

COMPETITIVE INTELLIGENCE AND ORGANIZATIONAL EFFECTIVENESS IN TELECOMMUNICATION INDUSTRY IN SOUTH-SOUTH, NIGERIA

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Abstract

This study examined competitive intelligence and organizational effectiveness in telecommunication industry in South South, Nigeria. The researcher adopted survey design. Population of the study contained 160 selected employees from six nominated telecommunication industry in South South, Nigeria. Random sampling method was useful for the purpose of minimizing research errors. The primary data was collected from structured questionnaire whereas the secondary data was information received from company reports and human resource data of various selected telecommunication industry. Taro Yamane's formula was utilized to get a sample size of 114 employees for the study. Copies of questionnaire were distributed to collect data necessary in answering research questions. Spearman correlation coefficient was used to test the hypotheses. The findings of the study stated that there was a positive significant relationship between competitor intelligence and organizational effectiveness, together with the relationship between technology intelligence and organizational effectiveness was statistically significant. It was concluded that the competitive intelligence predicted organizational effectiveness. researcher recommended that telecommunication industry should promote technology intelligence by applying modern technology to reduce the consistent network failures in Nigeria, in order to achieve organizational effectiveness.

Keywords: Competitive intelligence, competitor intelligence, organizational effectiveness.

Introduction

The rapid changing consumer behaviour and short-term life cycles of many products have attracted the need for organizations to put competitive intelligence into action. In modern business environment there is dynamic instability or characters emanating from uncertainty and unprecedented activities driven by robust competition. Although, the intricacy in the business environment requires managers to adopt strategic management practice like competitive intelligence that could facilitate the optimal positioning and effectiveness of the firm in its competitive environment. The market fluctuates from time to time, managers have the duty to envisage the future and develop a strategic plan that could attract sales necessary

for responding to challenges and problems within the work environment. Successful business engages in competitive intelligence by assembling actionable information to develop effective business practices. Organizations and departments are facing inevitable task which borders on survival of competitive business. However, it is not easy for a telecommunication company to be effective through guesses and assumptions unless it employs competitive intelligence where employees may understand their competitors, markets, motivations, behaviours, and make the right business decisions (Mugo et al., 2012). Ordinarily, competitive intelligence is the basis of a company's strategy and effectiveness that boost the process of product launching (Tahmasebifard, 2018). Indeed, Adidam et al. (2012) agreed that knowledge represents the main source of competitive intelligence to which an individual who has access to information creates knowledge, including the process of collection, transferring, retention, and application of such knowledge are crucial ingredients for organizational effectiveness. It is on the premise of the imaginable attributes of competition that competitive intelligence (CI) is described as the ability to analyze, collect information that affects the environment, competitors, customers, necessary in benefiting stakeholders and overthrowing rival businesses.

Competitiveness appears not to be a simple task of an organization; it focuses on knowing what is happening in a particular company and rival companies that are in the same line of production. This predicated on the fact that for telecommunication industry to remain competitive in an aggressive environment requires strategic plans for maintaining competitive advantage (Fleisher & Bensoussan, 2003). Besides, organizations that understand their environment, competitors, consumers, and establish competitive intelligence are capable of achieving effectiveness with the intent of penetrating the rapidly globalized information society (Collins, 1997). Competitive intelligence allows an enterprise to discover risks and opportunities that could affect the operations of the organization. It enables organizations to stay ahead of competitors by developing business strategy that generates profitability, productivity, and effective service delivery. Furthermore, competitive intelligence exhumes detailed information about competitors' behaviour which prevents companies from disruption by external influences. Yap and Rashid (2011) recognized three distinct categories of competitive intelligence practices as competitor intelligence, market intelligence, and technology intelligence. Organizations that sustained competitive advantage are gifted in improving competencies that support strategic decision-making by providing truthful information on opportunities, threats, and competitor assessment. Customarily, competitors deserve thorough monitoring to achieve competitive edge that creates a successful quality service to customers. Martz (2008) insisted that organizational effectiveness refers to degree of successful performance of a firm in achieving its goals. Organizational effectiveness is the achievement priority that reduces business failures. Effectiveness of an organization is determined by its mission, goals, level of competitive intelligence, and strategic positioning. The priority of this paper is about the relationship between competitive intelligence and organizational effectiveness in telecommunication industry in **South South, Nigeria**.

