

Economic Intelligence tools at the service of strategic efficiency.

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Abstract:

Information is now a factor of production in the same way as capital, labor and technical progress. Today it is an abundant and accessible raw material, which only gains value with appropriate management allowing its transformation into operational knowledge. As a result, information constitutes an element of company competitiveness. Where to start ? How to find, organize and disseminate information

The economic intelligence approach makes it possible to make the most of it in the internal and human environment of the organization to make it sustainably efficient and competitive.

The objective of this article is to become familiar with the concept of economic intelligence and its three major functions, to acquire the different methods for implementing a competitive intelligence approach within a structure.

Keywords: economic intelligence, pestel analysis, mining operations, SWOT matrix, knowledge management.

1 INTRODUCTION

In the context of the transformation of the global economy towards a digital economy within a fast and productive dematerialized society, organizations and state structures want maximum reliability of information to minimize risks and the amount of investments. In the uncertain environment in which these organizations operate, it is not easy to decide. Economic Intelligence is made up of four parts : monitoring its environment, influencing it, protecting its information assets. Indeed, the concept of economic intelligence constitutes the collection and management of strategic information. This strategic information is then intended to be used by economic actors within decision-making processes that concern their activities. This article aims to answer the following questions : How to find strategic information ? What are the different tools to properly guide the economic intelligence approach and how to use them to obtain quality information ?

2 ECONOMIC INTELLIGENCE: A LEVER FOR DEVELOPMENT OF ORGANIZATIONS

2.1 DEFINITION OF THE CONCEPT

There are many definitions that can qualify economic intelligence. The first definition appeared in 1967 in a work by Harold Wilensky. He defines “economic intelligence as the activity of producing knowledge serving the economic and strategic goals of an organization, collected and produced in a legal context and from open sources”. This definition makes it possible to distinguish economic intelligence from economic espionage because it develops openly and mainly uses legal means.

Martre's report¹ of the XI Plan defines it as follows : « Economic intelligence is a set of coordinated research actions, processing and dissemination of information useful to economic actors with a view to its exploitation for strategic and operational purposes. These various actions are carried out legally with all the protection guarantees necessary for the preservation of the company's assets, under the best conditions of quality, deadlines and cost ».

According to REVELLI C : « economic intelligence is a process of collecting, processing and disseminating information which aims to reduce the amount of uncertainty in the making of any strategic decision »².

According to AFDIE : « Economic intelligence is a dynamic of collective construction based on the conviction and responsibility of all, and consists of the appropriation and interpretation of information with a view to economic, immediate and later. Founded on the principle of coordination, it is accompanied by an evolution of corporate culture and the ability to build the future in the face of uncertain events. Finally, it makes it possible to take advantage of strategic advantages to build an efficient and sustainable competitive advantage »³.

¹ Henri Martre, 1994.

² Revelli C, 1998.

³ AFDIE, 1997.

That proposed by IHEDNE : « An organized approach serving the strategic management of the company aimed at improving its competitiveness through the collection, processing of information and dissemination of knowledge useful for controlling its environment (threats and opportunities) ; this decision-making process uses specific tools, mobilizes employees and relies on the coordination of internal and external networks »⁴.

These different researches allow us to retain in this article the following definition of economic intelligence :

« All the means and techniques implemented by a company to obtain, by legal means, information both on its competitors and on its own strengths and weaknesses. The information sought is that which is needed by managers at the different decision-making levels in order to analyze, develop and implement, in a homogeneous and coherent manner, the means and strategies necessary to achieve the major strategic objectives defined with the aim of essential, improving the overall position of the company and more particularly its positioning in its competitive environment ».

2.2 FUNCTIONS OF ECONOMIC INTELLIGENCE

We can consider economic intelligence as a combination of three informational functions : intelligence, information protection and influence⁵.

