

Developing Competitive Intelligence Programs in Romania

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Abstract

Intelligence and knowledge are now fundamental resources of every organization. But very few of these entities have the capabilities and the capacity to efficiently manage intelligence and knowledge, with the purpose of gaining a competitive advantage as a result of exploiting their intelligence & knowledge management systems. Moreover, there is an acute lack of qualified human resource, needed in having the vision and to design, create, implement, develop and coordinate such systems.

Therefore, a need has arisen for the development of study programs in the field of competitive intelligence, focused on preparing experts in the field for the public and private sector.

On the other hand, Romania, in spite of its EU and NATO membership has registered a significant delay in this field, which makes it necessary to accelerate the process of building its own economic and competitive intelligence component for a national intelligence system. The purpose of this article is to raise awareness regarding the need for developing study programs in the field of competitive intelligence and knowledge management as a first important step in the direction of insuring Romania a competitive advantage on the international market.

Keywords: competitive intelligence, national intelligence system, curriculum, training, knowledge management.

Context

Having a global approach on the education system, which trains specialists in intelligence and knowledge management could be an important landmark in building a knowledge economy and society in 21st Century Romania. Today, intelligence and knowledge form the basis and fundamental resources of any organization. But not all organizations possess

the secret of gaining a competitive advantage through the efficient management of intelligence and knowledge. The key to this secret can be found in two important discoveries pertaining to the beginning of this century. The first is the projection and application of the intelligence process in information and knowledge management. This is, in essence, a process, which appears simple in a discursive linear pattern of intelligence planning, collection, analysis and dissemination within an organization. In reality, in the last two decades, this process has become a very complex one through the unprecedented scientific evolution and development of human society. The second factor is the understanding of the balance between the tangible and intangible assets of an organization. Their dimension has modified dramatically in the transition from the Industrial to the Information Age, and more recently to the Age of Knowledge and Innovation.

In this context, there are very few organizations that possess the capabilities and capacity to manage in an efficient manner information and knowledge, thus acquiring a competitive advantage as a result of the exploitation of intelligence systems. Moreover, there is a shortage in the number of qualified individuals, who possesses the vision, through the tacit accumulation of knowledge and competences to design, elaborate, implement, develop and coordinate such systems.

As a result of these changes and evolutions, the need has arisen to develop study programs in the field of competitive intelligence that would train both public and private professionals.

Already in 2004, Craig Fleisher had observed these deficiencies at international level, drawing attention to the absence of academic programs on competitive intelligence. At that point in time, there were no competitive intelligence chairs in the world and no academic entity was providing a PhD in the field. That's why no consensus could be reached on whether to fit this domain in the field of economic affairs, management, information sciences, journalism or military studies. Furthermore, even inside economic affairs or management there was still the issue of whether to fit competitive intelligence in marketing, the management of information systems of economic affairs strategies/policies? Other unsolved dilemmas at the time were whether competitive intelligence is an academic discipline, a practice, a profession or a field of study?¹

¹ Craig S. FLEISHER, „Competitive Intelligence Education: Competences, Sources and Trends”, *The Information Management Journal*, March/April 2004, p. 57-58.

Romania, as an EU and NATO Member State must design its own *national economic intelligence system* in order to gain competitive advantage. The delay in understanding the issues abovementioned, especially by those which should have done this at the right moment, a decade if not two ago, which would have helped Romania identify the importance of intelligence constitutes a serious handicap in the formation of a human capital and in gaining, through the creation of its own national intelligence system, competitive advantage.

We can identify the sources of this delay both in the private and public sphere, and at the level of the academic community. Thus in the public sectors, the absence of CI programs can be traced back to the incoherent reformation policies of the Romanian education system and the separation between education and research.

In the private sphere we witness the absence of a proactive mentality, which has led to the absence of relevant initiatives aimed at developing the CI field. In the last decades, as was the case in other democratic states, there have been some isolated initiatives, lacking a formal setting and national coverage, of promoting a CI discipline through private consultancy and training programs, but which have proved successful only inside certain organizations capable of keeping pace with the economic development and the new social business trends. In addition, the value system of the Romanian economic environment does not include the social responsibility factor, which is essential for building awareness on the role which the private sector must play in ensuring societal security and welfare.

