New vistas for intelligence

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Introduction

Society changes and this change is reflected in industries and organizations. Old industries dissolve while new industries form. As well as these visible signs of industrial renewal, there are also more subtle changes in organizational processes and the way organizations function. As pointed out in the first chapter, many Swedish companies have turned to more knowledge intensive production, which has affected both core competencies and business design. Management of different knowledge processes has become particularly important. This development challenges the idea of a central core controlling the organization like a machine, along with other organizational ideas of influencing and even controlling the mindset of organizational members (Miller, 1999). As Røvik (2000) puts it: "Leadership is increasingly a matter of coordination through mental manipulation as opposed to control of physical movements" (ibid, p. 279, my translation).

Turning to the companies themselves, technological and social changes make business environments less stable by the year, blurring our preconceived ideas of what constitutes an industry (Bettis & Hitt, 1995). The complexity of industries and their environments interest an increasing number of academics (Andersson, 1999), who address questions of how to manoeuvre fragmented companies in a complex society. However, these subjects are not new to research. As early as 1965 (p. 24), Emery & Trist stated that "A main problem in the study of organizational change is that the environmental contexts in which organizations exist are themselves changing at an increasing rate, and towards increasing complexity."

However, researchers in organizational change or industrial renewal are not the main group who are affected by these changes. These changes and complexity are real challenges for the companies’ decision makers, not only at the top level, but throughout the entire organizations. An increasing number of strategic decisions are now made outside the control of top management, a phenomenon which was also noted by Emery & Trist in 1965 (cf. Eisenhardt, 1989). For companies, the current situation makes new demands on internal services and functions that can help various decision makers and others to not only make informed decisions but also coordinate the decisions and actions taken with the rest of the organization. In knowledge based companies this demand expands the managerial dimension of a firm to other people and processes, so that the knowledge developed and applied is informed and coordinated. These types of assignments are now given to intelligence services and intelligence personnel inside business organizations, with their tradition of monitoring and analyzing the environment, and constitute new vistas for organized intelligence work (Hoppe, 2009). As we designate these new vistas we may wish to examine what is happening and whether there are any interesting ideas that can be picked up. With these initial questions we are closing in on the aim of this article, but first we have to say a few words about intelligence in organizations, which may not be a familiar subject to many readers.

Intelligence as a practice is not new. In fact its origin goes back several thousand years, and it is highlighted in the works of Sun Tzu, especially The art of War (approx. 500 BC). It is also quite clear that the concept of intelligence together with terms like strategy originate from this
military tradition. Today’s practice on the other hand, is not bound to the military context. In a way it can be found everywhere where people and organizations turn their attention towards their business environment in order to understand it better and take informed actions.

As an organized practice, intelligence is mainly found in larger organizations acting in competitive environments, usually with more specific labels like business intelligence (favoured in Europe) and competitive intelligence (favoured in the USA), and with subcategories like technological intelligence, patent intelligence or market intelligence. Due to the lack of consistency in the terminology I introduced the term organized intelligence work in my thesis (Hoppe, 2009) as a generic term that describes the actual work of managing intelligence inside business organizations, regardless of the label given in each specific context.

Organized intelligence work bears some resemblance to market research, especially in highly competitive markets where both market research and intelligence services concentrate on issues regarding price, market size, competitors and the like. However, where market research tends to be short term, tactical and directly applicable, organized intelligence work tends to be future-oriented and strategic, focusing on the whole business environment and shifting its attention from issue to issue depending on the overall strategic position of the company.

Unfortunately, current research on organized intelligence work does little to answer questions about the role of intelligence from a knowledge perspective. Instead we are mostly left with rather narrow and traditional research objectives aiming at delivering practical advice for the practitioner (Hoppe, 2009). The prevailing research tradition blurs with consultancy ambitions that produce easily digested concept literature (Jackson, 2001), favouring authors like Benjamin Gilad (1988, 1996, 2003, 2006) and Leonard Fuld (1995, 2006). The writing is usually done in a managerial tradition (cf. Furusten, 1999), where analytical methods are given emphasis, carrying with them an old world view of how organizations function. There is also a strong influence from theoretical ideas of strategy planning made popular by Michael Porter in the 1980s. In this perspective, analysis of the business environment is the core competence of management, and enables managers to create strategy by informed decisions about a specific market position to aim for and defend. With this view, managers need analysis support, upholding a perspective that emphasises the intelligence practitioners’ analytical skills and downplaying other aspects of the work. The increasing complexity in both business design and society has thus far not led to a major reformation of this dominant view of organized intelligence work. Thus, we provide here a tentative exploration of the questions and problems that could be fruitful areas for research on intelligence, especially considering knowledge aspects, and consequently industrial renewal. This leads me to phrase the purpose of this article as follows:

to give an account of some important challenges encountered by intelligence personnel in modern business organizations due to the on-going industrial renewal and an increasing dependence on different knowledge processes.