Statement of the Problem

Organizations that are conscious of competitors are proactive in handling employees, suppliers, customers, services, and firms offering similar products in order to survive. Ordinarily, companies are in secret war in the event of attracting customers and exploiting limited resources. Telecommunication Industry has made significance contribution towards accelerating the economic growth of our country. This industry is characterized by high cost of service subscription, high competition, increasing regulations, and rising customers demand for speedy and accurate service delivery. Managing information is a challenge that requires reliable decision-making process translated into intelligence as the hallmark of competitive advantage. There is low awareness of competitive intelligence among employees in the Telecommunication Industry which led to persistence poor network. Most organizations are reluctant to know the strategy deployed by their competitors, the price of their products, and the emotional feelings of the customers that hinder their effective performance. Indeed, the reputation of a company's products and services is maintained through the implementation of market intelligence and competitor intelligence which assist the employees to enhance organizational effectiveness. Intelligence failures in business does not necessarily cause physical devastation or collapse of business but create great psychological and financial pains and loss of jobs.

Managers who practice competitive intelligence help the organization to gain effective suppliers, mobilize capital, productivity, and high customers' patronage. Despite the glamour for organizations to integrate competitive intelligence most employees have demonstrated poor attitude and the firms claimed that enforcement of competitive intelligence in terms of technology intelligence is capital intensive. Customers' needs and choice have drastically changed and organizations that neglected market, competitor, and technology intelligence may experience employee turnover, low productivity, and poor job performance. Furthermore, the invisibility of intelligence department in these organizations constitute a major threat confronting the Telecommunication Industry. Intelligence unit or department are to be visible components of organization structure but is very silent in most organizations. Companies hide this sensitive unit under human resources and marketing functions thereby limiting its scope to a narrow functional obligation. Without an effective intelligence structure in organizations, it becomes difficult to develop competitive intelligence strategy that could discover defective information which eventually cause obstruction in the decision-making process of the organization. It is very important because organizations rely more on information and knowledge to sustain growth and effective performance. The necessity of competitive intelligence has not been completely established. Therefore, this paper tends to examine the roles of competitive intelligence on organizational effectiveness in telecommunication industry in **South South, Nigeria**.

Research Hypotheses

Ho1: There is no significant relationship between competitor intelligence and organizational effectiveness in telecommunication industry in **South South, Nigeria**.

Ho2: There is no significant relationship between technology intelligence and organizational effectiveness in telecommunication industry in **South South**, Nigeria.

Literature Review

Competitive Intelligence

Competitive Intelligence entails a systematic process of collecting information about the competitors, markets, and technologies which is used for corporate decision making (Gaardboe et al., 2017). In conformity with this presumption, Muritala and Ajetunobi (2019) explain competitive intelligence as a process in which an organization collects information regarding competitors, products, competitive environment, to enhance decision making and effective business performance. Liebowitz (2006) noted that competitive intelligence is ethical information gathering or a value-added project on business development and strategic planning which contribute to organizational effectiveness. Undeniably, competitive intelligence refers to a strategic framework of staying ahead of competitors in order to increase the return on investment. It signifies future-oriented statements that require knowledge management on markets, competition, business environment, and recommendations. To leverage on market opportunities managers, have the duty to practice competitive intelligence. Consequently, the ability to compete and collaborate within the markets' ecosystem of an industry is driven by core competency. Implementation of competitive intelligence generates competitive advantage which provides the company a strategic method of beating its competitors. Competitive intelligence is like business intelligence that operates within the framework of knowledge management. They have substantial effect on price, products, differentiation, the cost structure of a business, increase opportunities for differentiation, customer relationships, and increase economies of scale.

Arrigo (2016) narrated that the primary attention of competitive intelligence is not to collapse the business of the competitors but to analyze information that provides a robust awareness and knowledge of a competitor's capability, structure, behaviour, culture, and weakness. Apparently, competitive intelligence is the root of company's strategy which enables firms to gather data relating to the industry, challengers, environment, and competitive products. It also predicts the steps of competitors. Competitive intelligence is predominantly useful to organizational reputation and effectiveness. Furthermore, it is worthless when organizations demonstrate their intelligence activities without regard to ethical or legal considerations. Yap and Rashid (2011) identified two components of competitive intelligence namely competitor intelligence and technology intelligence.

Competitor Intelligence

Competitor intelligence entails the strategy organizations adopt to determine and understand their competitors, their strengths and weaknesses, and forestall their actions and inactions (Brooking, 1996). In accompanying this assertion, Teece (2010) upheld that competitors' intelligence evaluates development of competitive strategy over time through changes in new product, alternatives, competitors' structure, newcomer competitor, and industry competitors. Competitor intelligence is a process of identifying potential competitor, their competencies,