We, also encounter significant deficiencies inside the Romanian academic community, which has not played a role in developing the CI field, as it lacked an intelligence culture that would have helped it become aware of the importance of CI for development.

Another important obstacle is the poor relationship between the components of the national intelligence community, the private sector and the academic community. Good collaboration relations among these components are a prerequisite in the process of building a national intelligence system. On top of this there is a shortage of qualified individuals, a problem confronted by all three sectors.

1. Objectives

In this context, the main objective of a competitive intelligence masters program is to design and elaborate postgraduate and masters training courses in the field of competitive intelligence and knowledge management for the employees and managers from Romanian public institutions and private companies.

The purpose of such a study program is to fulfil the need for knowledge in the field identified at the level of Romanian society through the achievement of a set of specific objectives:

- ensuring fundamental expertise and knowledge in the CI field;
- developing theoretical and analytical abilities for managing CI-related problems;
- expanding managerial skills in scanning the economic environment and developing strategic and tactical information systems;
- creating a nation-wide intelligence culture;
- training CI professionals/practitioners.

The advantages for opting for a CI-oriented program are three-fold: it favors a national and systemic approach, it engages academic, public and private entities and it stimulates the creation of a new mentality at systemic level.

2. National setting analysis

Currently, in Romania there are not graduate/postgraduate programs in the field of competitive intelligence, but only some isolated initiatives of training programs for individuals from the private sphere. There are organized by private companies, sometimes with partners from the academic community, such as the Academy of Economic Studies from Bucharest. Other competitive intelligence courses have been organized by Bucharest Polytechnic University, West University of Timisoara and Academy of Economy Studies (by ASEBUSS).

It is important to mention that some of these courses do not make a direct reference to the concept of *competitive intelligence*, but employ terms such as *economic intelligence*, *business intelligence* or even economic affairs information systems.

Furthermore, the small number of existence initiatives, such as the Romanian Economic Intelligence Association have not managed to make a name for themselves in this field. However, in the last years a new actors has emerged, which appears to have some chances of success, namely the Association of Specialists in Business Information, which also published a scientific journal.

That is why, such a program must be a competitive one, both in terms of the courses it offers but also in relation to the volume of knowledge it provides, that must be similar to one in European and American institutions, and in terms of quality and content, which must be similar to the training programs conducted by some of the private entities, with a certain experience in the field on the Romanian market. That is why one must analysis the opportunity of establishing some partnerships with institutions with experience in the field (not just in CI training, but also in adjacent fields) so that one may benefit from the transfer of knowledge, and with entities from the private sector interested in hiring CI professionals, that would be willing to provide internships.

According to national legislation in the field, it is possible to conduct master and postgraduate programs in partnership with private entities, by following certain guidelines:

1. The partners (experts) can give 20% of the total number of classes, except when they hold an academic title;
2. When the foreign partner is another higher education institutions, there are no limitations on the way the participation quota is divided among the members, as it can be set by common agreement.

3. Short benchmarking analysis

As a result of the need for more CI professionals at international level, this field has acquired the status of academic discipline. A scientific study² conducted by the Strategic and Competitive Intelligence Professionals (SCIP) association has identified 18 universities and colleges from the US that include competitive intelligence courses in their curricula. Some of these academic entities provide bachelor or masters degree in the field of competitive intelligence, while other simply provide certifications. Nevertheless, the majority of these institutions provide individual competitive intelligence classes within MBAs³ or MS⁴.

² Gary A. DAVIS, Frederick G. KOHUN, Charles R. WORATSCHEK, „Curriculum Development: Developing A Graduate Degree Program in Competitive Intelligence”, Issues in Information Systems, vol. VI, no. 1, 2005, p. 319.

³ Master in Business Administration.

⁴ Master of Science.

A comparative study of ten such programs, from the US, Europe and Asia has revealed the fact that they are oriented towards training professionals in the field of competitive intelligence. As a rule, they are addressed to beneficiaries coming from the private sphere, but they also train individuals coming from governmental agencies or public institutions.

