

UNDERSTANDING HUMAN SOURCES

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I not only use all the brains that I have, but all that I can borrow.

Woodrow Wilson

At the SCIP 2005 Annual Conference in Boston (where the grass is green and the girls are pretty), I presented a workshop on human capital research geared toward both new SCIP members as well as those new to the subject of *getting information from human beings*. What follows is an exercise in turning an hour of overhead-driven dialogue into 2,000 words of printable text, a formidable challenge for a Blarney-stone kisser like me.

The subject of source management and mapping is paramount within the framework of our revered competitive intelligence cycle – which is just a rather heady way to say, *this matters a lot to people who have to get the work done*. For those new to CI, this column refers to sources within the world of gathering information directly from human beings. Some refer to this as primary research, elicitation, or interviewing. While those particular terms differ, sources are always about the same thing: the people at different places working on, around, or near the topics or people that matter to you or your client.

Great research is all about great sources. Understanding, discovering, engaging, and managing sources effectively is the most daunting of all steps in the intelligence cycle.

Those of us who interact with sources regularly already know that when the focus is gathering or eliciting sensitive information, the best sources are most often mid-level managers or employees. These people are close enough to the action to understand the detail, but senior level enough to

grasp big picture issues. They also have a knowledge of or connection to other relevant sources who could support your project goals. Consider that all primary sources fall into one of four general categories.

1. EMPLOYEES: INTERNAL AND EXTERNAL

Typically an external resource is an employee who works for a direct or relevant competitor of you or your client. Most of these employees tend to be internal to the organization itself (working on-site), though office life has changed quite a bit over the past decade, leaving many employees to share mobile office spaces or work remotely. An external employee might also be taken to mean “one not situated within a physical corporate office,” such as a telecommuter.

Employees as sources might also include your internal peers. For example, it is common practice (and a nice idea) to interview new and recent hires within your firm when such individuals hail from competitors. These individuals (when not bound by non-disclosure agreements) are often willing to discuss individual contacts, make personal introductions, and generally support the interests of their new employers.

1A. EMPLOYEES – LIKELY TRANSIENTS

One major area of interest to consider when targeting a competitor’s employees is to focus on likely transients. These are the individuals who might be voted *least likely to be loyal* to the organization, even where

such folks adhere to company policy. Some might consider this group to regularly include the mercenary functions, like the sales folks who change jobs frequently, or the consultants and marketers who work in isolation.

Another major pocket of business activity that generates likely transients is corporate development – specifically mergers and acquisitions activities. This is like finding the alum before they have moved on or even considered a job change – while they’re still (emotionally) coming to terms with such a possibility or inevitability. In many cases, acquired or recently re-hired employees are not quite as entrenched and loyal to the culture, but are often deep enough in the organization to have a clear picture of what matters, who matters, and what’s going on around them. To some, this might sound like the consulting equivalent of dating a woman who has filed for divorce but still lives with her future ex-husband.

When it comes to direct contact with the employees of a competitor, all readers are urged to revisit the ethics statement and guidelines published by SCIP located at the *SCIP.org* website. Remember, if you are a member – whether or not you are personally collecting the information – you have agreed to be bound by this statement of ethical conduct.

2. PARTNERS: INTIMATE OR REMOVED

Partners as a group consist of all individuals and firms working with any organization including yours, a competitor’s, or another relevant group.

Such partners might be thought of as either intimate or removed, though there is room for interpretation. In certain organizations, a removed partner such as a recruiting firm might in fact prove to be quite *in the know*. You will need to assess the value of partners within the context of your own research to determine their value.

Examples of intimately involved partners include:

- vendors and distribution channel relationships, such as resellers and integrators
- collaborators in the areas of marketing or development, for example supporting product creation or industry standards

Intimate partners might also include other areas of service and support, such as marketing and communications providers, management consulting firms, corporate finance and advisory related partners (e.g. M&A advisors), corporate accounting firms, contract labor providers and so on.

Removed partners are seldom entrenched deeply enough to hold intimate knowledge about the activities of most organizations, though they often possess remarkable and varying degrees of insight on internal contacts and processes. Examples of such removed partners include leasing agents, payroll vendors or other administrative services (outsourced), banking partners, assorted recruiting firms, or temporary staffing providers. They also include a wide assortment of additional service providers, from facilities maintenance and corporate catering to outsourced production and fulfillment partners.

