

2015 n° 19

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***STRATEGIC
INTELLIGENCE AND BUSINESSES:
Knowing, understanding, acting, influencing***

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DIRECTION AND COORDINATION:
Corporate Centre of LLORENTE & CUENCA

CONCEPT AND GRAPHIC DESIGN:
AR Difusión

ILLUSTRATIONS:
Marisa Maestre

PRINTING:
naturprint.com

Printed in Spain
Madrid, February 2015

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WWW.DEVELOPING-IDEAS.COM
WWW.UNO-MAGAZINE.COM





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Félix Sanz

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He has a Degree in Law from the Autonomous University of Madrid and has been member of the Cuerpo de Técnicos Comerciales y Economistas del Estado (Commercial Technicians and State Economists Corps) since 1999. He is the current director general of internationalization for ICEX España Exportación e Inversiones. He has worked as an economic advisor and commercial manager in several commercial offices. Among his wide educational labor, he takes part in the course "Business Intelligence and Competitive Strategy" of the Centro de Estudios Económicos y Comerciales (Centre of Studies for Economy and Trade). Currently, he is member of the Executive Committee of the OEME (Observatory on Spanish Multinational Companies) of ESADE. [Spain]



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He is director general of Swiss Medical Group, president of IDEA and coordinator of the Foro de Convergencia Empresarial (Business Convergence Forum). Miguel attended the Advanced Management Program at IAE Business School and works as a public accountant (University of Buenos Aires). Prior to this, he was the general manager and deputy vice president of Argencard S.A. and director and chief financial officer of The Exxel Group. Furthermore, he was partner and member of the Executive Committee of Coopers & Lybrand in Argentina, Paraguay, Bolivia and Uruguay and bank and commercial and industrial businesses liquidator. He is also professor of the Chairs of Audit, Financial Statements and Computer Systems Audit at the University of Buenos Aires and at the Catholic University of Argentina. [Argentina]



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He has been director general of the Marine Social Institute and National Social Security Institute. From 1993 to 1996 he was member of the Congress of Deputies. In 1994 he was named secretary of State for the Public Administration and in 2004, Government delegate for the Autonomous Community of Madrid. Until his appointment as secretary of State for Defence he was president of the Sociedad Estatal de Infraestructuras y Equipamientos Penitenciarios (State Society of Penitentiary Infrastructures and Equipment). He is a lawyer and civil servant on leave of absence. [Spain]



Fernando Velasco

He is professor of Moral Philosophy at the Rey Juan Carlos University. In 2005, he launched the Chair of Intelligence Services and Democratic Systems in collaboration with the National Intelligence Centre under the project of culture intelligence. He is co-director of the magazine *Inteligencia y seguridad: revista de análisis y prospectiva* (Intelligence and security: analysis and outlook) since its launch in 2006; the first academic magazine about intelligence published in Spain. Since 2009, he co-directs the Master for Intelligence Analysts, an inter-university master's degree of international scope. He is a member of the Spanish Chapter of the Strategic and Competitive Intelligence Professionals (SCIP). [Spain]



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He has a Degree in Economics and Law and is specialized in the field of technological monitoring and competitive intelligence. He co-founded triz XXI SL in 1998 (www.triz.es), a company aimed at providing software solutions, consulting and training in the fields of competitive intelligence and innovation. He is member of the Technical Committee 166 on standardization on I+D+i, AENOR and rapporteur of the UNE 166.006 standard on Technological Surveillance and Competitive Intelligence. Furthermore, he is a Spanish expert recognized by AENOR regarding CEN 386 WG 6 on Strategic Intelligence Management. Since 2000, Fernando is also associate professor in the field of Management at the Industrial Engineering Technical School of the Polytechnic University of Valencia. [Spain]

WHO *ARE* OUR *contributors?*

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Possui graduação em Relações Públicas pela Escola de Comunicações e Artes da Universidade de São Paulo (1999), especialização em Gestão Estratégica em Comunicação Organizacional e Relações Públicas pela Universidade de São Paulo (2003) e mestrado em Ciências da Comunicação pela Universidade de São Paulo (2011). Participou do Curso Internacional de Comunicação Empresarial Aberje – Syracuse University. É diretor de Relações Institucionais da Associação Brasileira de Comunicação Empresarial, Aberje, professor do curso de Relações Públicas da Faculdade Cásper Líbero. É membro do Conselho da Global Alliance for Public Relations and Communication Management. [Brasil]

Rubén Arcos



He is doctor and professor of Communication Sciences at the Rey Juan Carlos University and researcher at the Chair Intelligence Services and Democratic Systems since its establishment in 2005. He also coordinates the inter-university Master for Intelligence Analysts. In 2013, he founded SCIP Spain (Strategic and Competitive Intelligence Professionals), the Spanish chapter of the International Society of Competitive Intelligence Professionals founded 1986 in the United States. He is an international member of the Public Relations Society of America (PRSA). His last book was *The Art of Intelligence: Simulations, Exercises, and Games* (Rowman & Littlefield Publishers, 2014). [Spain]

Antonio Fournier



He is chairman of the Advisory Council of LLORENTE & CUENCA and a well-known professional regarding public affairs, marketing and strategic communication. He has worked in a wide range of sectors such as energy, infrastructure, telecommunications and defence. In 1995, he founded IC&M, a pioneering and leader Spanish company in marketing communication. Furthermore, he is president of InterCorp AFCL and partner of ESL & Network in Spain, intelligence and corporate public affairs specialists. [Spain]

Joan Navarro



He is partner and vice-chairman of Public Affairs at LLORENTE & CUENCA. He has headed the area of Public Affairs since April 2010 and is a partner of the firm since 2012. During these years, he has developed the most important Public Affairs Department within the Spanish market. He was director and spokesman of the Coalición de Creadores e Industrias de Contenidos Audiovisuales (Coalition of creators and industries of audiovisual content) and has held several positions in the Spanish Public Administration, such as: director of Institutional Relations for the state-owned company Aguas de las Cuenas Mediterráneas (2006-2008) and director of the Cabinet of the Minister of Public Administration (2004-2006). [Spain]

Luisa García



Expert on management of regional accounts and strategic consulting, Luisa is partner and CEO of LLORENTE & CUENCA for the Andes Region, president of the Chamber of Commerce of Spain in Peru and the chapter chair of the Peruvian chapter of the Young Presidents' Organization (YPO). She is also member of the Advisory Board of Action Aid and of the advisory committees of Enseña Perú (Teach Peru) and the Asociación para el Progreso de la Dirección (Association for Management Progress) in Peru. Luisa was considered one of the 50 more influent Latin American businesswomen by the magazine Latin Business Chronicle in 2013 and was recognized as the Businesswoman of the Year in Latin America, Businesswoman of the Year in the field of Corporate Services and Woman of the Year in the Communication World at the Stevie Awards for Women in Business. [Peru]

**STRATEGIC
INTELLIGENCE AND BUSINESSES:**
Knowing, understanding, acting, influencing





José Antonio Llorente

Founding partner and chairman of LLORENTE & CUENCA / Brazil - Spain

Nowadays, information seems to be available to everyone. We are surrounded by information that can be easily accessed in large amounts. However, obtaining relevant information and extracting its meaning from the huge amount of unstructured data that surround us calls for an analysis' capability that requires a sound training.