to understand the competitors present and future plans, and the ability to gain sustainability in the business. Competitor intelligence is an aspect of the environmental scanning that is domineering for decision making processes. Efficacious companies have to monitor their direct competitors and be aware of their actions and limitations in order to remain competitive in the environment (Nabel, 2005). Moreover, this competitor scrutiny, helps to form a thorough image of the competitive environment assessing organizations' competitive positions and relationships with competing firms (Chen, 1996). It is unambiguous that today's business environment is troubled with competitors. Organizations strive to achieve competitive superiority over other organizations either in the same line of business or similar businesses. This enables organizations with competitor intelligence strategy to enhance their affordability in their various domains. Choo (2000) emphasized that competitor intelligence primarily concentrates on information about competitors. Gabber (2007) insisted that competitor intelligence discovers competitors' capabilities, abilities, intentions, weaknesses, so that it could predict the future performance of the rivals as well as enhancing the effectiveness of a firm. Lin et al. (2019) examined competitor intelligence and product innovation; the role of open mindedness and inter functional coordination in small and medium sized firms within information technology in China. This finding disclosed that competitor intelligence had a positive and direct effect on product innovation and organizational effectiveness.

Technology Intelligence

Technology intelligence connotes the activity that enables organizations to detect the technological opportunities and threats that could affect the future growth and survival of their business (Sauter, 2008). Technology intelligence (TI) is a system of detecting relevant new technologies that could boost productivity and effectiveness of the companies. Telecommunication companies need to keep in touch with the latest technological innovations if they are to take advantage of new business opportunities and become aware of potential threats. For example, disruptive innovations such as software and liquid crystal displays which have now largely displaced cathode ray tubes in televisions and digital technology which has transformed the photographic industry (Murphy, 2005). Furthermore, the electronic available information resources from the internet or traditional online providers along with web-based information services also called alerting services, contribute to organizational performance or effectiveness (Porter, 1980). Technology intelligence provide the service to receive automatically delivered electronic news on a specific competitor or topic, either on a regular basis or as the event occurs to increase efficiency and effectiveness (Nasri, 2011). Technology intelligence tools like current awareness searches, selective dissemination of information searches (SDIs), and intelligent agents are extensively available on commercial online and internet database services (West, 2001). Internet and artificial intelligence serve as a competitive intelligence resource or source of information and cost-effective means of sharing and circulating information to decision makers (Wieder & Ossimitz, 2015). Inclusive internet technology is also a major force reshaping the business environment that creates

revenue opportunities, effectiveness, creating incentives for collaboration with existing competitors and providing niches for new kinds of competitors (Mcgonagle & Vella, 2003).

Organizational Effectiveness

Organizational effectiveness relates to the power to produce a desired result (Cameron, 1980). The effectiveness of an organization depends on its mission, goals, internal efficiency, and strategic positioning. Organizational effectiveness symbolizes the degree to which an organization accomplishes its goals, satisfies its stakeholders, has the adequate resources to operate, and creates societal or environmental impact (Yuchtman & Seashore, 1967). In conformity with this conjecture, Ashraf and Kadir (2012) regarded organizational effectiveness as the efficiency, prudent, and strategic use of all the organizational resources, including technological human, and financial resources, for creating competitive advantage. Training and development of workforces in various sectors could lead to general effectiveness and profitability of any company. Organizational effectiveness denotes the degree to which an organization achieves the set goals. Although, these goals could be output, productivity, service quality, and efficiency. It also involves securing the resources required to create a competitive advantage. An effective organization is a company that successfully meets its goals. These goals may be external, such as producing a certain quality product, or internal, like improving communication within a company. An effective organization examines various factors in a telecommunication company, like how effective employees perform to the efficiency of a business process, and try to find opportunities to improve the performance (Balduck & Baleens, 2009). For instance, if an organization has a goal of making 13% increase in subscribers, it could determine its effectiveness by looking at how many subscribers patronized the products in a certain period. Organizational effectiveness is important in helping companies flourish long term goals and minimize waste. It allows organizations to operate more smoothly by keeping them focused on their goals. Hersey and Ken (1983) stipulated that organizational effectiveness strengthened employee engagement, increased productivity, and enhanced management communication. Ashraf and Kadir (2012) stated that more effective organizations may be more capable of meeting customers' needs and improving competitive intelligence through streamlined use of technology.

Methodology

The researcher employed survey research design useful for providing systematic approach to analyze data. The reachable population of the study was 160 selected employees from six nominated telecommunication industry in **South South**, Nigeria. The accessible employees that were available for the empirical inquiry consist of managers, supervisors, and senior staff. Random sampling technique was adopted to enhance research accuracy. Primary data was collected from structured questionnaire whereas the secondary data was information received from company reports and human resource data of various selected telecommunication industry. Taro Yamane's formula was utilized to get a sample size of 114 employees for the study. Copies of questionnaire were distributed to collect data useful in answering research questions. The questionnaire was structured within the purview of competitive intelligence

and organizational effectiveness (Bryman & Bell, 2015). It was also divided into three sections like section A, B, and C, where A represents participants profile, B focused on independent variable, and C deals on dependent variable. These questions were stated in an ordinal scale using the 5-point Likert's scale of 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), and 5 (strongly agree). Statistical instrument used for this study was Spearman correlation coefficient to measure the relationship between the variables. The reliability of the research instrument was demonstrated in Cronbach's Alpha. The research instrument was validated by experts in management. The researcher informed participants that the information transferred shall only be used for academic purpose. The researcher relied on two measures of competitive intelligence like competitor intelligence and technology intelligence.