Most of these are postgraduate or training programs, though there are a significant number of master programs as well. The length of the program varies from a few days (5-10 days) for training programs to one year and a half for master programs.

The analysis of the organizing institutions has revealed that both the master and postgraduate programs are offered by faculties of economic science and business. Academic institutions specialized in intelligence offer just competitive intelligence classes within their curricula.

These programs are structured in modules to allow the participants to select the set of courses that best suits their needs. That is why each course has its own cost. In all the cases under analysis the cost are quite high in comparison to similar training programs of a similar duration.

It is also important to mention, the quite applied character of the curricula, the theoretical courses being always seconded by practical applications, laboratories and workshops.

In addition to a simple analysis of the existent academic and training programs we have tried to identify two national initiatives in this field that would fit the term of „intelligence enterprise” – a national institutional architecture under the banner of the term „economic intelligence”. The cases we have chosen for this analysis are those of the US and France.

USA

In the beginning of the 90^s in the US two defining trends for the future of intelligence started to manifest themselves: Robert Steele's initiatives on the role of open source and the concept of “Smart Nation”. These initiatives appeared inside the intelligence community and were related to the importance of gaining access to education and initiatives on economic intelligence, in the context of the end of the Cold War.

Steele's initiative and the transformation it brought contributed to defining the Euro-Atlantic region in the new political context, as the European states identified and applied mechanism of conceptual import of the new paradigms.

Another initiative of the US military led to the creation of the American Military University, an institutions that became a more to clear symbol of the overlap between the civil and the military worlds, with the academic environment acting as a catalyst.

In the new political context, intelligence-related initiatives multiply in number, assuring a better representation of American strategic interest in non-military terms. As a result we can see a network of interconnected institutions which defend American interest in economic and non-economic terms.

Two additional clarifications are required in order to strengthen the idea of shaping a multi-stage controllable process for the transformation processes taking place inside the US intelligence and educational systems.

Firstly, an analysis of the stages, which the American Military University went through in the period 1991-2004 reveals the sequencing and controllability of the process:

1. research and Training lasted for 2 years starting with 1991;
2. preliminary Operations took 3 years, having as a final objective national accreditation;
3. maturation lasted for 3 years, 1996-1998; it is important to note that in 1996, Steele launched the term and concept „Smart Nation”;
4. growth took 3 years, 1999-2001;
5. expansion and Diversification took another 3 years, 2000-2004.

The American Military University is a fully able solution to take over the problem of integration in an intelligence/OSINT culture of the civilian and military components, connected through the concept of academic intelligence. The project has a continuation, designed for the 2015 horizon, in which the entire academic system is transformed in order to be able to provide an integrated solution at national level.

The national network of public institutions, which support the national intelligence system has been expanded through partnerships with private organizations, in an externalization process aimed at increasing capabilities in key-areas. An example in this respect is the relation between the Central Intelligence Agency and In-Q-Tel, a non-governmental, non-profit organization with the mission of investing in technologies that may prove useful for the technological needs of the US Intelligence Community.

France

In the early 90^s, as a domestic reaction to the global changes taking place and by adopting, in a more or less transparent manner, the conceptual models that formed the basis for the US progress in the field, France started to redefine its national intelligence system. The fields of action are, as in the previous case, at academic, economic and territorial level.

A new higher education institutions devoted to „economic war” was created. A national network of public and private institutions able to manage intelligence issues from a theoretical and practical perspective was created.

Amid the characteristic French centralist spirit and starting from the existent institutional setting (developed on the entire territory) the term territorial intelligence is defined, as a complement to the concept of economic intelligence.

Two additional clarifications come to strengthen the idea of a sequenced and controllable process for the transformation process taking place inside the French intelligence system.

Thus, an analysis of the stages, through which the intelligence system went through between 1984 and 2004 reveals the sequenced and controllable nature of this process:

1. 1989-1991: identification of problems at the level of academic debates among specialists (contributions of Bernard Naboulek, Christian Harbulot and Philippe Baumard).