Economic, political, regulatory, technological or social contexts are so interconnected that a misinterpretation of this complex reality by companies and organizations could entail making wrong decisions. To avoid this, it is essential to enhance our ability to correctly analyze the context and, above everything, understand how it can affect the future of the company, whether by the actions of the competition or pressures from the social or regulatory environment.

The "intelligence" discipline was socially understood, until recently, as a concept linked to the security of a State or even espionage. Nowadays, it is carried out by real experts in the fields of political, economic and social analysis and goes beyond the scope of security, since it provides expertise to make business decisions.

The U.S. pioneered the development of this discipline, first implementing it for military and civil purposes, but nowadays also as a tool for business strategy, not only regarding the necessary knowledge of competitors, but also on the subject of how to integrate advantages (and minimize risks) from the economic and social environment.

“The “intelligence” discipline was socially understood, until recently, as a concept linked to the security of a State or even espionage

The history of many companies, some of which do not exist anymore since they did not correctly analyze the information and the competitive context, and others which knew how to cope with rapid changes using information as a factor of change, has shown that knowledge and anticipation in decision making is absolutely essential for any organization that seeks to compete in the best conditions.

Therefore, we decided to devote the 19th issue of UNO to the concept of competitive intelligence, its meaning and importance, how to create it and use it as a complementary means for development, not only regarding strategic plans of businesses, but also in relation to daily decisions. As usual, we count on the collaboration of experts of several countries in which LLORENTE & CUENCA operates, as well as the reflections of the Chair of Intelligence of the Rey Juan Carlos University and an extraordinary article by the director of the Spanish National Intelligence Centre.



WHY **A COMPANY** IS NOT *a business*



José Antonio Zarzalejos

Journalist, former director of ABC and El Correo / Spain

The answer to the question raised in the title has a clear response: the concept of business refers to a basic idea which implies earning money through lawful activities without generating any added value for society. On the other hand, a company is an agent that socializes values that actively contribute to coexistence. The difference also lies in the fact that businesses are an inert organization while a company also has intangible attributes among which we can find corporate intelligence, which will guide the company's decisions, not on a mere quest for profit, but also taking social responsibility into account.

This huge difference between businesses and companies has been thoroughly and efficiently analyzed by the fastest emerging Spanish think tank: the Círculo Cívico de Opinión, which published its 14th issue in November 2014, entitled *Empresa, función empresarial y letigimidad social de los empresarios* (Companies, entrepreneurship and social legitimacy of entrepreneurs). Composed of professors, journalists, professionals and thinkers, the Círculo Cívico de Opinión has just made an essential contribution to the understanding of the company as a constructive and necessary social factor. The preamble of the aforementioned work states that "in its classical conception, the employer

“ *Businesses are an inert organization while a company also has intangible attributes among which we can find corporate intelligence, which will guide its social responsibility*

was the person who merely organized and managed the risks of a business, and its main tasks were to anticipate the future, efficiently use wealth-creating resources, supply goods to the consumers, attract new business opportunities and lead the changing process through proactive arbitration actions based on the sign

system that prices provided. Risk management, innovation and proactivity were, thus, the three essential dimensions for the business direction in the era of *laissez faire*".

However, this stage has been left behind in the business world due to the social demands that managers now have to take into account: all these challenges now need to be met under a framework of high responsibility and ethical sense. This is how corporate social responsibility was created. The European Commission recently defined this concept as the actions that "maximize the creation of shared value by everybody and identify, prevent and mitigate the potential adverse consequences of companies in the exercise of their activity". That is, CSR is the final recognition of the company and the business function as a variable in the society-building-process that operates in an ever changing and transforming context.

“The anachronistic conceptions where multidisciplinary knowledge only was available in universities, outside companies, have ended. Business management absorbs great knowledge

This social role of business entails many obligations from companies towards their own functioning and society and governments towards the first. Today, enterprises need a brain that must implement decisions in social, political, economic and cultural contexts where they can obtain the largest benefits, not only from a material or monetary point of view, but in a much broader sense; generating shared value. Corporate intelligence is the accumulation of knowledge of diverse nature, processing and analyzing this wisdom and making decisions that are consistent with the conclusions obtained from this reflection process.

One of the many negative consequences of the economic crisis is the social weakening of enterprises, their negative consideration in the recession recovery and the loss of social relevance. Hence, two professors of Business Organization – Emilio Huertas Arribas of the Public University of Navarra and Vicente Salas Fumás of the University of Zaragoza– proposed in the aforementioned work a series of measures –for the Spanish context, but also valid abroad– to recover the contributory role that enterprises must have in society, i.e., implementing business intelligence in business management once again.

According to these professors, it should be recognized that the confidence between enterprises and society is a strategic value that must be defended, care should be taken regarding the language and choice of words in order to

overcome the current situation in which citizens (that is, Spanish population) express a high degree of mistrust towards large enterprises; companies generate social value and, therefore, economic and social value should always go together with the contributions that a company makes to society; information and transparency are the foundations on which internal and external communication strategies should be based; it is essential for enterprises to explain to the public opinion the remuneration and talent recruitment strategies that companies implement; Spanish companies – unlike foreign enterprises– have a history of very volatile growth and, thus, they should strive to implement a more sustained model and, finally, should establish a solid commitment towards the people by implementing new labor models.

In short, entrepreneur and his tool –company– is not, according to Álvaro Cuervo, professor of



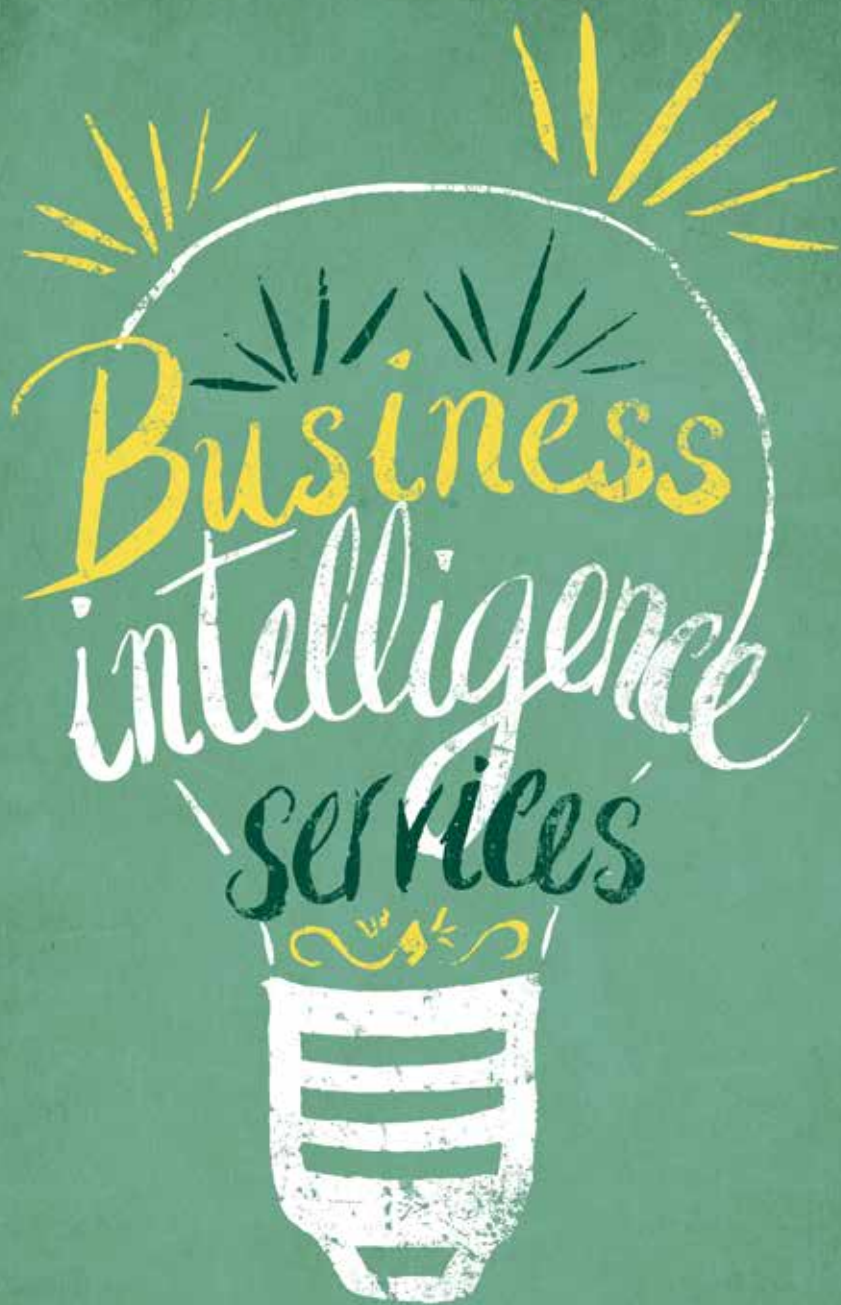
Business Economy, “a rent seeker”. So, what is it? The answer—a magnificent response—is given by an acknowledged authority on the subject, Santiago García Echevarría, professor of Business Economic Policy at the University of Alcalá: “Without efficient entrepreneurs, both from an ethical and economic point of view, there is no possibility of evolving into an efficient modern society. Businessmen are the key to economic, employment and competitiveness growth, which generates the necessary resources for the integral development of the population. Both economic development and an efficient provision of scarce resources to meet the needs of the citizens depend on entrepreneurs”.