- The intelligence or monitoring function serves to anticipate threats and opportunities, that is to say, to reduce uncertainty. A company can practice intelligence in the strict sense of the term (transformation of information into knowledge). Through this process, it will seek to be better informed about the environment than its rivals, and to be informed about them. Intelligence follows a cycle, called the information cycle (definition of needs, collection, processing, dissemination). The intelligence function serves to modify the information asymmetry that may exist between the company and its competitors, to the benefit of the firm finding out about others, and/or better than others. This is not espionage, but “legal” economic intelligence, carried out by a company.
- The protection function (or information risk management) serves to protect the information held or issued by the company, in particular from its appropriation by competitors. The information risk management function thus preserves information asymmetry for the benefit of the firm that manages this risk. It comes down to ensuring the safety and information security of the company. Patent management is part of a company's defensive arsenal and protects technical knowledge. Confidentiality clauses, access restrictions to premises and firewalls are examples of tools available to managers to protect information.
- The influence function aims to modify the environment through informational pressure. Lobbying actions are a classic influence practice exercised by companies.

⁴ L’Institut des Hautes Etudes de Défense Nationale, 2002.

⁵ CLERC, 1995 ; LARIVET, 2002.

3 BUSINESS INTELLIGENCE: TOOLS AND METHODS

Economic intelligence draws on concepts from other methods and disciplines. She goes further today. It must give meaning to the growing mass of data of all kinds.

Strongly linked to strategy, economic intelligence uses tools whose typology is part of “Decision Support Tools” and is defined as a logical and progressive series of steps leading to the definition of a informed strategy using as many relevant strategic management tools as possible.

To encompass all the methods and tools, and for educational purposes, a categorization of these methods is proposed.

3.1 ANALYSIS METHODS FROM MANAGEMENT SCIENCES

It is certainly true that a business cannot survive in isolation. Each company operates in a specific environment which has an influence on its actions. Whatever its size or sector of activity, it must take it into account.

The main question that can be asked is: How can a company carry out a relevant analysis of its environment?

Three major analysis models were selected for the complementarity of their approaches:

✓ The PESTEL analysis method

Tool that allows the decision-maker to refine the analysis of the company's overall environment by analyzing 6 elements : political, economic, technological, socio-cultural, ecological and legal⁶. According to Kotler (1998), PESTEL analysis is a “strategic tool for understanding the growth or decline of markets, company positions and decisions to be made”.

✓ SWOT analysis

Method for analyzing the strengths, weaknesses, opportunities and threats of the company's internal and external environment.

✓ Porter's five forces model

A method of analyzing the competitive intensity of a sector of activity, it is based on the study of five major points which characterize a market and which according to it are: The strength of the Competitors present, the potential entrants, the Customers and their bargaining power, suppliers and their bargaining power, the existence of substitute products⁷.

3.2 MINING, SOCIAL NETWORKS AND DATA VISUALIZATION

✓ Mining operations

Data mining is a process of exploring and analyzing large volumes of data with a view to making them more understandable and discovering significant correlations, that is to say classification and prediction rules whose final purpose is decision support.

Data mining has become a necessity for businesses, the wealth of information continues to increase. With them, these are all tools that must be known - and mastered - to extract not only

⁶ Oxford University Press, 1998.

⁷ KOTLER P. DUBOIS B. & MANCEAU D, 2003.

useful information at the right time, but also to produce ever greater added value of information at lower costs. Indeed, there are three main types of practices around mining:

- Datamining: Set of techniques and methods in the field of statistics, mathematics and computer science allowing the extraction, from a large volume of raw data, of important previously unknown knowledge. This is “excavation” aimed at discovering “hidden information” that the data contains and which is discovered in the search for associations, trends, relationships or regularities.
- Webmining: This is an application of data mining techniques to data from web servers.
- Textmining: Usable for data available in digital format, it combines several functions to structure and organize text content, which allows analysis and decision-making.

✓ Social media analysis

It is a sociological (sociometry) and mathematical (graph theory) approach based on “social network theory”, this theory conceives social relations in terms of “nodes and links”. Nodes are generally the social actors in the network (they can be institutions), and links are the relationships between these nodes. This method of analysis makes it possible to explore the morphology and pyramid of social networks and communities⁸.