Method and materials

This article is mainly based on the reasoning and empirical data presented in my thesis (Hoppe, 2009). The empirical material was collected between 2003 and 2006, and consists of a total of 18 semi-structured and transcribed interviews, mainly with intelligence professionals (but also in one case [Case 1] people in the surrounding organization) spanning four different large Swedish multinational companies (all referred to by pseudonyms in this article).

Medialis (Case 1) is a global pharmaceutical company, and interviews were conducted at their Swedish headquarters. Ostium (Case 2) is a global electronic company, and interviews were
also conducted at their Swedish headquarters. Carbo (Case 3) is a global packaging company, and interviews were conducted at the Swedish headquarters. Albus (Case 4) is a subsidiary of a European chemical company with a global market, interviews were conducted at the headquarters of the Swedish subsidiary. Complimentary research material was gathered e.g. through e-mails and company websites, as well as through discussions with various intelligence professionals at conferences and other gatherings.

The analytical constructs presented in this article are developed inductively, and made visible through the transcription and coding process of the material as well as the intellectual process of making sense of the material at hand. I found Burke's pentad (Burke & Gusfield, 1989) to be a suitable organizing tool for the sense-making part, so consequently adapted the pentad to suit the specific circumstances of this paper. The drama-metaphor is also used to make some of the points under discussion stand out.

The empirical material is presented in aggregated form. The paper begins with an explorative section, presenting the initial findings. These findings are used in the later section to build a discussion around the challenges now facing intelligence professionals, thus addressing the stated purpose of this article.

Results

From the data at hand, several aspects of organized intelligence work emerge as interesting candidates to meet the stated purpose. In the sections below I will elaborate on five themes inspired by Burkes pentad (Burke & Gusfield, 1989), where purpose, scene, agent, and agency are presented under results but the actual act is the theme for the discussion. The paper ends by raising questions about the type of play we are witnessing and the challenges this creates for the actors.

These themes are of course intertwined, and aspects of each theme can be found under different headings.

**Purpose: Intelligence in order to create better business**

The interviewees described their work as mainly consisting of gathering, analyzing and disseminating information in order to support decision-making in general. The interviewees still used the term decision support while describing their work, even though the decisions to be made were not that well defined or were not clear-cut decisions. If we limited ourselves to the self-descriptions of the interviewees we would most likely come pretty close to the ideas of strategy making and ideals of informed decisions.

Even though this self-description of intelligence and decision support was more or less generic, there were other aspects of their work that transcended this quite limited sphere of activity. The missions guiding the work were not focused on decisions. Instead they were about supporting a special part of the company or a specific process. An analyst at Ostium pointed out that their mission functioned as a good guideline for what to do and what to strive for; phrasing the mission as follows "our mission is to support the sales force with competitive knowledge and arguments in order to win the deal, and do profitable business."

With missions like this the intelligence practitioner was encouraged to try different methods and techniques to expand their scope of work, e.g. to create and stage war stories that forced those involved to reflect and act in simulated business situations. Except for financial and moral considerations, the interviewees did not mention any real limitations to the scope of their work. In this respect the decision-making self-reference did not constitute an obstacle to expanding their field of practice. Decision support therefore appears to be an important idea
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for defining the intelligence identity, but the missions given guide the practice, and these missions are, to put it simply, about creating better business.

Scene: Dispersed intelligence

Intelligence had more than one place in each of the researched organizations. It was dispersed around the organizations and could be found e.g. in the central core, subsidiaries and connected to designated project teams. Intelligence units mostly worked independently of one another, serving their specific part of the organization. The Ostium unit concentrated on supporting key account managers who would give Ostium the upper hand in future deals. The Medialis unit concentrated on promoting marketing issues and filling information and analytical gaps in different project teams. The Albus unit, located in a subsidiary, concentrated on handling strategic issues arising from all over the organization in an effort to help almost anyone who was in need. The Carbo unit concentrated on identifying and making use of new ideas and technology in support of the R&D part of the organization. The context and the mission descriptions differed, but regardless of the particular context (scene) all interviewees classified themselves as intelligence practitioners.