The business challenge that the society attributes to companies and entrepreneurs can only be met through the addition of talent to the organization in order to develop the necessary knowledge needed to fulfill the social business role. The anachronistic conceptions where multidisciplinary knowledge was only available in universities, with disregard for companies, have ended. Business management is not viable without deep specific and general knowledge. Great business failures have occurred many times—independent of incompetent, incorrect or unlawful behaviors—due to ignorance or lack of knowledge regarding factors that contextualize and give meaning to business decisions.

“Entrepreneurs are not “rent seekers” and “economic development and an efficient provision of scarce resources to meet the needs of the citizens depend on them”



This social role of companies, which calls for intelligence, also requires several managers with personal and career experience in different fields. It is essential to integrate teams through a coordinated and joint work in order to establish business strategies that lead to a shared value – company and society– and which establish among both groups a kind of mutually beneficial and rewarding symbiosis. Failure threatens the manager that thinks that a company equals a mere business. And success awaits those willing to connect their activities with social recognition, thus obtaining a reputation that will translate into leadership and reference capacity. This will be ultimately, the success of intelligent companies.



Business
intelligence
services

ECONOMIC *INTELLIGENCE*; A *public policy* FOR *Spain*



Félix Sanz

Secretary of State director of the National Intelligence Centre / Spain

The essence of knowledge is having it and applying it, or not having it and confessing your ignorance. In the current, complex world, interconnected, extraordinarily dynamic, the words of Confucius reveal how essential knowledge and intelligence are, to understand the paradigms that shape the new international order and meet the challenges it poses.

In this context, in the early 90s, as a consequence of the collapse of the Soviet Union, the universalization of technology and the globalization effect, a broad concept of threat, including economy and economic security, acquired greater significance as a basic element of national security. The shift of interstate tensions towards this field and the selection of the economic arena as the scenario to determine the influence capacity of nations have transformed this type of information into a strategic resource, as long as it is processed, spread and used appropriately.

Thus, the concept of Economic Intelligence arises. It can be defined as the ownership and protection of strategic information made available to economic actors. Economic Intelligence is not an end, but a means, that allows public policy to defend the national economic interests and ensure social cohesion. As Alain Julliet, former senior manager

“*Economic Intelligence is not an end, but a means, that allows public policy to defend the national economic interests and ensure social cohesion*”

of Economic Intelligence in France, pointed out, it is a global strategy “that must be perceived and identified as a vector for the creation of a new pattern for growth”.

States have created their own Economic Intelligence models according to their historical, political, social and cultural idiosyncrasies. The common element in all of them is the attempt to build a methodology that integrates all useful information at different organizational levels: government, businesses and individuals. This is the three-way convergence that Thomas Friedman mentioned in his essay regarding the flat world, whose consequences can be seen at the individual level, in the way in which businesses compete and the definition of countries regarding their economic and geopolitical priorities.

Under the State’s role as a catalyst and promoter of Economic Intelligence, the intelligence services, including the CNI, have not been oblivious to this reality and have placed the economy as one of their main focuses and Economic Intelligence as one of their specific fields of action.

In the case of Spain, Law 11/2002, which regulates the National Intelligence Centre, establishes that the main mission of the Institution shall be to provide all necessary information and intelligence to the

Government as to prevent any risk or threat that might jeopardize the independence and integrity of Spain, its national interests and the stability of the rule of law and its institutions. Furthermore, among the functions of the Centre, there is the protection and promotion of Spanish political, economic, industrial, commercial and strategic interests.

This way, the three different strands involved in Economic Intelligence are covered: the active dimension, regarding the obtaining of strategic information; the defensive or economy protection factor and the influence element, regarding the promotion of national economic interests.

As regards the first, the objective is to provide added value information to the Authorities, in a useful and timely manner, in order to reduce the uncertainty in the decision-making process, therefore enhancing the competitiveness of the Spanish economy.

CNI's work in the field of economic protection involves monitoring strategic sectors, i.e., those that, affected by unlawful interference or actions, could adversely influence the proper functioning of the economy and even cause a situation of strategic dependence. For this reason, the institution tries to prevent and neutralize activities that could use the market mechanisms in a fraudulent manner or distortions of free competition, such as cyberattacks, economic and industrial espionage or money laundering, in particular as regards its connection with organized crime and terrorism. To this is added the monitoring of trade in dual-use and protection of classified information.

Special consideration should be given to the promotion of national economic interests. From this perspective, Economic Intelligence can become a kind of major influence policy, aimed at strengthening the State's presence on the international arena, particularly in those territories with which Spain keeps historical ties, such as Latin America or the institutions to which it belongs, specifically in the European Union.

The certainty of having commercially competitive, financially viable and technologically advanced companies is a guarantee for the durability of freedom of action of a State. From this perspective, the CNI assists in supporting Spanish companies abroad. It is not a matter of rescuing economic protectionism mechanisms, but quite the opposite, ensuring that Spanish enterprises compete *à armes égales* on the international economic arena.

As shown by our neighboring countries, Intelligence Services can greatly contribute by facilitating their internationalization process, enhancing information protection, warning of political risks, ensuring the legality of international tenders and, ultimately, providing the necessary support for our companies to continue laying the foundations for our prosperity. The success of these actions depends on establishing a direct relationship between the CNI and the national enterprises, a public-private partnership based on the principle of mutual trust.

The CNI leads the Spanish public policies towards Economic Intelligence. The ultimate goal is to transform globalization challenges into opportunities and place our country at the forefront of the global economy. We know that we are not alone in this crucial challenge. It is a task we all need to fulfill. Let us be aware that reality actually changes when our perception of it changes.

