

Competitive Intelligence Practiced by HR Managers? You Bet!



by Amir Fleischman

Using Competitive Intelligence practices in a corporate environment is not always the sole job of the intelligence unit. Other departments are also engaged in CI-related work. One of these groups is the slightly unappreciated Human Resources department, which utilizes human and digital intelligence to check on candidates, new recruitments, and working employees. CI can benefit a lot from joining forces with HR.

In small and mid-size companies a dedicated competitive intelligence (CI) function or unit rarely exists. Those responsible for marketing, sales, product, R&D, or any other specific field are also engaged in CI-related work, predominantly for ad-hoc projects. In large companies, a CI team tends to work closely with sales and marketing departments, not to mention top management, but how about the Human Resources (HR) department? How routinely does the CI unit work with the No. 1 department for the organization's top asset – its employees?

In cases where there isn't a formal CI manager, or when the CI manager prefers to put most of the limited efforts and resources in 'more important tasks and departments', vigorous HR managers will in no doubt take it upon themselves to tactical CI-related work in order to recruit the best candidates available for specific positions and effectively monitor the already-on-board employees, and even former ones. Thus, it is recommended for CI managers to exploit the valuable information HR possesses on people so to better understand the external and internal movements of people, positions, and trends in the organization's ecosystem.

There are a number of similarities between the HR and CI functions. Both gather information (HR tends to focus on resources within the organization, whereas CI traditionally focuses on the external environment), analyze it (HR assesses people, positions, and work performance where as CI assesses external players, products, and market trends), try to predict upcoming moves (new opportunities, threats, scenarios), and utilize the findings for qualitative decision making processes and hence better business results.

Looking for the “juicy stuff”

Gathering information is pretty easy these days, and

in cases where a candidate's resume is sometimes not enough to deduct conclusions about his/her true suitability to the organization or to the offered position, HR managers put on their detective hats to fill in the missing gaps with “juicy stuff.” Specifically, this includes personal data that is not reflected in impressive professional resumes, or even in interviews. HR checks on prospects in digital platforms – social media networks, forums, and databases – and also talks to people that know them and can deliver valuable information that is not necessarily in favor of them.

If an applicant, for example, likes a Facebook fan page of an extreme sect, is a member of a radical group on Twitter, or perhaps has recently uploaded an inappropriate photo on Instagram, chances are that the new revealed information will directly influence the HR advice to decision makers whether to proceed with recruitment or not.

Experienced HR managers will not use LinkedIn just to check on prospect profiles, but will explore their connections as well and, if needed, get in touch with them. LinkedIn connections are not just people who are currently working with prospects, they are also people who worked with the candidate in the past, their customers, their business partners, their distributors, etc. Some of these connections may have valuable information that was never mentioned before during interviews.

Suggesting platforms and databases

Today's social media networks have grown to the point where they don't just provide us with the needed information about a specific person, but also suggest other people to follow, topical groups they are interested in, and additional ways to get information about them through third parties. As CI managers who routinely use social networks, suggestions such as: 'people also viewed (profiles of)' on LinkedIn, 'X is a mutual friend of (prospect)' on Facebook or 'people to follow' on Twitter are frequently encountered. The clues leading to the “juicy stuff” are spread everywhere, enabling HR managers to connect the dots about a specific candidate.

Other valuable paid/free resources HR managers may sometimes use are open public databases. For

example, a vacant position for a sensitive job within the organization – if you are the one responsible for recruiting a prospect for that position, wouldn't you be interested to know in advance if there were lawsuits filed against that person? There are databases comprised of legal information about each and every person in the world. How about a database of people who went bankrupt last year? How about a categorized index of all the people who were listed in the Panama Papers? There's an open database for that as well. A clever HR manager can easily retrieve that information and decide upon the information found whether or not to proceed with the recruitment procedure.

Forums, groups and blogs – ah, so many of them! All the real juicy stuff can be found there: employees criticizing their supervisors and top management, details of a (lousy) bonus program given to salesmen in a particular company, issues concerning unethical or illegal – activity taken by another, personal hobbies, threads about improper employees' behavior, etc. It is within these different social media outlets that HR professionals discover a lot of red flags.

Human intelligence anyone? Playing detectives

"It ain't over till it's over" is one of the top tips given to job seekers in Japan. It means that prospects are constantly monitored by HR – from the minute they arrive to the office until the moment they leave. The end of an interview is not the end of the recruitment process, as HR continues to monitor the applicant. Zappos, for example, offers applicants shuttles to and from the airport for interviews, and the shuttle drivers are instructed to engage in conversations with the applicant and then report back to HR with their conversation.

"God is in the details" is another quote HR strongly believes in – the ringtone of your mobile phone, the email address you sent your CV from, the file name of your CV, the way you answer the phone when you are stressed or just woke up, the way you chat with the front desk manager, and the very content of that chat – everything is monitored. Each and every aspect of an applicants interactions may affect the decision



to hire him or her. As an HR professional, when you live that way and work that way, you obtain skills, methodologies and an organizational culture that many CI managers would like to learn from and adopt for their own specific tasks.