There was collaboration between intelligence units at each investigated company, e.g. for buying information or skill training, but the collaboration was a result of common interests more than a coordination effort designed by a central intelligence manager. Whereas most collaboration was within the boundaries of each organization, the unit at Albus collaborated with units at other subsidiaries and at headquarters.

Even though the intelligence workers interviewed worked in dispersed circumstances, their stories contained passages that made it clear that the top levels of the investigated organizations had their own designated intelligence services. However, these intelligence units assigned to top management worked independently from the others, answering to the local needs expressed and experienced in the interfaces developed between supporters and those supported. One exception to this was occasional strategical overviews and projects where cross-functional teams of intelligence personnel were formed, working together towards common goals for a limited time. In these specific situations hierarchical order emerged as important in defining the work to be done. This however was the exception to the rule. Thus, intelligence usually appears to be locally organized, and close to those designated to benefit from the service. Intelligence also plays out more as a loosely coupled network of distinct units and less as a hierarchically organized and coherent support structure for a central core.

This description might not be regarded as anything special by most people, but this type of dispersed and locally adapted intelligence is not very well covered in contemporary intelligence literature (cf. the literature mentioned above). Instead we are mainly presented with stories about the successful acts of central chief intelligence officers serving the most prominent decision makers in hierarchical structures (Hoppe, 2009). The idealised character of these favoured stories obscures a reality that is not only more complex, but is also more ambiguous and thus less easy to convey in the research tradition in the field. There are aspects of intelligence that need to be explored in greater depth and that might display other sorts of logics and connections that will help us to better understand intelligence as practice but also as an organizational phenomenon in the knowledge-intense industries of today. However, there are other points to be made before I expand on this.

Agent: Serving the willing

Traditionally, intelligence is described as a function that works on the demands from the decision-makers they are to serve. There is a clear distinction between those who experience and
express an informational need and those who act to satisfy this need. In the common visualization of the intelligence process below (Figure 1) the planning task is the prerogative of decision makers and the three other tasks are the responsibility of the intelligence unit.

Figure 1. The intelligence cycle (traditional)

Turning to the data at hand, and as mentioned earlier, there was no clear distinction between those who did the planning and those who did the fieldwork. Instead the division appeared to be non-existent as both intelligence personnel and intelligence users cooperated to complete the tasks they identified. Occasionally there were clear-cut assignments, but most of the time the experienced and expressed need was something that evolved through discussion between the parties involved. I would like to stress here that the active party was usually not the information user/decision maker, but rather the intelligence worker. Interviewees frequently revisited the fact that they had to market their services internally to their intended users. It was also common that intelligence personnel went on road trips to different countries, invited themselves to meetings, and laid out plans how to reach certain people internally who they felt had something to gain through their work (but also in some cases were believed to be in possession of valuable information/knowledge that could be put to use elsewhere in the organization).

In conclusion, we find that intelligence work is not so much passively awaiting requests from designated end-users than actively influencing parties in the organization that will help the intelligence workers reach important goals targeted by them. Therefore intelligence workers are limited to serve those who are willing. The role of the agent can also be said to shift depending on how the agency has developed.

Agency: Analytical conversations

Describing their work, the interviewees favoured stories involving actions like scouting, informing, providing a second opinion, and working as internal consultants. However none of these descriptions stands out as well as analyzing, a verb used frequently throughout the interviews.

Scrutinizing the data, one can also conclude that most of the time the interviewees’ work was focused on issues other than those directly connected to decision-making. Instead, much of their work and the artefacts produced were for wider purposes. Routine tasks included organ-
izing and participating in discussions, updating standard analysis of particular market sectors, checking and making sense of rumours, and keeping files and profiles on competitors.

So, if decision support is not enough to define organized intelligence work and many other activities are being performed in order to fulfil the overarching goal of creating better business, are there other and possibly better ways to understand organized intelligence work? I believe there are. Here I suggest that instead of paying too much attention to the intelligence workers’ self-descriptions and the specific artefacts being produced, we should consider both what happens around these artefacts and around the practitioners themselves. Taking this leap of mind brings us to a another perspective that focuses on the interaction among organizational members, where different intelligence artefacts and intelligence initiatives can be viewed as created reference points for continuous reflection and action in order to build better business.