INTELLIGENCE OPPORTUNITIES FOR **companies:** HOW TO *implement it*



Isaac Martín

Director general of Internationalization for ICEX España Exportación e Inversiones / Spain

As Adam Smith said in *The Wealth of Nations*, all men overestimate their chances of succeeding and most underestimate their chances of failing. Both then and now, intelligence can make a difference.

The “definitive competitive” advantages suddenly disappear, particularly in innovative sectors, and largest competitors may soon stop pose serious threats to our survival. Markets hold more innovation thanks to both incoming and outgoing agents rather than the transformation of companies that are already part of it. The most sustainable advantage that should be sought is superiority in the decision-making process, basing it on the best possible intelligence.

Good intelligence –knowledge linked to the decision-making process– is the sound combination between assimilation and action aimed at supporting the company achieve its goals by enhancing its adaptation capability.

The firms with better intelligence will be those whose members are intelligence collectors and users, in which intelligence reaches the people who can make good use of it and where collecting the necessary intelligence for specific situations takes precedence over storing potentially interesting information for the future. The value of intelligence lies on its ability to strengthen the capacity of the

“ *The value of intelligence lies on its ability to strengthen the capacity of the company to make decisions to face its future and evolve* ”

company to make decisions to face its future and evolve.

There are, at least, three intelligence-related mistakes that companies can make even when they are not missing any information: information not reaching the right destination, information reaching the right

destination but inability to carry out the necessary actions or inability to carry out these actions in a timely manner. Therefore, in business intelligence, the fields considered relevant have gradually widened. Until the late 70s, it merely focused on data acquisition. In the 80s, sectorial analysis became important. A decade later, the study of the decision-making process and its impact on corporate results were added. Lastly, the study of human behavior and its impact on the generation and circulation of information that could be transformed into intelligence was incorporated.

The focus has shifted from pure data towards the generation of questions. The potency of the responses is determined by the relevance of the questions, since they delimit the scope of understanding, which is conditioned by the quality of our previous intelligence. Our intelligence is essentially conditioned by the weight of the human factor. We stubbornly seek information that confirms our hypothesis and look with skepticism, if not suspicion, everything that seems to refute our expectations. Our perceptions are strongly influenced

by our expectations and we rapidly dislike those who do not share our points of view, as we see them as obstacles to achieving our goals.

This sensitivity towards the human factor is only one of the reasons why competitive intelligence goes far beyond market research. Competitive intelligence is a cyclic, interactive process that although being fed with information, seeks to identify knowledge gaps and pick up signs from the environment. Its objective is to identify opportunities and reduce uncertainties. While markets are focused on the present, competitive intelligence centers on the future. Value chains replace the sectorial markets as the preferential element to be studied. Informative elements beyond opinions and pure data are incorporated –mostly of financial scope–. Segmentation gives way to scenario analysis and exploration of environments. The key elements of intelligence –Key Intelligence Topics (KITs)– are directly linked to the underlying determinants of business success –Key Success Factors–.

At this point one wonders, what is the problem for a much wider dissemination of these activities among our companies? Two reasons should be mentioned. First, there is a shortage of professionals with sensitivity towards these issues within organizations and even scarcer are those capable of meeting this demand. Second, designing and implementing a competitive intelligence strategy is a project that calls for investment and commitment for the medium and long term. There are no shortcuts. Ultimately, the future of competitive intelligence in our country depends on the human factor.

“... there is a shortage of professionals with sensitivity towards these issues within organizations and even scarcer are those capable of meeting this demand



THE **PARTICIPATION** OF BUSINESS

ENTITIES IN PUBLIC POLICY: **Foro**

DE **Convergencia Empresarial**



Miguel Blanco

Coordinator of the Foro de Convergencia Empresarial / Argentina

For many years, a widespread belief prevailed among Argentinian entrepreneurs. It was thought that influencing the creation of public policies or warning of the consequences of the policies that the State intended to implement had to be done through individual or collective meetings, in the pertinent chambers, with officials and/or legislators and a limited dissemination of what had been discussed and no public, profound debate in relation to these issues. My personal opinion is that this strategy has failed, particularly in the last few years.

In Argentina, according to a study carried out by IAE Business School there are 910 national entities, including business chambers (797) and breeders associations (113) at different levels: national, provincial and municipal. Another overlay occurs with the product in question. For example, 27 out of the 56 livestock associations correspond to cattle.

Each organization collected partial information regarding their own sector, carried out an analysis and, thus, conclusions were very different. The consequences of this situation were a lack of a unified view among entrepreneurs in relation to

“A country in which its productive, social and political forces operate in a gradually increasing context of fragmentation cannot progress as a Nation and will ultimately crumble due to the perpetual confrontation between the parties

public policies, poor social visibility and a confusing and negative image of entrepreneurs among the public opinion.

A significant part of the Argentinian business sphere has recognized that the fragmentation that has characterized the entrepreneur movement prevented them from correctly spreading their opinion regarding several public interest affairs. They think that it is essential to reach an

agreement to strengthen their representativeness, thereby generating a comprehensive dialogue within businesses and productive fields and also with the remaining social and political forces.

A country in which its productive, social and political forces operate in a gradually increasing context of fragmentation cannot progress as a Nation and will ultimately crumble due to the perpetual confrontation between the parties.

Based on this analysis, an initially small group which consisted of 6 business groups started meeting in October 2013 to analyze strategies of joint action to solve this situation. The first activity was the organization of a seminary during the first week of December 2013; called “Constitución

“The objective is to promote political forces to implement broad consensus policies. This consensus would increase certainty for the economic future, attracting the necessary investments to create work and hope for a better future for our fellow citizens

y desarrollo económico” (Constitution and economic development) where institutional, economic and social consequences of the failure to comply with the rules contained in the Constitution were analyzed. After several weeks of conversations, meetings and the addition of other entities, on January 28 the document called *La hora de la convergencia* (The time for convergence) was passed.

The Foro de Convergencia Empresarial sought with its proposals to clarify responsibilities and roles, define the social, institutional, cultural and economic contents integrating the respective political forces of the aforementioned pragmatic compliance agreement, with the commitment to promote, with this essential work, the initiatives of professional teams that, in each of these sectors, integrate the respective political forces in order to generate the best possible public policies.

In conclusion, when this proposal was made it was considered that the time for convergence had arrived, also for Argentinian entrepreneurs. The time that marks the present by promoting the meeting of peoples through international integration, interreligious dialogue, the search for unity between workers and other social actors, interdependence between culture and work, technique and ethics. That time that has allowed other countries to successfully progress through the path of sustainable development and beneficial collaboration with the world.

On April 22 we published a document called *Bases para la formulación de políticas de Estado* (Bases for the creation of State policies) that the proposals of the Forum divided into three vectors: institutional, economic and social.

The Forum is currently composed of 62 entities, including business entities that participate in the Forum and professional organizations, religious groups and associations that follow the principles of the Forum. New entities, which agree with these goals, continue joining the Forum.

The goal of the Forum is, first, to clarify the role of the entrepreneurs in society by reminding that, above everything, we are Argentinian citizens who want the country to be developed beyond the capital of the businesses we are part of. Second our job is to create value by organizing ideas, work and capital; we are the engine for a sustained development and a great source of genuine employment creation. Finally, that we fund, through the taxes we pay, the national, provincial and municipal governments so that they can provide public health, education, security and defence services.

