives want incredible detail and will grill you. Others just want the big picture and are quite amiable and relationship oriented.

THE UNEXPECTED QUESTION

Be ready for the unexpected. While setting up a competitive intelligence process, I interviewed a key executive who stated early on, "I am not really sure if we need an internal CI process." No one on the CI development team had had any idea that he would question the need for competitive intelligence

So I simply asked him why he thought that. We listened to him for about 20 minutes while he told us why. He had been an executive at McKinsey, where he could readily obtain information on competitors from an extensive library. I credited the company and suggested that McKinsey would be a great resource for one-off projects, but he would benefit greatly by using his current company's employees to monitor the competitive landscape and to develop an ongoing competitive intelligence process.

Thinking like a cooperative intelligence professional, I would have made a significant mistake had I discredited McKinsey in any way. I needed to build on the executive's positive experience as both an executive and user of library services at McKinsey, and then lead him to his current company's strengths.

This executive actually had the best understanding of competitive intelligence of any of his peers at this company. But we would never have discovered his doubts if we hadn't asked him "why" and then listened fully and asked more questions. We used his own words and opinions to sell him on why setting up a competitive intelligence process would be best accomplished internally and not through his previous employer.

However, some executives really don't know what competitive intelligence is, don't use it, and haven't ever used it. When any of your executives fit into this category, you have to do even more due diligence. Find out why, if they have never used it before and don't really know what it is, they developed the opinion that competitive intelligence doesn't have any value. Also, schedule more time with them to educate them on the value of competitive intelligence.

BEING AHEAD OF THE CURVE

Every executive I have ever interviewed hates surprises and wants to be ahead of the news when it comes to knowing market trends, competitor product announcements, new market entrants, new technology and the like. Early in my experience at Verizon, I found it very effective to keep executives ahead of the news by distributing our competitors' product announcements. This is what they told me they valued, particularly the sales vice presidents (VPs). Keeping them informed was a good way to start our relationship.

I did not provide a scheduled newsletter, because our executives didn't have time to read one. Rather, I based our communication on information and analysis triggered by market events, rumors, and competitors' product announcements. We took risks every time we communicated with our executives and made recommendations for our company to take action.

We are continually challenged about ways to be creative as we promote competitive intelligence across our company, especially to executives. You can also sell to executives indirectly, since the people in middle management who report to them communicate with them regularly.

SALES SUPPORT

Another activity I engaged in was reviewing request-for-proposal responses after they were submitted to potential clients, speculating how the competitors might respond, and analyzing which company would be most likely to win the business. I would facilitate these sessions reluctantly, since I couldn't influence the outcome because I had been brought into the process too late.

However, I could influence the account teams to consider competitors in a different way. I had them think as though they were our customer, considering what each competitor's value proposition would be. In one case, the account team was certain that Competitor A would win the business if our company didn't. I disagreed and told them why Competitor B was far more likely to win the bid. Competitor B wasn't even a serious contender, in their opinion. However, Competitor B did win the bid — and for the reasons I had put forth.

This team's sales VP heard about the outcome of this analytical exercise for one of his top sales teams. I gained respect and visibility from all our sales VPs by standing up for myself and not succumbing to the sales team's biases. In addition, the sales VPs attended meetings of the board of directors, so our competitive intelligence team received some very positive credibility through this tactical competitor analytical exercise.

BOARD OF DIRECTORS' SUPPORT

One day, a key executive contacted me directly to help our board of directors make an acquisition decision. The executive would never have even thought of asking me for assistance had I not already proven myself with our sales force. When I first met him, he had been a sales VP, and now he was an executive VP. I applied cooperative intelligence practices as I assisted in the market and competitor analysis.

Most of the board wanted to acquire Competitor C. Our market and competitor analysis swayed a key board member who was a dissenter and had wanted to acquire Competitor D. Our presentation acknowledged the key dissenter's issues and motivation, and gently pointed out that his decision to acquire Competitor D would not be in the company's best interest.

So why was this analysis a successful cooperative intelligence exercise?

1. Motivation and due diligence: At the outset, we learned why the key dissenter wanted to acquire Competitor D.

2. Acknowledgment: We addressed each of the dissenter's issues and acknowledged that he was correct in that Competitor D's technology was stronger than our preferred Competitor C.

3. Politics: We brought in an objective outsider with great industry credibility.

4. Simplicity: We presented our recommendation very simply, using tools that anyone could understand.

5. Focus and brevity: Our presentation was short and crisp, and targeted just what our executives needed to know to make this acquisition decision.

6. Storytelling: We told a story that was easy to digest, and psychologically, each of our three charts built on its predecessor.

7. Egos: We recognized the egos of our executives, and particularly that of the dissenter, by gently presenting the facts through the "customer's eyes."

8. Dignity: We presented our findings in a way that allowed our dissenter to change his mind and agree with the rest of the board without losing face.

9. Full disclosure: For the more detail-oriented executives, we provided a white paper with supporting methodology and research behind our findings and recommendations.

Use psychology when presenting to executives. They often have larger egos than the average employee, so you're unlikely to change their minds through direct persuasion. However, if you present the facts in a simple, logical fashion and tell a good story, you can lead them to the desired outcome without damaging any egos.

PRESENTATION OPTIONS

In some cases, avoiding the use of PowerPoint bullet points in a presentation allows you to focus on your analytical story. When you really know your material, you don't need busy charts or many of them.

Large PowerPoint decks benefit the presenter, but often detract from what is being shared. The presenter often marches quickly through the material and doesn't connect with the audience. Also, a large deck keeps the presenter in the active mode, while attendees are encouraged to be passive as the presenter whisks through the material. When you have just a few charts and take 20 minutes to go through each, the audience is encouraged to reflect and participate as your visual pace is slow, and they have time to think while you're imparting information.

RELATIONSHIP BUILDING

In general, the following points can help stimulate relationship building with executives:

- In the beginning, conduct due diligence both on their personality predispositions and competitive intelligence knowledge and usage.
- Engage them by asking good questions and listening fully to their answers.
- Recognize that indirect selling can be a powerful way to connect with executives.
- Connecting with executives often takes longer than with other competitive intelligence users, since you have less direct interaction and there is more competition for their time.

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@thebisource.com.