Learning about competitors

HR is all about employment and recruitment. HR managers know everything they should about new positions and trends in the market; they know position characteristics and all the right buzz words that accompany them. They can certainly serve as a CI manager's third eye in terms of people movement, required skills for specific positions, offered salaries in the job market, etc. The most professional ones also know what's going on in the competitor's backyard (employee layoffs, new job openings, bonus programs, and compensation types). That makes them the perfect agents for the know-it-all CI manager.

There are plenty of efficient ways CI and HR managers can collaborate. One out-of-the-box-thinking HR managers I once knew told me that she used to check on each and every LinkedIn profile of possible candidates. Wherever she noticed that they had past experience in one of the organization's competitors, she would immediately update the CI manager and the latter would thereafter take part in the interview. That was one of the best ways to get valuable unofficial information about a competitor's internal structure, its ways of conducting business, and handling of employees. It is up to the CI manager to periodically check with HR regarding new recruitments with potential valuable information about competitors, and invite them to an interview for a closer, deeper, look in to the information that they possess.

As LinkedIn is one of the most used platforms by HR to recruit new qualitative employees. I remember the aforementioned HR manager often mapping all the former ex-employees of direct competitors with titles like 'looking for my next challenge'. It is easy to assume that these people were summoned to interviews quite shortly after the mapping was done.

LinkedIn party

So you managed to recruit brilliant employees to your organization. Well done! The question is whether you can leverage not only their know-how but their

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connections as well. In other words, do they have brilliant friends they can recommend HR to be in touch with for future recruitment. My friend, the HR manager, told me that her department would occasionally invite some of the few brightest minds in the company for a special, half-secretive, luxurious LinkedIn party, where those brilliant employees would share their LinkedIn accounts and who was a favorable key-talented connection that may serve as a potential candidate for future recruitment. Naturally, if there was a CI manager in the building, he/she was of course also invited to the party.

Job description, interviews

All HR managers are responsible, one way or another, to publish job offers on various job boards. In some companies the HR managers will add certain requirements to the job description. A CI-oriented HR manager will always add 'priority for ex-(competing company/ies)' employees. That is how a company can explore people and positions that its competitors keep. Some of the applicants will eventually be asked to interview. At this point, it is possible to exploit rare opportunities to learn from those who you do not intend to interview. If hundreds of detailed CVs are received from existing competitor employees, meticulous analysis of these documents will reveal a lot about positions, employee characteristics, and the nature of their job. Some of those who do make it to an interview can be simply walking gold mines, as they will be asked about numbers (salaries) and case studies ("give me a success/failure story you had to deal with lately and how you handled it"). This is a classic primary human intelligence scenario that no CI manager would want to miss. Most valuable information about competitors is revealed within job interviews and is hardly found on the Internet.

Furthermore, most HR managers are trained to 'read people', observe body language, and the ways a person may carry themselves in an interview. If there is anything skilled HR managers can really learn to excel in it is asking tactful questions. When you do it the right way, using certain intonation, facial and verbal expressions, you can get a candidate to speak truthfully, especially when they try to impress you with their proficiency.

Layoffs, employees leave? The tracking continues

HR managers maintain various lists comprised of current organization employees. One of those lists, however, is comprised of former employees. Shrewd HR managers keep track of these employees, and in case both sides (organization and employee) decide to part ways in good spirit, it is up to that HR manager to know about it and update the intelligence unit. The former employee may serve as an unexpected good source of information in future. How lovely! From a different angle, if a frustrated, vengeful senior ex-employee has just migrated to one of the organization's main competitors with critical information then, thanks to HR and CI, the relevant decision makers can immediately assess the potential harm caused to the organization by that action.

Professional HR-related meeting points / "Interview the interviewers"

Just like any other practitioner, an HR manager also leaves the office for conferences, trade shows, forums, workshops, etc. He or she obviously see their counterparts and counterparties in action everywhere – they sit in their talks, sometimes beside them in professional panels, they get to see the methods used by their rivals to recruit new prospects. Like technicians, marketers, and financiers, they have vast amount of inputs related to their field. It is up to the intelligence

unit to "interview the interviewers" and get that crucial information that no one else dares to ask for.

HR intelligence

Last but not least, HR's added value is not to function as an external sensor but as an internal one. It means that HR should know better than CI managers about an employee's status (like their health), their intentions, satisfaction, and/or motivation level in addition to their readiness to quit the job, the last actions they took, their work performance, and their personal problems (going through divorce etc). If employees are the core asset of each and every corporation, just think of the power HR holds by maintaining accurate up-to-date information about them. Yet, as with CI, it is not the information that counts. What counts is the employee, team, and work evaluation done by HR and its overall implications on the organization's well being.

If competitive intelligence depends on gathering information, actionable insights, and winning business moves, then HR certainly does the same. The difference is that the HR-related information, observations, and insights concern people, not products, equity or any other output dealt with in other departments. Some would refer to it as HR intelligence. All in all, it doesn't matter what you call it. The intelligence unit cannot afford to give up this priceless asset; it should take advantage of it, and the sooner the better.



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