

# Unit 2

## The Concept of Situational Awareness

Fundamentals of Intelligence: History and Theory

MASSIVE OPEN ONLINE COURSE (MOOC)

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ANALYST - A New Advanced Level for Your Specialised Training

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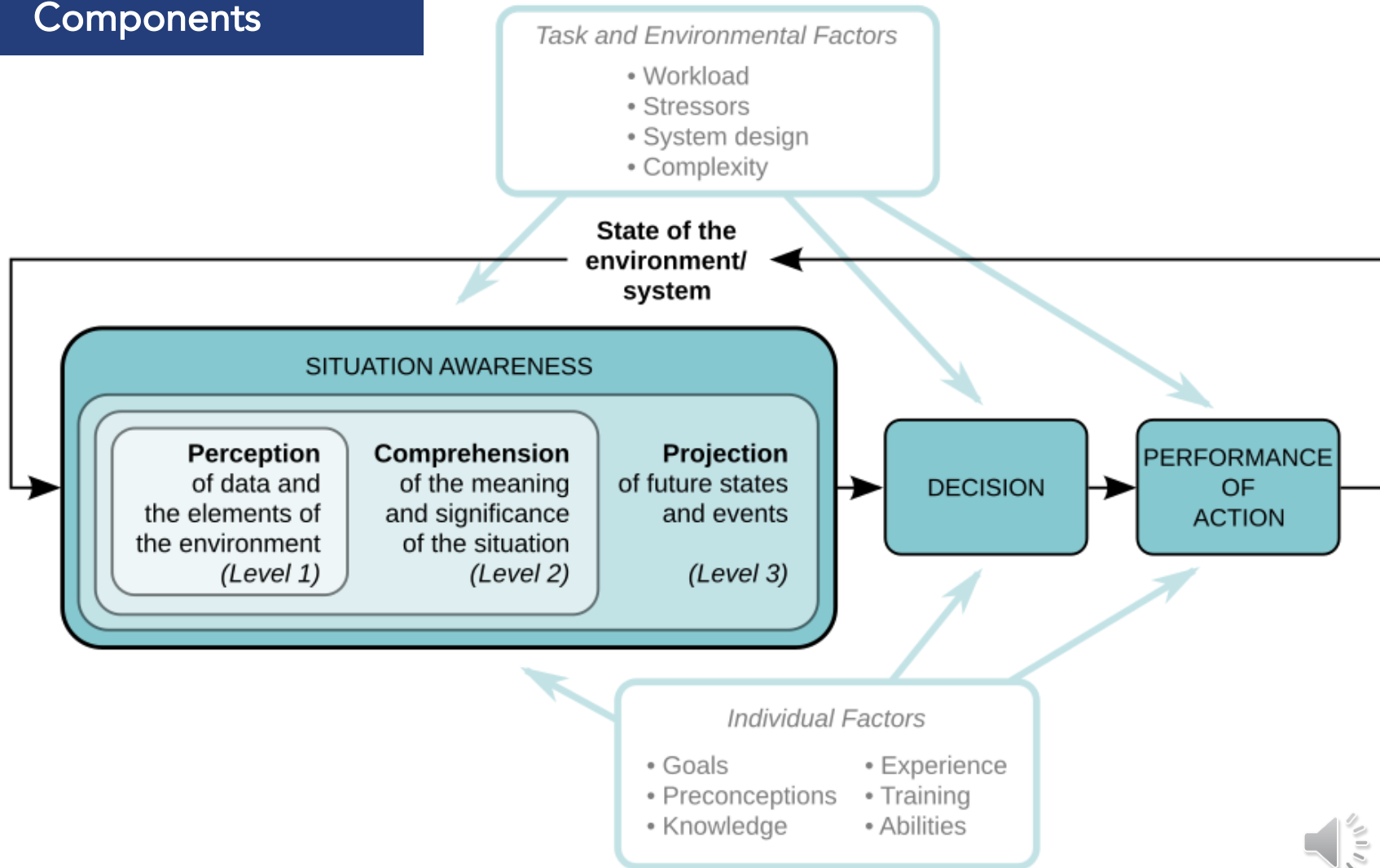
## Situational Awareness

Situational awareness is the ability to perceive and understand what's happening around you (in your environment) and to anticipate how it might change in the near future. In an intelligence context, it means having a real-time grasp of relevant conditions and dynamics affecting your organization or mission. It's often summed up as being aware of the "big picture" around an entity at any given moment.

Without situational awareness (SA), even good intelligence data can be misinterpreted. High situational awareness allows decision-makers to react to threats and opportunities quickly. For example, in security operations, maintaining SA means knowing where potential threats are and what they are doing right now. In a business context, SA could mean continuously monitoring the market and your competitors so you're not caught off guard by a sudden change (like a new competitor product or a regulatory shift). Essentially, SA is about being alert to the context in which you are operating, so you can make timely and appropriate decisions.