3. SPECTATORS: THE ANALYSTS, JOURNALISTS, PUNDITS AND WATCHDOGS

When executing research which requires planning of any sort (yes, that sounds absurd. . . it all requires planning), it is always helpful to

imagine that somebody else already knows the answer to your questions (regardless of the question). The goal of a great researcher is to figure out which individual has that answer. Start by asking yourself, “who cares about this subject?”

Beyond those categories discussed above, it is quite often the industry analysts, journalists, and the many pundits watching and following the marketplace activity who possess the greatest degree of current knowledge. At another level it might extend to government or regulatory figures who make it their business to watch over the activities of the public and private sector across all industries, from manufacturing and agriculture to pharmaceutical and financial services (the watchdogs).

Consider these sources first if you require a debriefing of any kind regarding a research project when you do not completely understand a process, technology, industry or something else. They are often the most prolific writers within their respective categories and niches. More often than not they are also the most talkative folks around, and are quite likely to take delight in educating a novice or outsider in the ways of their world.

Additionally, these spectators often become assets, providing high-value, long-term relationships. Building and maintaining rapport with the folks who live and breathe the market is critical to your development as a researcher. Spectators tend to manage the most colorful Rolodexes in the world, and the ability to generate contacts and information through such human assets will impact the reach of many future endeavors.

Spectators might also be cataloged as intimate or removed. For example, many analysts and pundits follow closely the activities of a handful of several leading organizations while minding the market in general. In such cases – and equity research analysts are a perfect example – spectators are frequently engaged in high level and

detailed discussions with key employees of such organizations.

Alternatively, many spectators are looking at the activities of so many market players that they rarely have profound insight into the activities of any one particular firm or group of firms. An example of this might be a writer or columnist who can turn you on to sources within a company based on a recent article, but will not be able to tell you much about how that company stacks up beyond a product or market review.

When it comes to government and regulatory types, there are also many specialty faux-official groups organized around special interests like ethics, labor market issues, corporate governance, and so on. These quasi-official hoi polloi make it their business to keep tabs on everything from CEO pay to eyeliner testing on animals. Within government there are also innumerable appointed administrators and policy related figures with keen insight into the issues touching any particular target or industry.

4. ALUMNAE: ALL PRIOR CATEGORIES

Alumnae are, for all intents and purposes, the people who used to do whatever I was just talking about above, but specifically with a former competitor's organization. This category extends to include former spectators, such as the analyst who joined the ranks of a corporation, or the former columnist or government figure who joined a department at an industry player.

The highest value alum are often those individuals most recently involved with the organization to which they are attached, or by which they are identified (e.g. a columnist who just switched papers but covered your target organization). Alternatively, very high value alum might also be those associated with a very specific time period, such as an employee who was around during a major acquisition of

interest, or during the tenure of some other individuals of interest.

ABOUT THOSE ‘UNUSUAL’ SOURCES. . .

This is yet another category of source to consider, and it is arguably the most difficult to describe because when unusual sources exist, they arrive via serendipity. And quite often fact checking will determine that any unusual source in fact falls into one of the previous categories.

A great example is a photograph of a targeted source standing beside several folks, perhaps shot at a conference or a local fund raiser, and appearing in print formats like newspapers or magazines. Understanding the potential value of the bystanders as sources, coupled with the ability to actually track them down using minimal detail (e.g. names in a caption), well, that’s the real puzzle. These are best thought of as random leads, not clearly identifiable

but somehow connected to a targeted source, and perhaps *in the know*.

For readers involved with competitive intelligence in a corporate setting, it is somewhat unlikely that you will ever begin reaching out directly to employees of competitors; that’s an impropriety. To the vendors and consultants supporting such corporate needs, this is a familiar theme. However, I urge all corporate CI practitioners to spend time getting your arms around the types of sources that hold the greatest value for your own needs.

Understanding the foundation of the source mapping exercises deployed within any intelligence project can only help to better prepare you for project execution. Such preparation will in turn allow you to communicate realistic project expectations to all project stakeholders, setting the stage for a show that begs for an encore.

In the end, we are only as good as our sources. And we must always

remember that getting information through other human beings is, by its nature, a best-efforts process that is forever in want of guarantees.

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