This need to reaffirm these points is based on the analysis of information obtained previously. Reliable surveys show that the opinion of society regarding entrepreneurs is very negative, influenced by the contribution during years of the political preaching which has an easy justification making entrepreneurs responsible, a media voice that fosters these allegations, and, let us admit it, due to corruption cases involving entrepreneurs, who do not represent the vast majority of entrepreneurs, but who contribute to the generation of a negative image. It will take years to reverse this opinion but we believe that the starting point must be actively participating in public affairs by spreading our opinion and highlighting our role in society. In order to have a valid opinion for political forces, this opinion must be based on a thorough analysis of the interests of society. Otherwise, information incorrectly collected or analyzed (or partially analyzed by specific



economic sectors) will lead us to a non-useful role for the development of our country. Hence the importance of including several entities of different sectors and activities in the Forum.

We are developing a program of meetings with the Chief Cabinet, political parties, trade union representatives and leaders of different religious groups to show our institutional, social and economic proposals, both at a national and regional level. In these meetings, we share opinions to enhance the proposed measures. The objective is to promote political forces to implement broad consensus policies. This consensus would increase certainty for the economic future, attracting the necessary investments to create work and hope for a better future for our fellow citizens.

The Foro de Convergencia Empresarial has become, in a short period of time, an opinion benchmark of many sectors of society. We are committed to achieve a better future for all Argentinians and, as the preamble of our Constitution states, “all men of the world who wish to live on Argentinian soil” and, with this objective, we ask all who share this vision to work together in order to achieve it.



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CYBER CORPORATIONS, *cyber intelligent*, CYBER SECURE



Constantino Méndez

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The concept of intelligence has acquired a polysemic nature beyond the connotations that were historically associated with security and defence. In this article, we link it with the new capacities that information technology and communications (ICTs) have entailed and the disruptive change they are causing within public and private organizations, by creating an expert field known as Economic Intelligence (EI) to distinguish it from other areas of massive data processing.

For the European Commission EI is “the coordinated effort of collection, processing and dissemination of useful information for economic operators, including efforts to protect sensitive information for involved companies”. It is a rather sound approximation to the concept which leaves an open space in which public and private entities need to learn to collaborate to be able to meet these new challenges.

People, businesses, organizations, public administrations and States already depend on the capabilities of our digital technology for both the most complex functions and our everyday tasks. This is an irreversible path which facilitates social and economic development, but also entails fragility and

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vulnerability and makes us face new phenomena that we have not always evaluated correctly and whose negative effects might catch us unprepared.

While the aforementioned point is relevant at an individual level (living in predictable, efficient, secure environments, having privacy, etc.) or at an economic level (secure transactions, preservation of the company assets, reputation and brand, etc.), it is much more significant

from a collective point of view in which we could include citizen’s security, national defence, critical networks and infrastructure, databases, public organizations, etc.

What are the main risks and threats we are facing? Which are our new vulnerabilities? What means do we have to eliminate or reduce them? The answers show that besides the conventional risks and threats, since they are well-known and have already been evaluated, we are facing a new range of risks and threats that seek to attack our cyber systems: any information system can be cyber attacked and must be cyber defended.

The parties involved in these attacks include a wide range of actors: diverse information and intelligence services and agencies, criminals,

“It is necessary to promote and support a cybersecurity strategy in which public and private organizations share information

terrorists, hackers, mere competitors... The type of these attacks and their common objectives are very varying as well.

The intervention models at our disposal to face these threats and attacks are still weak for several reasons:

- Artificial intelligence advances at a great pace and its implications are not appropriately determined.
- Victims of this kind of violence do not usually report the attacks and intrusions as they think their users might be sensitive.
- The authorship of such intrusions and attacks is often unclear, as they usually are transnational and lie outside the jurisdiction and scope of our prevention and correction systems.
- The legislation is not appropriate and the extremely necessary international institutional collaboration is still non-existent.
- User awareness about this problem is low and the means to avoid these situations are insufficient.

It is therefore necessary to promote and support a cybersecurity strategy in which public and private organizations share information about this problem, generate intelligence and prevention and response models and create protection and reaction environments.

Until recently, public systems were responsible for managing intelligence models for public institutions mainly aimed at the collection and processing of sensitive information regarding the general interests of the State and its strategic assets. The development of ICTs has completely changed the original scheme by making available to private operators capabilities that facilitate their strategic positioning in the new global contexts.

That being said, the intelligence model has changed as well. In these new contexts, it is mandatory for the public and private spheres to learn how to dialogue to ensure the most of our collective assets and capabilities and reduce the gradually increasing risk we are facing. The Spanish Government launched the System of Economic Intelligence (SIE) as a mechanism to coordinate these efforts. The objective is to collect and provide information to all institutional and strategic actors, sharing strategies, creating new capacities for private organizations and promoting initiatives which disseminate and extend these potentialities to the greatest possible number of operators. It is true, however, that an institutional model must be created and managed to develop this strategy.

THE *USEFULNESS* OF WHAT IS *USELESS*: *ethics* AND *competitive* INTELLIGENCE



Fernando Velasco

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Competitive intelligence is considered to be a management tool for business organizations and a systematic process also regulated by ethics. Thus, ethics should govern all activities taking place in each and every stage of the process: management, collection, analysis and communication.

We usually say that business is business, economy is economy, a company is a company... as if to say that in the economic, financial and business world ethics should not exist. However, if we take a closer look, the reality shows that everyone wants to be well-considered by people. Even corrupt individuals pretend to be honorable. And we do not need to make a huge effort to find examples.

When one asks about ethics in intelligence, people usually grin as if to say: choose either one or the other. What use can ethics have? Is it not an obstacle that stands in the way of our goals? For some, the aforementioned points are too clear: ethics in competitive intelligence merely imply the obligation of being efficient and maintaining that efficiency. The ethic is reduced to the pragmatism of "everything is OK", as the saying goes, "it does not matter if a cat is black or white, so long as it catches mice". In the best case, laws are respected, but it is not convenient to exaggerate and go beyond the law. Right? For others, however, laws cannot govern all

“ *When one asks about ethics in intelligence, people usually grin as if to say: choose either one or the other*

human relationships and ethics are, therefore, essential. Getting a good deal is not enough; we must make good, businesses. Thus, competitive intelligence should be promoted, with respect for social responsibility and seeking to connect the

principles of efficiency and ethic responsibility. Is about doing what is correct, instead of doing what is acceptable or profitable. Not every task or activity in favor of the company is honorable because it is necessary. Ethics should not only govern the result (the end), but also the process (means). Therefore, we should always take into consideration the results and consequences of our decisions and the reasoning behind these decisions as well as the principles that support them.

Competitive intelligence does not only seek to turn the company into a successful organization, but also transform it into a valuable group from an ethical point of view. Thus, competitive intelligence does not consist of a set of techniques to learn tricks or to better set up microphones in the offices of the competition or interrogate disloyal employees... No need for espionage. There is a need for analyses. The problem is that we believe we know the reality while we actually know little about it. We have too many experts that solve problems defined by others and we need more analysts that question the form in which we analyze the problems themselves.

“We also must remember that ethical codes that are not explicit and public cannot be considered as such. Likewise, it is not enough to merely have an ethical code if there are no mechanisms to enforce it

Something far more radical. In the information age in which we live, everybody knows what is happening, but few know what it means.

