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BLAST FROM THE PAST

KITS Revisited: Their Use and Problems

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The use of the key intelligence topics (KITs) needs identification process has been growing since I first described it in the Competitor Intelligence Review in 1999 (10(2), pp 4–14). It has become the basic tool professionals use to define their organization's primary intelligence requirements and plan the operations to produce the business intelligence to meet those needs. From discussions I have had with competitive intelligence managers who use the KIT process, it is clear that those who have mastered it have also benefited from its appeal to senior management and other intelligence users.

But KITs are not simple to implement or use. They require a professional understanding of the intelligence process and the various types of intelligence operations necessary to address identified needs. The competitive intelligence manager must plan and execute on an ongoing basis the intelligence operations (ranging from basic collection and analysis to early warning and forecasting processes, plus counterintelligence operations) to meet all the organization's KIT needs.

KIT BASIC USES

Those who have read the Competitor Intelligence Review articles on KITs or have firsthand experience using the KIT process know it has three basic uses:

- KITs facilitate the identification and definition of legitimate intelligence needs.
- When properly defined, the initial set of KITs for a company or organization provides critical inputs into the design and planning of the new intelligence program. It determines the number of competitive intelligence professionals, their skills, and the funding needed to address the organization's intelligence needs.
- A user-needs identification process (collection, analysis, and production of the appropriate intelligence) provides the basis for operational planning to meet the users' and organization's constantly changing intelligence needs.

All three applications are critical to the development and operation of a modern business intelligence program and underscore the importance of a well-executed needs identification process.

SOME PROBLEMS

After talking with competitive intelligence professionals and reading articles that refer to the KIT process, I have noted several operational problems and apparent misunderstandings of the process. I would like to address the most common ones:

- Some competitive intelligence managers just do not have the discipline to carry out the proactive interviews required to define KITs. They do not have the access or aggressiveness needed to identify and define a senior manager's true intelligence needs (which raises the question whether they should be competitive intelligence managers in the first place).

- It is also clear that some who write about KITs have little firsthand experience managing a company's intelligence program. They have not endured the frustration of producing great competitive intelligence for senior executives who could not care less about a "classroom" solution presented for a need they haven't expressed.

These two situations aside, there are several real-world problems that I believe need some attention.

KITS ARE NOT QUESTIONS WITH SIMPLE ANSWERS

The first problem is one of basic misunderstanding. Developing key intelligence topics is not a simple "question and answer" process. If all a competitive intelligence manager does is answer management's questions when it has a need for explicit information, the competitive intelligence manager is completely missing the point of KITs: they are an ongoing intelligence needs identification process.

Equally important, a KIT is seldom satisfied by a simple "answer." It usually requires some planned mix of collection and analysis, often combining various analysis techniques in addition to both primary and secondary collection operations. The ultimate test, however, is whether the prepared response to the KIT is something that the user actually applies to an intended business activity.

KITS ARE NOT KIQS

The second problem relates to the use of an intelligence manager's tool called the key intelligence question (KIQ). KIQs are used both to analyze the KIT and determine the types of intelligence operations that are required to develop understanding and insights regarding the critical elements of a KIT issue.

For example, if the KIT focuses on a competitor's future product plans, a related KIQ might ask "What will it cost?" An intelligence collection plan would be developed to find out the product's "cost of goods" — product parts and makeup. It would also require an estimate of the product's manufacturing costs and overhead, both usually requiring an analytical as well as a collection plan.

I have found the use of KIQs very instrumental in preparing the overall KIT action plan. But some inexperienced competitive intelligence managers have tried to use KIQs as a way of interacting with the KIT user. The managers may only end up with a long laundry list of interesting questions that do not significantly contribute to the KIT's solution.

I caution those competitive intelligence managers who take this approach to be very analytical, limiting the selection of user KIQs to those few that are directly linked to the KIT solution and can be directly translated into relevant intelligence operations.

KITS REQUIRE ACTION PLANS

The third problem deals with the individual KIT and its use. Identifying the user's intelligence needs is only the beginning of the intelligence task. Analyzing the KIT, understanding how the manager intends to use the resulting intelligence, and determining the types of collection, analysis, and products required to meet the expressed needs are all part of the competitive intelligence professional's planning responsibility.

Before initiating any intelligence activity, the competitive intelligence professional must be sure that he has the KIT issues right and that the end-user manager understands what will be done and what final results can be expected. The competitive intelligence professional should develop the KIT action plan through interactive discussions with the manager to ensure that the intelligence being produced is what the manager needs. Properly developed and executed, such KIT action plans are tantamount to successful intelligence operations and long-term program success.

THE NUMBER OF KITS MUST BE MANAGED

The fourth problem is basic to the use of the KIT needs identification process: determining the number of KITs that can be handled efficiently by an intelligence organization. This number will depend on the size of the intelligence organization, but the real issue is competitive intelligence management: both managing the users' expectations and addressing the variety of KITs that the company might have.

Even small programs with two or three competitive intelligence professionals can handle a relatively large number of KITs over a six– to twelve–month period. (The "single" competitive intelligence professional is a special case, but depending on the organizational model used, even one competitive intelligence professional can handle several different KITs at the same time.)

The KIT process is the competitive intelligence manager's tool to identify, plan, and carry out simultaneously a variety of intelligence operations in a professional and concerted fashion. Some collection operations can easily be planned to satisfy more than one KIT. Analysis is generally tailored to specific KITs, but the KITs themselves are not mutually exclusive. For example, a strategic management decision or action KIT often requires assessment of one or more key marketplace players and has an early warning KIT linked to it that might trigger the decision earlier than originally intended.

The number of KITs that an organization usually depends on the nature of the business and its management agenda. Thirty KITs might sound like a large number for a small competitive intelligence unit, but if ten KITs are of the management decision and action variety, fifteen are early warning, and five are competitor or customer KITs, they could all easily be addressed over a year, given adequate external resources.

The experienced competitive intelligence professional, working with the program's users, must not only identify the organization's ongoing intelligence needs but plan execution on both a time-based and management priority basis. When this is done well, the number of KITs and ongoing intelligence operations often exceeds the expectations of both the intelligence users and the competitive intelligence manager, producing significant and timely results for both.

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