As noted above intelligence literature favours a description of intelligence as a service working on the command of decision makers, preferably defined through the use of models like the one shown in Figure 1. In this model analysis is the third step in the process of developing raw information into intelligence (principally as intelligence artefacts). When the analytical step is completed the constructed intelligence is ready to be disseminated (distributed) to the decision maker, hopefully fulfilling the information need that triggered the intelligence process in the first place.

Turning to the cases, this description is to some extent true, where e.g. at Medialis different people and projects turned to their designated intelligence service with requests for intelligence (especially frequent in areas where they lacked necessary expertise or when they experienced time restraints). In these cases the intelligence personnel were also adding value by giving voice to facts and perspectives not present in the requesters frame of reference. Nevertheless, even in these specific cases most of the intelligence workers were active in both defining the request as such and in building a common idea of how to perform the quest, depending on the insights that were gained in the process. Those who expressed this intelligence need were mostly also involved in fulfilling it throughout the process.

A technical scout at Carbo expressed that an important part of his job was to stage interesting discussions and processes so that a rough idea could develop into something useful for the company. Different people from both inside and outside the company took part in these analytical discussions as the idea evolved, formalizing itself into an action plan with the objective of making the company more viable, e.g. through a better process, product or service. The responsibility and organizational home of the idea (and thus the discussion) also changed during the process through mutual adaptation. The technical scout’s actions were congruent with his overall organizational mission of creating better business, and were not limited to a clearly defined place in an organizational chart or a sequence in a model for intelligence creation.

Another example of how analytical discussions emerged as the core process for intelligence workers was given by an analyst at Ostium. He expressed that different analytical models of course came in handy in order to create all sorts of templates and texts, but as he pointed out, this was not the end goal. Instead he emphasized that the most important outcome of using a model was the discussion that it triggered.

In these examples we see that an organization is in fact a place for organizing, and that organizing is an ongoing matter between organizational members, especially synchronized through speech and other communicative tools. Formalities like organizational charts, intelligence artefacts and work descriptions are just tools that help us keep some sort of order in the organization (or at least give the impression that order exists, cf. Brunsson 2002, 2006; Røvik, 2000). However all these things, though useful for understanding an organization, do not reveal the true organization. Instead, the organization is always an act of becoming, where those
with the position and ability to influence play an important role. Jeffrey Pfeffer (1992:254) adds a cynical aspect to this, and indirectly, to the use of intelligence services as he writes:

"Because of the need for the appearance, if not the reality, of rational decision processes, analysis and information are important as strategic weapons in the battles involving power and influence. In these contests, the ability to mobilize powerful outside experts, with credibility and the aura of objectivity, is an effective strategy." […] "It turns out in organizational life, common sense and judgment are often more important than so-called facts and analysis."

The intelligence services, as described in my study (Hoppe, 2009), can in this perspective be regarded as reasonably objective inside experts that were used by different parties in the power battles of that time. This interpretation appears especially true if we favor a traditional view on intelligence services as passive producers of intelligence artifacts. In doing so we also downplay the role of the intelligence worker to that of a bystander, with no interest of his or her own, not participating in the power game, and working on the whims of others. But, as my studies show, this interpretation is not true. Instead intelligence workers themselves participate in the battles for power and influence as they act to fulfill their goal of creating better business. This is done to a large extent by facilitating and even staging analytical discussions that they think will be fruitful for themselves and the other participants. This could be thought of as organized mental manipulation (cf. Røvik, 2000), and when these discussions change the ideas of those participating, power has been effectuated.

Discussion: Act!

So what is the act? What do we see in the scene where the intelligence workers operate? I see a different kind of play to that most authors in the field chose to present. To begin the discussion I will present four different aspects of how intelligence work appears in my study in relation to how it has traditionally been described. Building on the ideas of Burke, I have also constructed a drama metaphor to make each aspect clearer.

Table 1. Summary of how intelligence appears in my study in relation to the traditional view, presented both as a descriptive text and as a drama-metaphor.