## Components



## SA in practice

- In military operations, situational awareness might mean a commander knows the positions and movements of all friendly and enemy units in a fast-changing battlefield – often aided by maps and real-time intelligence feeds. In corporate intelligence or security, it could mean a security manager in a company is aware of current cyber threat levels, ongoing events (like a political protest that might disrupt supply chains), and can foresee short-term impacts on the business. A loss of SA can be disastrous: for instance, if warning signs of an impending crisis are present but not recognized, an organization could be blindsided.



## Enhancing SA

- Modern intelligence work uses various tools to improve situational awareness. Real-time data feeds (e.g. live satellite imagery or news, sensor data, social media monitoring) help in perceiving changes as they occur. Geospatial Intelligence (GEOINT) – mapping and spatial analysis of data – is crucial; for example, visualizing data on a map can reveal patterns like where incidents are concentrated. Emerging AI-driven analytics can digest huge streams of information and highlight anomalies or trends (such as an AI system scanning internet traffic for early signs of a cyber-attack, or monitoring financial markets for unusual activity). These tools help humans not miss important signals in the noise.



## Pattern recognition and Threat Assessment

- A big part of SA is recognizing patterns – distinguishing what is normal from what is unusual. Intelligence analysts train to identify indicators (clues that something significant might be happening). For example, multiple seemingly unrelated events (a spike in chatter on extremist forums, increased purchases of certain chemicals, and reports of people surveying a public facility) might each on their own seem minor, but together they form a pattern that could indicate a planned attack. High situational awareness means the analyst connects these dots in time. In business, pattern recognition might mean noticing that customers are all suddenly demanding a feature that competitors offer – a sign the company needs to adapt quickly.





## The Human Factor

Maintaining good situational awareness isn't just about external data; it's also about the mindset of the analyst or decision-maker.

### Cognitive Biases

in the Political Arena

*Politicians and the media often use cognitive biases to sway public opinion and election outcomes.*

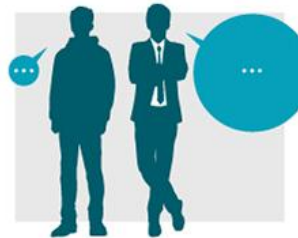
#### Dunning-Kruger effect

The less you know, the more confident you are.



#### Authority bias

We're more likely to trust and be influenced by ideas that come from authority figures.



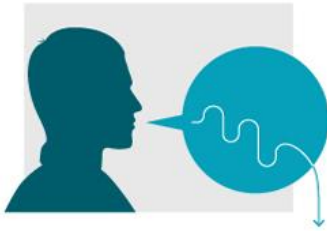
#### Availability cascade

An idea accumulates more credibility as it spreads.



#### Declinism

We romanticize the past and believe that society and institutions are in decline.



#### Framing effect

We draw different conclusions based on how an idea is presented to us.



#### Groupthink

Conforming to a widely held world view in order to fit in and minimize conflict.



#### False consensus

Overestimating the proportion of people who agree with an idea.



## Consequences of poor SA

- Many Intelligence failures can be traced to a loss of situational awareness. A classic example is the surprise attack on Pearl Harbor in 1941 – there were pieces of intelligence available that, in hindsight, could have alerted U.S. leaders to the impending attack, but they were lost amid noise and not pieced together in time (a failure in perceiving and comprehending the situation). In the business world, consider a company that misses signs of a disruptive new technology; by the time they realize what's happening, competitors embracing the new tech have taken over the market. Such scenarios show that when key players don't stay aware of changes in their environment, they risk surprise and failure.





## CASE STUDY

- Imagine: a large retail company had access to data showing a new competitor quietly opening stores and offering heavy discounts in various regions. Different departments in the company noticed bits of this (marketing saw local ads, the sales team heard from customers about lower prices elsewhere), but nobody assembled these pieces into a full picture. The company's leadership remained focused on their traditional big competitor and dismissed these local reports. Months later, that new competitor had gained a significant market share, and the company was caught off guard by how quickly they lost customers. This business case mirrors how failing to maintain situational awareness – not assembling small clues into a timely warning – can hurt an organization.



## BEST PRACTICES

- To avoid such failures, organizations implement processes to continuously update their understanding of the environment. This includes regular briefings and updates that force analysts to review what has changed in the last day/week, “red team” exercises where an independent group challenges the prevailing view (“What if our assumptions are wrong – what are we missing?”) and using dashboards/visualizations that combine data streams (so that, say, an executive can at a glance see key indicators in real time). The idea is to create an intelligence culture that is always scanning the horizon and ready to rapidly adjust when something changes.