The concept of integrity is essential in competitive intelligence. Any institution or company needs an image, appreciation and social recognition. It must generate confidence and this can only be achieved through technical capabilities (a good product or service) and ethical behavior (how to do what we do). Building a reputation as a responsible and honest institution or company through ethics is one of the most profitable strategies that a business can implement to enhance its influence capability and, thus, its business opportunities. Ethics serve as a sign of credibility and especially at a time like the present, where any message or action is judged and valued by the people. And credibility is granted through coherence between what we say and what we do. In short, in a business world without principles and values that promote the truth over lies, loyalty over disloyalty, honesty over corruption it is very difficult to generate the confidence we need to be more trustable. A model for understanding a company that merely teaches us how to cope with corruption cannot be supported. Winning in the short term usually implies losing in the long term. In either case, what is at stake is our credibility.

All this shows that we need ethics in competitive intelligence. Ethics do not immediately translate into dividends, but it is one of the most valuable intangible elements and will presumably become increasingly profitable in the future. It is a differentiator. It is the usefulness of what is useless.

Therefore, we need standards of practice and codes of conduct for businesses. In the field of competitive intelligence, these are established by the policies and set of norms that the company has for this purpose as well as by the ethical principles of international associations recognized by the professional community, with the SCIP Ethical Code, the Strategic and Competitive Intelligence Professionals, as the main reference. Within this framework, I would like to point out two rules: first, the one that refers to the revelation of the identity and professional affiliation before establishing any communication or interview. That is, a competitive intelligence professional cannot hide its true identity or misinform in order to obtain information. Second, the rule underlining that communications of findings and recommendations must always be based on honesty and truthfulness. This means that the truth must always prevail, even when it is not what the Management expects to hear or if it is not positive for the company.



We also must remember that ethical codes that are not explicit and public cannot be considered as such. Likewise, it is not enough to merely have an ethical code if there are no mechanisms to enforce it. This would be simple cosmetic makeup for companies.

An intelligence and competitive analysis professional knows how important credibility is. It is not only a matter of using particular techniques, but also knowing when to use them and doing it in an efficient manner. A professional can never stop learning and updating knowledge. The main point is to provide value by being exceptional at what one does; being technically competent and ethically responsible.

In short, as Hannah Arendt would say, the question is not whether an individual, a company or an institution is good, but if its conduct, that is, its behavior is good for the world in which we live.



MONITORING OR THE SYNDROME THAT SLOWS DOWN THE DEVELOPMENT OF **Strategic Intelligence**



Fernando Palop

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In Spain, the diffusion of Vigilant Technology and Competitive Intelligence, VT and CI among the business world began in the 90s and grew during the first decade of the 21st century boosted by significant business internationalization and the gradually increasing complexity of the challenges that institutions had to face. Thus, the conversion of information into intelligence has become one of the main topics of strategic intelligence, SI (hereinafter also called CI or competitive intelligence).

The present and future of SI depends on its ability to support strategic decisions and integrate the decision-maker into the process. In many cases, there is a lack of orientation towards the client. This lack of attention to the client and its implication in the CI process limits the generation of intelligence and the process translates into a mere provision of information and documentation and, consequently, the marginalization of the organization.

Within the CI two complementary working processes coexist: one oriented at the surveillance or monitoring of changes in the environment, in line with the concept of “environmental scanning” and other centered on the analysis and research of the issues to be decided. The former revolves around a routine monitoring of warning signs for potential changes.

“*The interpretation of CI limited to monitoring new developments is the model that has prevailed among Spanish and Latin American entrepreneurs for the last two decades*”

Its objective is to anticipate and prevent them. The latter focuses on the analysis of the context of the issue at hand, its implications and development trends. This is not a minor terminological question, but two rather different options as regards the *modus operandi*. The underlying problem in relation to the decision is identified and the

spread of time required to incorporate the decision is also taken into account. The decision-maker takes part in the process. In this sense, norm UNE 166.006 distinguishes both in paragraph 7.1.

The interpretation of CI limited to monitoring new developments is the model that has prevailed among Spanish and Latin American entrepreneurs for the last two decades. This interpretation does not require any interaction with the targets, which is crucial for a valuable transfer. Without this interaction, the scope of the efforts is limited to the documentary field. Thus, a mere enhancement of the awareness regarding issues of concern is obtained. In Spain, two of the causes of this trend are that this model can be easily implemented and the encroachment by non-qualified professionals—analysis does not merely call for the mastery of techniques but, above everything, experience and basic training—. The interest of certain technological monitoring solution providers should not be ignored either, as they implement

“It is important to reconsider the role of SI by the senior management of Spanish and Latin American organizations

automated systems to track information sources and filter and organize them. They consider this to be a satisfactory SI plan for the organization. Public powers have not contributed to correcting this trend either. On the contrary, in the era of “easy money” and generous subsidies governments financed several vigilant technology projects and “observatories” that, limited to the aforementioned interpretation, further increased the volume of information received by users, but not the added value therefrom. In short, we can see that many of the SI plans in Spain are mere follow-ups and therefore simply entail documentary value.

Its consequences have prevented many businesses’ SI to directly access the decision-makers. Thus, SI has been relegated to a secondary position in terms of value, as documentary tasks have prevailed over analysis ones. Moreover, due to this limitation, SI now competes with the varied and increasingly powerful individual access to information modes that Internet has generated.

In conclusion, SI is part of the responses developed by organizations in order to provide to the management the keys to design the strategy of many tactical issues in the highly uncertain and dynamic world we live in.

- This degree of uncertainty and rate of change has made obsolete part of the traditional strategies which implied collecting information and analyzing an unstructured decision-making process.
- It is important to identify the driving factors of the issues to be decided.
- The value and main challenge lies in the analysis and study of the topic to be decided and not on monitoring and collecting information, although both are necessary.
- It is important to reconsider the role of SI by the senior management of Spanish and Latin American organizations.



mensagem estratégica

Mateus Furlanetto

Diretor de Relações Institucionais da Associação Brasileira de Comunicação Empresarial (Aberje) / Brasil

Em 1941, Jorge Luis Borges escreveu um pequeno conto sobre uma biblioteca que continha toda a informação do mundo, a “Biblioteca de Babel”. A biblioteca imaginária do escritor argentino tem todos os livros, em todos os idiomas, o que causou uma “extravagante felicidade”, mas que foi logo substituída por uma sensação de vazio: “certeza de que tudo está escrito nos anula”, diz o personagem do conto. Mais de setenta anos depois do conto, a informação se consolidou como *commodity*, é comercializada em quantidades cada vez maiores e parece caminhar para um estado de saturação parecida com a descrita pelo escritor argentino.

Para sobreviver nesse ambiente de excesso informacional, as empresas precisam cada vez mais trabalhar com a inteligência estratégica, que permite selecionar, direcionar e produzir informações condizentes com cada um dos públicos da organização. De acordo com os documentos secretos divulgados ano passado pelo jornal britânico *The Guardian* sobre a espionagem americana, por exemplo, a Agência de Segurança Nacional dos Estados Unidos (NSA) monitora, todos os dias, cerca de 200 milhões de mensagens de texto (SMS) em todo mundo. Se somarmos a isso a enorme quantidade de informação produzida diariamente no ambiente transmídia em que vivemos, a importância de trabalhar esses dados com inte-

“*Para sobreviver nesse ambiente de excesso informacional, as empresas precisam cada vez mais trabalhar com a inteligência estratégica*”

ligência é, sem dúvida, um dos grandes desafios das empresas no século XXI.

