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## ➤ *The State of Business Competitive Intelligence in Australia: What Australian Firms Are Doing to Keep Competitive*

Chris Hall and Babette Bensoussan  
1996, *Mindshifts*, Level 2, North Tower, 1-5 Railway Street, Chatswood NSW 2067, Sydney, Australia. 100 pages; \$100 U.S. (including postage).

## ➤ *Japanese Intelligence: The Competitive Edge*

James H. Hansen  
1996, NIBC Press, National Intelligence Book Center, 2020 Pennsylvania Avenue NW, Suite 165, Washington DC 20006. Fax: 202-331-7456, Internet: reviews@surveillant.com. 258 pages; \$29.95 (+s/h).

### Two Perspectives

This is the first time that I have had a chance to do a "theme" review. I am very pleased to have two very different works, each of which seeks to explain how one major non-U.S. country perceives and conducts competitive intelligence. One tells us about how Australians are using (and failing to use) CI, so that we can understand how the process is developing. The other takes us inside of the mature Japanese processes for CI.

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WHILE AUSTRALIANS RECOGNIZE THE NEED FOR AND VALUE OF CI, THEY HAVE FAILED TO DEVELOP A SYSTEMATIC AND SOPHISTICATED APPROACH TO ITS USE.

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*The State of Business Competitive Intelligence in Australia: What Australian Firms are doing to Keep Competitive* is based

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on a series of surveys conducted in Australia, in which 139 firms participated. Among the key findings was that while Australian managers see a constant increase in competitive challenges in the near and far term, and while they recognize the need for and value of CI, they have failed to develop a systematic and sophisticated approach to the use of CI. For example, the study notes that most firms still use relatively informal methods—such as rumors—to track competitors. While such methods may be sufficient in a market facing direct, local, and "simple" competition, as the authors note (with a degree of understatement), "they are less effective in increasingly complex and sophisticated global markets," which Australian firms are moving into (or already face).

Interestingly, the Australian report notes that most firms surveyed regard their competitiveness as "above average" relative to others in the market. I suspect this is a reflection of the fact that more competitive firms responded to the survey and less competitive ones did not, plus the "Lake Wobegon" effect, named for the wonderful town where "every child is above average."

Oddly enough, while Australian firms recognize the need for CI, they do not seem to be planning to improve their (relatively informal) methods of acquisition or end-use of CI.

There are other odd findings, such as the fact that each group of managers surveyed "tends to think that it has more responsibility than the others give it credit for" with respect to CI. All in all, it appears that while Australian firms see CI as an element of competitiveness, they have yet to take a measured, long-range approach to CI.

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### JAPANESE INTELLIGENCE FAILURES ARE SITED IN ANALYSIS AND ASSESSMENT.

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This is not to say that Australian firms do not use what CI they do conduct properly. For example, using a relatively sophisticated statistical analysis, the authors find that "perceived competitiveness depends more on the processes that a firm uses [for CI] than on its use of sources." In other words, analysis is more important than collection in achieving competitiveness.

All in all, the report paints an interesting and somewhat curious portrait of the development of CI in a non-U.S. context. For Australian firms, it stands as a warning to improve their attitude towards CI.

*Japanese Intelligence: The Competitive Edge* is written by a U.S. intelligence expert and summarizes both the his-