2. 1992-1993: forming an analysis group on „economic intelligence and enterprise strategy” within the General Commissariat of the Plan, under the presidency of Henry Martre.

3. 1994: Finalizing the „Martre Report” with several proposal, among which:

a. evaluating the existent potential of competences and of the national and regional information networks;

b. defining the necessary structures and means for a network structure;

c. instituting common procedures;

4. 1995: the creation of the „Committee for Competitiveness and Economic Security”: seven key figures chosen on the basis of their experience, authority and skills in the field of economic intelligence, appointed for a 3 year period, with the mission of providing clarifications to the Government on competitiveness and economic security issues and advising it on the elaboration and implementation of policies in the field as well as of continuously ensuring the coherence and coordination of the actions taken in this field.

5. the „Carayon Report”, „Economic intelligence, competitiveness and social cohesion”.

6. 2004: the creation of the General Delegation for Economic Intelligence inside the Ministry of Economy and Finances.

7. 2008: The White Book of Defence and National Security launched by the French Presidency of Nicholas Sarkozy: it integrated former contributions in a national intelligence system.

The national network of public institutions which support the national intelligence system has been expanded with other organizations, mostly private and non-governmental ones (from lobby groups to reputation management organizations) which act at EU level, most often in Bruxelles, defending French interests. An example in this respect is the relations between Compagnie Européenne d'Intelligence Stratégique (CEIS) and the EUROSINT Forum.

As a result of the creation of a national Intelligence Community, on the Anglo-Saxon model, led by a coordinator, an Intelligence Academy was created in 2010.

The appearance of this new service is a new step in the process of the French intelligence reform launched in the spring of 2008 by the White Paper on Defence and National Security aimed at the centralization and expansion of the national intelligence system.

Other stages of this reform were:

- the merger of the General Intelligence and Surveillance Directorate of the Territory within the Central Directorate of Internal Intelligence;
- the creation of the Council of Defence and National Security at the Elysee Palace chaired by the Head of State.
- the creation of the Sub-Directorate General Information (SDIG).

The Academy is responsible for the training of intelligence personnel for national security institutions, for the defence of the French economy and finances, for strengthening the ties within the French intelligence community, as well as for the promotion of the intelligence culture.

Among its main tasks are the following:

- to design, organize and implement activities initial and ongoing training for the staff of the services mentioned above;
- to promote cooperation between these services training;
- participate in awareness intelligence⁵.

There is only one conclusion: there was a strategic initiative to develop an already existent system, and to rebuild and adapt it to the needs of the new ultra-competitive business environment, characteristic for the Knowledge Society in which knowledge and intelligence become fundamental resources for any state, public or private organization.

⁵ http://fr.wikipedia.org/wiki/A9mie_du_renseignement accessed on December 7th, 2013.

4. A comparative analysis of CI postgraduate and master programs

An important element in starting the first stage of an academic construction of a competitive intelligence discipline is the identification of the type of program desired by the academic institution.

In the context we can decide between a postgraduate or a master program in competitive intelligence. By analyzing the two options we can weigh the advantages and disadvantages of each option.

The advantages and disadvantages of the postgraduate program

From the point of view of the target audience, postgraduate programs have the advantage of a shorter length and implicitly of a smaller number of classes in comparison to master programs. In addition many of the employees and managers already possess a master degree in their field of activity and just desire a specialization in competitive intelligence.

The comparative analysis has revealed that the international trend is to organize short-length postgraduate CI programs. Many of these are starting to employ e-learning instruments and platforms.

Following these trends is an advantage in itself, as it facilitates interoperability in the shape of partnerships and cooperation, as well as enhancing the competitiveness of the program provided, making it able to compete on the international educational market.

On the other hand, short-length programs are more rigid from a curriculum point of view, as they rarely provide optional courses which limits the beneficiary's chances of studying in-depth a certain topic. The large workload is another disadvantage, as the student must assimilate a large volume of information in a short time span. These type of programs also require the allocation of significant logistical resources.