A inteligência estratégica na organização depende, no contexto em que vivemos, de dois fatores fundamentais: de ferramentas de monitoramento, ca-

pazes de indicar quais temas são mais relevantes para a organização, e de um profissional com capacidade crítica para estabelecer prioridades no trato com as informações levantadas por essas ferramentas. O profissional de comunicação deve estar preparado para responder com eficiência à velocidade de disseminação da informação e, também, ter a sensibilidade para interpretar os dados fornecidos pelas sempre úteis ferramentas de monitoramento que surgiram nos últimos anos. Com base nas análises de dados, podemos identificar tendências, problemas de tráfego, quais temas são mais relevantes para nossos públicos e, assim, tomar as decisões corretas nos momentos oportunos. Não à toa, o papel das pesquisas – qualitativas e quantitativas – é crescente em áreas estratégicas da empresa, servindo apoio para as escolhas dos profissionais no ambiente organizacional da comunicação.

No Brasil, apesar de grandes empresas já trabalharem com programas específicos de Inteligência há mais de uma década, o tema ainda não está consolidado como uma área específica de



“O profissional que trabalha com a inteligência estratégica no país ainda tem uma preparação muito instintiva

atuação. O profissional que trabalha com a inteligência estratégica no país ainda tem uma preparação muito instintiva, sem uma compreensão mais extensa do seu papel e dos conhecimentos que precisaria ter para exercer sua função. Essa realidade é bastante diferente em outros países, sobretudo da Europa e nos Estados Unidos, onde o debate já está mais maduro e formalizado, com cursos de graduação e pós-graduação voltados para preparar esses profissionais.

O trabalho conjunto de um profissional capacitado e das ferramentas de monitoramento revelam a importância do planejamento estratégico e a do *Insight Management* para a organização. Contar com informações depuradas e analisadas é o primeiro passo para a construção de cenários e, por conseguinte, para o estabelecimento de linhas de atuação empresarial. Para reunir essas informações preciosas para o desenvolvimento sustentável da organização, algumas ferramentas são fundamentais para a inteligência estratégica.

A primeira delas é o *Mapeamento de Stakeholders*, para identificar quais são as partes interessadas no planejamento da organização. A consciência de que uma empresa é a soma dessas partes é um fato relativamente recente na disciplina de gestão corporativa.

A segunda grande colaboração da comunicação para os gestores é a *Matriz de Materialidade*. Tal qual a lente de um microscópio, essa ferramenta permite que os profissionais de uma organização enxerguem (e elenquem) os temas materiais a serem considerados para estabelecer uma política adequada de relacionamento e diálogo. Por fim, a terceira —e talvez mais importante contribuição da inteligência estratégica na comunicação— é a *Gestão Empresarial*. No esforço de se construir uma narrativa que esteja ancorada em princípios verdadeiros, os profissionais têm de usar as histórias do público como norte estratégico no aprimoramento de processos, projetos, produtos e serviços.

Para não nos paralisarmos diante do excesso de informação da “Biblioteca de Babel”, temos que ter sabedoria para estabelecer prioridades e inteligência para tomar as decisões estratégicas da organização, utilizando de forma eficiente as ferramentas que temos à disposição.

Ampliar o olhar é fundamental.



Rubén Arcos

Co-director of the Spanish chapter of the Strategic and Competitive Intelligence Professionals (SCIP) / Spain

In order to design efficient communication and influence strategies, as well as for the management and evaluation of our communication strategic plans, we need to carry out sound analysis and have truly relevant information about our stakeholders or audiences. It is an essential starting point for any strategic communication professional. Likewise, communication is an essential dimension within the competitive environment and it is crucial for competitive intelligence programs to recognize this fact and have appropriate analytic and technical frameworks to know, understand and explain this dimension, the involved actors, the relationships, the driving forces and the implications to business decision-makers.

That being said, assuming that both premises have been fully adopted, the following step is to take action. That is, where and how can useful strategic information for our client be found? How should this information be analyzed and interpreted? And, how can we communicate these *insights* and recommendations in an efficient manner, adapted to

“*A complete intelligence products portfolio is the one that, with an integrated perspective, provides timely information and analysis on the elements that form both spheres –industries/ markets (clients/ consumers, suppliers, competitors, etc.) and the macro-environment–. In order to be able to obtain truly relevant data, the internal perspective of the organization is absolutely essential*

the new analysis consumers of the digital era?

First, in order to have reliable sources capable of providing sound and timely information, but also relevant for intelligence consumers, the corporate client must play an active role. The intelligence function needs to know what knowledge needs the management to have. This is, which are the questions and affairs that require intelligence to decide and act accordingly. In this sense, the creation and management of excellent confidence relations with the client and other corporate consumers as well as setting up a good internal communication system are crucial. The main intelligence questions must cover both, the knowledge needs in relation to markets

and competitive forces as well as those related to the macro-environment dimensions (political, economic, regulatory, social, technological, cultural and communication) that influence or could affect in a dramatic manner the conditions under which the market competition is operating.

“In order to communicate intelligence nowadays it is essential to take user experience into account (UX) and the interaction with the customer

A complete intelligence products portfolio is the one that, with an integrated perspective, provides timely information and analysis regarding the elements that form both spheres – industries/markets (clients/consumers, suppliers, competitors, etc.) and the macro-environment–. In order to be able to obtain truly relevant data, the internal perspective of the organization is absolutely essential.

Good analysis need qualified and diverse sources, capable of providing access to relevant and reliable content and they are based on: (1) the systematization of operations for obtaining those data and information that are publicly accessible on open sources (official records and publications of governments and administrations, international institutions, think tanks, international, national and local press, media, websites, social networks, grey literature, databases of specialized academic and professional publications, patents, advertisements of competitors, etc.); and also (2) the proper planning of operations to obtain unpublished information that is only available through human sources, such as experts, academics, journalists, suppliers, businessmen or customers or clients themselves.

Sectorial knowledge from professional practice and experience, combined with conceptual models, interpretative frameworks and several analysis techniques –even with its strengths and weaknesses compared to other techniques– are the basis to analyze and interpret all information that reaches the system and draw conclusions and implications according to each case. The recognition of one’s own experience as a potential source of biases and competitive blind spots, as

well as our cognitive limitations, is absolutely necessary and there are structured techniques to mitigate these problems. Simulations and business war gaming, scenarios, indicators, issues analysis, industry analysis, competitor profiling, mapping of strategic groups, competitive benchmarking and analysis of stakeholders are just a sample of the wide range of methods and techniques that can be used.

The communication of strategic information and analysis in a sound manner is one of the aspects whose importance gradually increases in our digital era.

In order to communicate intelligence nowadays it is essential to take user experience into account (UX) and the interaction with the customer. That is, put the focus on the global experience of the consumer regarding our products and assume that its role will gradually become more active.





INTELLIGENCE IN THE PRIVATE SECTOR AS A *competitive advantage*



Antonio Fournier

Chairman of the Advisory Council of LLORENTE & CUENCA / Spain

In the past, state-owned intelligence services and businesses were in contact mainly to prevent situations concerning the safety of its operations and its employees. The threats were terrorist attacks against goods and people, kidnaps and other dangerous situations in conflict zones.

Nowadays the aforementioned risks still exist, although in a different manner, and are now joined by a wide range of new threats that have emerged with new technologies (cyber-attacks), with the international expansion of its companies and important conflicts, non-warlike, but of economic scope. In our time, the main battlefield is the economic arena. Even in Europe and between partners and allies.