✓ Graphical representation of information

New technologies allow the collection and archiving of ever-increasing amounts of information. However, the human brain tends to analyze and understand this information much more quickly when it is arranged in the form of graphs and visual diagrams than as raw data. Whether we are talking about a visual search engine or advanced data formatting (curves, pie charts, etc.). This dimension of instinctive and facilitated understanding is particularly appreciable and useful in monitoring or analysis work. It is often said that the graphic representation of information promotes serendipity (unforeseen discovery), but this method of simplifying masses of complex data makes it possible, above all, in its different forms, to meet the following objectives : making discoveries, facilitating the decision, offer explanations, communicate information more easily⁹.

3.3 METHODS OF STRUCTURED ANALYSIS

Le plus The greatest challenge for an analyst is understanding the intentions and capabilities of the entity they are observing. The first obstacle he will face is the relevance of the information he holds, the value and credibility of his sources.

The analyst must indeed avoid the trap of misinformation but beyond that, he must above all distrust himself: very often the brain perceives what it expects to perceive and not what it really should. perceive, and once formed, these perceptions become very resistant to change, thus opposing any new information¹⁰.

⁸ PORTER M.E, 1979.

⁹ Yann Leroux, 2009.

¹⁰ Christophe Deschamps, 2012.

This passage will therefore present certain tools and methods implemented in order to avoid the traps set by our own brain and the perception of the environment around us¹¹:

- Analysis of competing hypotheses (ACH + SACH)
- Linchpin analysis
- Method for verifying key hypotheses

3.4 SO-CALLED “OPPOSITION” ANALYSIS METHODS

These are all the methods that allow you to open up to other points of view, to imagine what is happening or what could happen in companies other than your own. This, as much on a concrete problem, as on broader modes of thinking, which it is possible to question with the aim of improvement. From well-known benchmarking to business wargames, including certain methods that are part of the “alternative analysis” circle.

In the following sheets, we suggest that you go even further in your thinking and always imagine what the opinions or approaches of actors outside your environment might be¹².

- The Team A / Team B method
- The Red Team method
- The Devil's Advocate Method
- The “Threat analysis Framework” method
- Business Wargames
- Benchmarking
- The Shadow team method

3.5 ANALYSIS BY ONLINE GEOGRAPHIC INFORMATION SYSTEMS

Geographic information analysis can be useful at two levels : monitoring and reporting. Both for the company wishing to monitor its current competitive environment or the markets it wishes to invest in.

The tools of these analyzes can meet different objectives such as : compiling data, relating them to a particular geographical area and at the same time facilitating reading and understanding, knowing query trends on a particular keyword, obtaining information to set up your business.

- Geo-cartographic representation of data
- Google Maps : plugins and mashups¹³

¹¹ ANDREANI Jean-Claude, CONCHON Françoise, 2005.

¹² RICHARDS, J. HEUER, Jr., 1999.

¹³ Centre d'aides de Google, Google Maps, 2009.

3.6 ANALYSIS WITH A PROSPECTIVE AIM

How to predict the future and prepare for it? This unavoidable question in all human activity falls within one domain: foresight. This analysis allows us to discover six methods which make it possible first of all to determine trends but above all to follow the variables through which the present constantly mutates. Then, they will also be of valuable help to you during your innovation research.

The greatest merit of these methods lies in the reflexes that they imprint on the heart of the discernment of the experienced user, thus making them more quickly relevant in their choices.

*The “What if ?” method »

*The MACTOR method

*The MULTIPO method

*The morphological method

*The Delphi method or Delphi method

4 CONCLUSION

By way of conclusion, it appears that the use of economic intelligence tools has today become a necessity following a generalization of economic competition, the rise in power of international competition and the opportunity that constitutes entry of our societies into the information age. It constitutes a lever that allows companies to survive, develop and be competitive.

It is necessary to set up within each public or private company, whatever its size, its own strategic monitoring unit. In all sectors of activity, staying abreast of the latest technological developments, market developments and national and international economic trends is a major challenge for companies and the key to their success.

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