The advantages and disadvantages of master programs

From the point of view of the target audience, the master program has the advantage of giving a recognized academic diploma, thus facilitating the access to higher forms of education, such as PhD programs. The longer duration leads to a smaller workload and gives the possibility of selecting among optional courses, which correspond to the interests of the target-audience. In addition, it enables the in-depth study of multiple dimensions of CI, the organization of several practical applications and other type of scientific events.

The main disadvantages of competitive intelligence master programs are the long duration (this being a problem for the employees and managers coming from the private sector) and the fact that they require the allocation of significant human and financial resources from the organizing institution. The small number of CI professionals in Romania makes it difficult to identify qualified individuals, who would be able to hold CI-related courses.

5. Curriculum – Designing the Competencies Map

When elaborating a curriculum for a competitive intelligence master program it is necessary to go through two main stages: the first in which we identify the adjacent fields to competitive intelligence from which to extract courses so that we may supplement the students' knowledge map and the second in which we design the knowledge map needed for a competitive intelligence discipline.

Depending on the target audience for which the master is designed – experts coming from public institutions or from private companies, we can select courses from the fields which cover those sectors, such as: strategic management, knowledge management, financial management, geo-economy, macro-economy, micro-economy, international markets and derivative products, etc.

When designing a CI master program we must take into consideration the fact that the target group can be only from sector, public or private, a mix of the two (which in some situations is desirable as it helps build ties between professionals coming from both fields) and that it may have varied levels of expertise (beginner, medium or advanced). That is why most programs distinguish between a core group of courses (which provide the fundamentals of competitive intelligence) and a more extensive group of optional classes, tailored for the needs of different beneficiaries.

The benchmarking analysis has also revealed that the majority of the CI curricula follow SCIP's recommendations on how to develop a CI training program on the basis of three principles:

- a. competitive intelligence cycle;
- b. guide to the elaboration of a CI curriculum;
- c. the necessary skills for a CI professional.

In a first stage, students are acquainted with the fundamental concepts of information management systems, through courses such as: databases management systems, system architecture. Next, students are provided CI specialization courses such as Data Mining, Data Warehousing and Knowledge Management. Moreover, students are presented concepts coming from management, business ethics and communication, which are essential in the process of sharing knowledge and dissemination.

Though not all those who are active in the field of competitive intelligence conduct the same type of activities, the literature in the field identifies certain elements that may form the necessary set of competences, knowledge and skills which the students must possess in order to contribute efficiently to the intelligence process.

In Jerry Miller's opinion they can be grouped in three categories:

a. Traits: creativity, persistence, written and oral communication skills, analytical abilities, good understanding of the scientific methodology, independent learning skills and business savvy.

b. Cognitive domains/Teachable skills: strategic thinking, business terminology, market research and presentation skills, knowledge of primary information sources and research methods, enhancement of journalistic interviewing and communication skills, analytical ability, familiarity with scientific methodology.

c. Professional experience: knowledge of corporate power structures and decision-making processes, industry knowledge; enhancement of primary research skills, business savvy, journalistic interviewing and observational skills⁶.

These categories are useful in designing different roles for people employed in the competitive intelligence field. Thus, according to Fleisher there are five such potential roles: researcher, analyst, manager, human intelligence network participant and client/customer⁷.

In order to successfully complete competitive intelligence related activities, CI practitioners must possess all these skills, either by acquiring them in a formal educational setting (and here the manner in which the curricula is built plays a very important role) or through practice. According

⁶ FLEISHER, *op. cit.*, p. 58.

⁷ *Ibid*, p. 58.

to Miller, deficiency in any of these skills may prove detrimental to the organization, which is why managers have a tendency to rely on practitioners with a broad set of skills. Therefore, potential practitioners, employers, and educators must recognize how inherent traits, experience, mentoring, and teaching together offer the composite of the required competencies⁸.

Capitalizing on this argument, the competence map elaborated by the Strategic and Competitive Intelligence Professionals is composed of three main dimensions:

1. Teachable abilities.
2. Professional experience.
3. Mentoring.

The first two categories refer to the identification of candidates, who already possess some knowledge on information systems, databases management and communication skills. Furthermore, it is desirable for participants to already possess an MBA and have a certain level of experience in the field.