The CNI no longer depends on the Ministry of Defence but on the Vice-Presidency of State, precisely because its operative framework has been widened and it now covers not only security and defence of the State, but also its general interests. And, as regards the private sphere, strategic importance of intelligence is not just in the hands of the security department of companies anymore, but a matter to be managed by the presidents or CEOs of the enterprises themselves. The newly coined term to define it is Corporate Intelligence.

“ Strategic importance of intelligence is not in the hands of the security department of the company anymore, but a matter to be managed by the presidents or CEOs of the enterprises themselves

In the 21st century, state intelligence services have strengthened their economic intelligence departments, specifically as regards the defence of economic, financial and business interests, i.e., the monitoring and vigilance of any element that could generate a national economic interest in the fields of defence or expansion. Likewise, presidents of large companies have implemented this competitive advantage by hiring consultants specialized in this matter.

From a defence point of view, the State will monitor everything that could destabilize the economy, finances or commerce. For example, all countries that rely on a mineral or fossil resource will control and support their industries, of strategic importance for the country. The first thought would probably be oil or energy in Europe due to the supply dependence that characterizes the region. In other energy-rich zones, surprisingly, the biggest threat would be blocking the supply path of water or food supplies. Within the first 48 hours of blockade, any country in the Arab Gulf would face severe consequences for its population. This crisis could be result of a nearby war, a retaliatory boycott or economic sanctions or even a transport strike. We are now witnessing how the drastic drop in oil prices may destabilize some countries and, three

“*Apart from the crucial services of law firms, communication and institutional relations consultants, it is essential to hire intelligence services*

years ago, the way in which the financial market particularly suffocated Spain, with the possibility of an economic rescue. Resources, the economy, the financial markets and the cyberspace are the main battlefields of the present era.

From an expansionary point of view, it is common for companies and business organizations to be supported by embassies and the economic intelligence services of their home country – when existent at all–, as well as the aid of local business partners. Countries that are political allies are formidable adversaries of companies or organizations when they compete for international contracts. As José Antonio Llorente points out in these pages, it is essential to have information and correctly analyze it, on one hand, and have the ability to maintain public and private relationships, on the other. Therefore, apart from the crucial services of law firms, communication and institutional relations consultants, it is essential to hire intelligence services.

It is worth noting that lobbying tends to be confused with the ability to influence or pressure (*advocacy*) and with intelligence activities. All of them complement each other. Influence is mainly exerted through communication and the relationship plan with all stakeholders of a company, thus generating a favorable opinion for our interests, while professionalized lobbying carries out these lobbying and advocacy activities with opinion leaders and strategic decision-makers, providing information and key points that help to determine competitive advantages. Corporate intelligence studies and analyzes the opinion of all involved actors, their circles of trust and influence and the strategies and tactical moves of all competitors. In France, this is known as *veille stratégique* or strategic vigilance. This is not left to chance. It is used for specific situations, whether permanently or temporarily, when a contract or a great acquisition is at stake.

There are several intelligence companies in the U.S., France, UK and Germany providing first order strategic added value to their clients, in opposition to the few Spanish enterprises specialized in this field.

INFLUENCE **MANAGEMENT**: *Intelligence* AND PUBLIC AFFAIRS



Joan Navarro
Partner and vice-chairman of Public Affairs at LLORENTE & CUENCA / Spain

Luisa García
Partner and CEO of LLORENTE & CUENCA for the Andes Region / Peru

Let us start by clarifying that most of the national legislations in America, Europe and many other countries in almost all continents recognize, in one form or another, the legitimacy that companies and organizations have in defending, in an open and transparent way, their interests in any legislative or regulatory process.

Moreover, this dialogue and participation processes, through good knowledge of the economic and social context that is being regulated, contribute to an enhancement of the legislative efficiency. It should not be confused, therefore, with unlawful behaviors that, taking advantage of prevalence situations, seek to make a private profit from public resources, something forbidden by the criminal codes of the same countries that allow and recognize, to a certain extent, the known as lobbying, which, with its open and transparent professionalization has been called management of Public Affairs.

However, both intelligence analysis and lobbying are two hardly known disciplines by organizations in our region, although both are slowly becoming crucial for any strategic planning process.

To legitimately influence the process of creation of a rule, whether in the Legislative or Executive spheres, which directly or indirectly affects the activities of an

“*Both intelligence analysis and lobbying are two hardly known disciplines*”

organization, there is a need, above everything, of information and anticipation capacity.

The longer it takes to get to the decision-making process, the more complex it will be to influence a specific legislation. Thus, monitoring and intelligence work, which allow a continuous analysis of the political and social context, are basic tools for the management of public affairs. Intelligence analysis allows us to systematize reality, understand it and draw relevant conclusions in advance.

Intelligence applied to business will let us determine the meaning and warn of potential regulatory risks and opportunities that a specific political context could entail for our organization.

In many occasions, we tend to get carried away by “natural conclusions” based on experience, intuition itself or extrapolation from other cases. However, in complex and dynamic contexts, experience is not enough. We need an appropriate research and a sound analysis to determine the real causes and consequences of specific and unrelated events.

Determining the influence potential of an organization, its real ability to influence, by itself or with other overlapping interests, is also one of the keys to good practice of public affairs. It is necessary to analyze the organization’s degree

“Influence, which is based on a good intelligence practice, is always the construction of relations in which both the private and public spheres seek to legitimately win

of notoriety with an external point of view, the knowledge and appreciation people have of it, as well as its credibility level in the affair or affairs we intend to exert our influence. In this case, as regards intelligence, the organization must be analyzed, its strengths and weaknesses, with the same distance with which we study the context and the other actors.

Already during the planning phase, a good analysis of the influence map on which the organization will operate is the next process that requires advanced intelligence techniques. Is it enough to identify the formal actors in a decision-making process? How many influencers, key persons with a higher or lower degree of notoriety will take part and to what extent do they influence the process at hand? What formal opinions did they express on the issues that affect us? But, above everything, what informal opinions were expressed? Without appropriately answering these questions, which calls for soft, informal and quality information, our strategy will be useless.

A good influence management practice by companies or organizations, whether social or economic, calls for a discourse that recognizes among the legitimate interests that each actor can and should represent, those who mark the limit of its objectives, but also part of its aspiration, as is the defence of public interest. There is no influence practice that does not consider the interest of everyone, as part of its own and legitimate interest. Without this approximation of positions there will be no possible dialogue with authorities and public representatives. They exclusively defend the interests of society as a whole.

Influence, which is based on a good intelligence practice, is always the construction of relations in which both the private and public spheres seek to legitimately win. It is a respectful and intelligent conversation with the economic, political and social environment, without sacrificing the represented interests, but making them coincide with the interests of society.

The latest intelligence techniques implemented by Governments and large corporations in relation to security, national defence, strategic and geopolitical interests are slowly being used by businesses as corporate intelligence, applied during the decision-making process and legitimate relations in which the private corporations and the public interests and needs have to reach an agreement.

The increasing complexity of our economic environments, the rapid transformation pace of our societies, called for a modification of classical intelligence at the service of national interests towards new scientific paradigms that left sequential linearity behind and shed light on many of the confusing and contradictory phenomena which determine our environment.

This complexity surrounds the new production processes of organizations and companies, and also calls for sophisticated responses through the most advanced techniques of economic and political intelligence, risk analysis and, above everything, efficient construction processes for the aforementioned dialogue with public authorities that is often called public affairs, lobbying or, just, influence management.





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