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<tr>
<th>Change in appearance as descriptive text</th>
<th>Change in appearance as Drama-metaphor</th>
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<tr>
<td>The intelligence mission has changed from being a passive information service working on the command of high-ranking decision makers to an active internal agent for better business.</td>
<td>Intelligence workers are not reading from a script, they are improvising around a specific topic.</td>
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<tr>
<td>Hierarchical position does not determine where intelligence is to be found. Instead the deployment of intelligence work comes from dispersed needs displayed in each unique subpart of an organization.</td>
<td>Intelligence workers have now left the Dramatic Institute in favour of being a travelling theatrical company.</td>
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<tr>
<td>Intelligence work moves away from the creation of intelligence artefacts to the creation of analytical conversations and the advocacy of distinct reference points in these conversations.</td>
<td>The distinction between actors and audience dissolves to the extent that together they define the play as they speak.</td>
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Intelligence is personalized in two dimensions, firstly the analyst comes forth as an individual agent with a personal network, secondly the intelligence produced is adapted to the individuals and the specific situation at hand.

At least compared to older plays involving the whole ensemble, intelligence is becoming more personal.

With reference to the results presented above and these four points one can conclude that intelligence of today deals less with formal decisions and more with both formal and informal conversations. This change of focus also moves the subject of intelligence away from decision making towards the field of knowledge creation. It is hard to distinguish whether this has to do with real changes in the practice of intelligence or if these changes can be traced back to a more paradigmatic change in society. Perhaps we have just learned to both see and speak about aspects of intelligence that were already present earlier when we didn't have the perspective and words needed to describe them. One could also object that the data used is skewed and/or that the intelligence presented above is culturally dependent and that Swedish intelligence practice has always been more democratically organized and less formal.

Nevertheless, we can at least say that the practice of intelligence described above fits well into the knowledge discourse that has developed alongside changes in industrial logics in recent decades. It also seems that intelligence has a role to play in today's knowledge based industries, supporting more balanced and profitable knowledge constructs, thereby contributing to developing more viable businesses. Even if it is just a Swedish model for intelligence, it is still something to reflect on when considering how we should organize intelligence in a more knowledge intense world with blurred industrial borders.

Working so closely with information and analysis one might have suspected that intelligence practitioners would also use the term knowledge in defining the purpose of their work. The word knowledge was employed on and off (cf. the citation above), but in an everyday fashion where knowledge appears synonymous with aggregated or analysed information. The intelligence workers did not call their work Knowledge Management (cf. Pirttimäki, 2007), Market Analysis or anything along those lines. Instead they used the English term intelligence most of the time (even though the interviews where held in Swedish), but that should not hinder us from seeing them as highly active in influencing the knowledge used inside the organization, or even the knowledge defining the organization as such.

Changing the locus of the intelligence subject from decision making to knowledge creation will also open things up for other intelligence descriptions, where in the examples given we can interpret the intelligence worker as a knowledge activist, here described by von Krogh et al. (1997, p. 475):

"The knowledge activist is someone, some group or department that takes on particular responsibility for energizing and coordinating knowledge creation efforts throughout the corporation. We believe that such activism will have three purposes, the first of which is to initiate and focus knowledge creation, the second to reduce the time and cost needed for knowledge creation, and the third to leverage knowledge creation initiatives throughout the corporation. Knowledge activism can reside in a particular department or with a particular person, but it can also be situated in already existing departments and functions, or it can be taken up as a special assignment by individuals or departments."

Important in this quote is the central concept of knowledge creation, which indirectly implies a development of, or change in knowledge as a result of knowledge activism. Building on this it is even more obvious that intelligence workers do participate in the ongoing power struggle
inside the organization to define the ideas the organizational actions will be based upon. Another way of phrasing this, with reference to Røvik (2000, p. 279), is to emphasise that organized intelligence work is about mental manipulation and thus constitutes a vital leadership tool for those in a position to influence the missions given.

Perhaps, as Nonaka points out (e.g. Nonaka and Takeuchi, 1995; Nonaka et al., 2000, Nonaka et al., 2006), western thinking has paid too much emphasis on knowledge as a physical product (as apparent in traditional intelligence literature), and has neglected the immaterial aspects of knowledge as personal and collective insights. This could at least explain the dominant view on intelligence still present in today’s discussions and literature. This idea hints that there are other ways of understanding the role of intelligence in organizations, and in the context of this article, we focus on a view of intelligence workers as designated knowledge activists with the main three responsibilities defined in the quote above. I end here, with this fulfilment of the stated purpose of this article to disclose new vistas and challenges for intelligence, where the main challenge must be to act.

References