The second category involves the use of certain educational instruments and techniques by the teaching staff. Thus, they have to possess a good knowledge of employing specific CI software, which they will capitalize during the practical applications. Moreover, the teaching staff must possess competitive research and analysis skills. Because training manuals in competitive intelligence are almost inexistent, SCIP recommends including among the teaching staff, former practitioners.

The mentoring category involves conducting practical applications based on real-life cases from the competitive intelligence field. Teachers and students must work together with private entities to analyze and make recommendation on the best ways of solving those issues. Furthermore, the knowledge and experience gathered by business advisors will have to be capitalized in the process of elaborating, implementing and improving the CI curricula.

Although the categories proposed by SCIP constitute a good starting point in the development of a CI curriculum, we deem it necessary to adapt these principles to Romanian realities. That is why we propose the development of a CI curriculum on the basis of four categories of competences:

⁸ Jerry MILLER, „Curriculum Model for Educational Programs”, *Strategic and Competitive Intelligence Professionals* 1996, p. 2 <http://www.scip.org/files/.pdf> accessed on December 12th, 2013.

C1: Designing and implementing the CI function

C2: Coordinating the monitoring and collection processes

C3: Coordinating the analysis and dissemination processed of the products resulted through information and knowledge management.

C4: Promoting and supporting the institutionalization of competitive intelligence.

Inside C1 the following competences must be developed:

- Organizational/Institutional design/planning of information and knowledge management.

- CI Rationale.

- Configuring the information and knowledge management capacities.

- The Strategic Development of the information and knowledge management capacities.

- Developing a CI institutional vision and implementation strategies;

- Selection and procurement of CI resources.

- Implementing an information and knowledge management activity at managerial level.

Inside C2 the following competence must be developed:

- Elaborating a specific taxonomy, on the basis of which to structure and configure the source system.

- Developing an information monitoring, collection and validation capacity.

- Elaborating a collection plan for data, information and knowledge.

- Developing skills for primary selection and processing of data.

Inside C3 developing the following competences:

- Assimilating scenario analysis techniques.

- Developing the capacity to analyse the capabilities and intentions of competitors.

- Promoting a multidisciplinary analytical approach.

- Developing the necessary skills to elaborate CI products (risk maps, predictive analysis).

- Elaborating the methodology for information dissemination to beneficiaries filling managerial positions.

Inside C4 the following competences must be developed:

- Promoting the advantages of CI through the institutional dissemination of CI benefits.
- Implementing the CI strategy at the level of the organization.
- Monitoring the results of implementing the CI function and promoting the achievements.
- Permanent networking with the personnel of the organization, providing assistance and consultancy through knowledge management technologies.

Based on this competency framework four types of study programs can be developed:

- intensive courses with a duration of 2 weeks - 1 month. There are two types of such courses: initial training and specialization, with a certificate being given at the end of each module. The access to the specialization module requires the trainee to already possess an initial training diploma in competitive intelligence.
- 3 months postgraduate course.
- 6 months postgraduate course.
- master program with a 2 year duration.

Conclusions

Romania's delay in building a national intelligence system generated significant losses in terms of development and innovation. That is why it is necessary to establish real ties between the three fundamental components of such a system: the academic community, the organizations which are part of the national security system and private entities. This cooperation must be consolidated on two levels.

On one hand we must develop academic programs, of the type described above, which would act as catalysts for the enrichment of knowledge in the field. Intelligence, be it competitive or strategic must be consolidated as an academic discipline, adapted to the Romanian realities.

Therefore, in addition to training professional in the field and ensuring a permanent knowledge exchange between the three components of the system, we must also take the first steps in the direction of building a Romanian intelligence culture.

The second important level is the socio-professional one, which is why inside the intelligence field we must define a set of specific

professions, such as intelligence analyst. That is why the introduction of the intelligence analyst profession in the Classification of Professions from Romania was an important achievement. This initiative does not only lead to an increase in the visibility of field at societal level, but also to the creation of a professional identity, necessary for the coagulation of a national intelligence community.

On the long run, all these initiatives will allow Romania to become an efficient competitor on the international market, thus evolving from just being a consumer of intelligence to also becoming a producer.

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