Results and Discussion

Test of Hypothesis One

H₀₁: There is no significant relationship between competitor intelligence and organizational effectiveness in telecommunication industry in **South South**, Nigeria.

H_{A1}: There is significant relationship between competitor intelligence and organizational effectiveness in telecommunication industry in **South South**, Nigeria.

Table 1 Spearman Correlation Coefficient between Competitor Intelligence and Organizational Effectiveness

Correlations

		Competitor Intelligence	Organizational Effectiveness
Spearman's rho	Competitor Intelligence	Correlation Coefficient	1.000
		Sig. (2-tailed)	.000
		N	114
	Organizational Effectiveness	Correlation Coefficient	.963*
		Sig. (2-tailed)	.000
		N	114

**. Correlation is significant at the 0.01 level (2-tailed).

The results in Table 1 displayed a significant positive relationship between competitor intelligence and organizational effectiveness in telecommunication industry in South South, Nigeria. This unveiled that the relationship between the two variables was statistically significant. The r- value was 0.963 and p – value 0.000 which stated that competitor intelligence has positive significant relationship with organizational effectiveness. Where p – value = 0.000 < 0.005, the null hypothesis was rejected while alternative hypothesis was accepted. The positive significance r- value of 0.963 implies that 96.3% increase in competitor intelligence could to organizational effectiveness.

Test of Hypothesis Two

Ho2: There is no significant relationship between technology intelligence and organizational effectiveness in telecommunication industry in South South, Nigeria.

HA2: There is significant relationship between technology intelligence and organizational effectiveness in telecommunication industry in South South, Nigeria.

Table 2 Spearman Correlation Coefficient between Technology Intelligence and Organizational Effectiveness

		Correlations	
		Technology Intelligence	Organizational Effectiveness
Spearman's rho	Technology Intelligence	Correlation Coefficient	1.000
		Sig. (2-tailed)	.000
		N	114
	Organizational Effectiveness	Correlation Coefficient	.979**
		Sig. (2-tailed)	1.000
		N	114

**. Correlation is significant at the 0.01 level (2-tailed).

The results in Table 2 demonstrated that there is positive significant relationship between technology intelligence and organizational effectiveness in telecommunication industry in South South, Nigeria. This revealed that r- value was 0.979 and p – value 0.000 which discovered that technology intelligence predicted organizational effectiveness in telecommunication industry. Where p – value = 0.000 < 0.005, the null hypothesis was rejected while alternative hypothesis was accepted. The positive significance r- value of 0.979 displayed that 97.9% increase in technology intelligence may contribute to more organizational effectiveness.

Discussion of Findings

The findings in hypothesis one indicates that there is a positive significant relationship between competitor intelligence and organizational effectiveness in telecommunication industry in **South South**, Nigeria. This result illustrates that when organization gets information about competitors' capabilities and weakness, the firm is likely to achieve effectiveness. This finding is in accordance with Gabber (2007), who acknowledge that competitor intelligence discovers competitors' capabilities, abilities, intentions, and weaknesses, so that it could predict the future performance of the rivals as well as enhancing the effectiveness of a firm. The second hypothesis proves that there is positive significant relationship between technology intelligence and organizational effectiveness in telecommunication industry in South South, Nigeria. This result demonstrates that when an organization identify new technology that could promote business survival, it minimizes wastage or delay of time and enhances productivity. The finding is in harmony with Mcgonagle and Vella (2003) who declared that inclusive internet technology is also a major force reshaping the business environment that creates revenue opportunities, effectiveness,

creating incentives for collaboration with existing competitors and providing niches for new kinds of competitors.

Conclusion

Competitive intelligence is vital for telecommunication companies to gain sustainability, effectiveness, and remain in business. Competitive intelligence is a strategic organizational action that energetically enhance the attainment of profitability, efficiency, and effectiveness of the industry. This study revealed that competitor intelligence has positive significant relationship with organizational effectiveness, including technology intelligence influenced organizational effectiveness. Furthermore, the researcher recommended that telecommunication industry should create competitive intelligence departments that may regularly collect relevant information about competitors, monitor competitors' actions, to enable the management formulate strategies necessary to achieve effective decisions. Telecommunication industry should promote technology intelligence by applying modern technology to reduce the consistent network failures in Nigeria, in order to achieve organizational effectiveness.

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