ICT-Supported Gaming for Competitive Intelligence

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INTRODUCTION

Collecting and processing competitive intelligence for the purpose of strategy formulation are complex activities requiring deep insight in and models of the "organization in its environment." These insights and models need to be not only shared between CI (competitive intelligence) practitioners for the purpose of data direction, collection, analysis, and dissemination, but also between CI practitioners and strategy makers. Sharing these insights and models requires high-quality communication (both regarding content and process) between these parties. In this overview, we examine the potential of (ICT-[information communication technology] enabled) simulation games to improve the quality of communication between CI practitioners and strategy makers.

BACKGROUND

Organizations need to collect and process competitive intelligence about the environment to formulate their strategies. Moreover, the pressure to produce timely, accurate, actionable, and strategically relevant intelligence is growing because the complexity and dynamics of the environment is increasing rapidly (cf. Cook & Cook, 2000; Fuld, 1995; Kahaner, 1997).

CI processes produce this intelligence. Usually, these processes are broken up into four stages: direction, collection, analysis, and dissemination (Fuld & Company, 2002, Kahaner, 1997). In the direction stage, CI professionals establish what data are relevant for the purpose of strategic decision making. In the collection stage, relevant data sources are determined and data are collected from them. In the analysis stage, collected data are transformed into competitive intelligence that can be used by strategic decision makers. In the dissemination stage, the competitive intelligence resulting from analysis is disseminated over strategic decision makers so that they can incorporate it in the process of (re)formulating their strategies.

If CI is to deliver its contribution to the process of strategy formulation, a proactive mode of intelligence gathering seems most appropriate (Ellis, 1993; Hannon, 1997; Tessun, 1997). In this mode, intelligence practitio-

ners try to anticipate environmental developments that may have a strategic impact and assess their consequences. Proactive intelligence requires, in our view, a deep insight into the organization in its environment. For instance, directing the search for information requires an insight into strategic problems the organization in focus has to cope with, and environmental factors having an impact on these problems. To direct the search for data, CI professionals need to construct models of these strategic problems and environmental factors. Analyzing collected information and transforming it into intelligence builds on these constructed models and requires an insight into possible effects of a multitude of states of affairs and events in the environment of the organization, on parties relevant to and the organization in focus itself.

Not only do CI practitioners need a model of the organization in its environment, it is also important that this model is shared among the different parties involved in the intelligence process. The model should be shared among CI professionals so that they have a common orientation toward performing their CI activities. Moreover, it should be shared among CI professionals and strategic decision makers for several reasons. Among these are (a) improving the understanding amongst CI professionals of strategic problems, (b) grounding the model in the strategic orientation of the organization, (c) facilitating the dissemination of the intelligence, (d) ensuring commitment of strategic decision makers to using the intelligence, and (e) improving the process of monitoring and maintaining the model itself.

Sharing the model among the relevant parties in the organization requires high-quality communication (both regarding content and process) between these parties. In this overview, we examine the potential of (ICT-enabled) simulation games to improve this communication process. As Geurts, Caluwé, and Stoppelenburg (2000) assert, simulation games may be a valuable tool contributing to improving the quality of the communication. Simulation games are organized procedures (involving all kinds of paraphernalia) allowing participants to improve communication about complex problems by providing a safe and controlled environment to experiment with different interventions under varying circumstances by means of models representing these complex problems. The element of simulation requires participants to interactively model the

organization in its environment, systematically analyzing relevant variables, parties, processes, and their relations. The element of gaming allows participants to interactively experiment with the model in a relatively safe environment. Together, the simulation and the gaming elements can improve both the content and the process of communication required for proactive competitive intelligence. Although the use of games in supporting intelligence

activities has been reported (e.g., Allgaier & Powell, 1998; Clark, 1998; Fuld, 1998), the link between simulation games and CI has not been treated thoroughly. In this overview, we examine this link.

To deliver its contribution to the intelligence process, simulation games may be supported by ICT in various ways (e.g., by groupware of various Web-based

Table 1. CI stages and required knowledge

	Description	Required knowledge			
Directing	Determine	Model of organization in its environment;			
	strategic infor-	how to use the model to derive required information			
	mation re-				
	quirements				
Collecting	Identify sources	How to select sources;			
	and retrieve	how to approach sources			
	data from them				
Analysis	Transform data	Model of organization in its environment;			
	into intelligence	how to use the model to assess the impact of specific constellation			
		of environmental variables			
Dissemination Forward intelli- Selection		Selection of what users get: what intelligence in what format			
	gence to strate-				
	gic decision				
	makers				

Table 2. Contribution of gaming and simulation to improving the quality of communication

		Increasing awareness and	Training skills	Increasing knowledge and	Improving communication	Integration of learning experi-
	1	motivation	m	insight	and cooperation	ences
Building the simulation game	Model building Transforming model into game Scenario definition	Model building may increase awareness of the importance of knowledge and communication. Motivating to deal with the problem	Training in structuring complex problems in terms of simulations Training in making understandable complex models and making them transferable to other people	Increasing knowledge about the problem under consideration (What is the problem?) Why is it a problem?) Increasing knowledge about relevant variables, parameters, events, and relations related to the problem	If participative methods for model building, transformation, and scenario definition are used, chances are created to improve communication and cooperation between parties dealing with the simulated problem.	Participative building allows for pooling knowledge and creating a shared language, improving discussions between parties dealing with the simulated problem.
	Preparation	Awareness of differences be-	Quickly picking up relevant aspects	Knowledge and insight in (constel-	Teams of players playing against or	Shared under- standing and
	Introduction	tween points of departure, differ-	of a complex problem situation	lations of related) variables causing	with each other need to cooperate,	awareness of the dynamics of the
	Playing the simulation	ences between events,	Operationally	certain effects given certain	communicate, and get feedback	complex problem given different
	Analysis and	differences be- tween lines of	dealing with complex problems	starting condi- tions, events, and	on communication and cooperation	conditions, events, and interactions
ame	feedback	interventions and their effects	in different cir- cumstances	interventions	and the results.	
Using the simulation game		Motivation pro- viding a sense of control and secu- rity needed to deal with problems	Dealing with unexpected events and interventions	Focus is on analysis and explicit knowledge	Improvements can be monitored by playing the game more than once.	
Using		Focus is on habitualisation and tacit knowledge				

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