

ETHICAL CODES – DO IT YOURSELF

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The underpinnings of an effective competitive intelligence (CI) program are the fact and the perception that the data is being collected in a legal and ethical manner. However, some organizations have failed to articulate exactly what their ethics standards are, instead relying on the standards promulgated by SCIP. (For a quick reminder, see the Code of Ethics sidebar.)

Given the existence of this Code, several organizations have either adopted it just as written or referred to it by name in their own written policies. That is, they incorporated it by reference. While this provides them with something, it is insufficient for at least three reasons:

- 1) The very process of adopting and developing a written policy is an educational process, for the

CI practitioners, for their legal department, and for their ultimate clients.

- 2) Using the SCIP Code as written above produces a circular problem: this Code refers to your own firm's own policies, even if you have adopted it in place of your own. While this is more of a drafting issue than a substantive one, it can communicate to those governed by an internal code that those preparing it did not care enough even to adapt it to their situation.
- 3) If an organization has incorporated the SCIP Code by reference, it is then placing future changes in their own internal code in the hands of others, in this case, SCIP.

In addition, the SCIP Code is not as well drafted as it should be.

I will touch on only two parts: the section dealing with a request for confidentiality and the section dealing with full disclosure.

REQUEST FOR CONFIDENTIALITY

The SCIP Code of Ethics requires those bound by it "To fully respect all requests for confidentiality of information." While that sounds very simple, in practice it is not.

First, ask what "fully respect" means. Virtually all companies hiring a CI consultant and all those consultants use some form of confidentiality agreement, often called a non-disclosure agreement (NDA) with respect to a competitive intelligence assignment. Some firms work for many sides in the same industry, over time. Just how long between these retentions is enough? The code does not deal with that.

Second, this creates a problem for SCIP members whose firms' practice goes beyond competitive intelligence, for example the global management consulting firms. Many of them have historically dealt with this issue of handling clients who are competitors (or at in the same industry) by the use of the so-called "Chinese Wall." That is, they create separate teams that are not "contaminated" with information gained in confidence (or otherwise) from a prior engagement, (I continually wonder how such a firm could claim that the wall is effective, yet can "sell" that same expertise to other clients. Curious.)

What about some of these same firms that boast of using knowledge management (KM) techniques to retain and re-access every "learning" from

SIDEBAR: SCIP CODE OF ETHICS

- To continually strive to increase the recognition and respect of the profession.
- To comply with all applicable laws, domestic and international.
- To accurately disclose all relevant information, including one's identity and organization, prior to all interviews.
- To avoid conflicts of interest in fulfilling one's duties.
- To provide honest and realistic recommendations and conclusions in the execution of one's duties.
- To promote this code of ethics within one's company, with third-party contractors and within the entire profession.
- To faithfully adhere to and abide by one's company policies, objectives, and guidelines.

every participant in every past retention? What does that do to the previous requests for confidentiality? If the KM techniques are that good, will they not destroy the Chinese Wall, and with it “full compliance” with a confidentiality request? If they are not that good, then the firms are not being honest.

FULL DISCLOSURE

A second problem area lies with the Code’s admonition “To accurately disclose all relevant information, including one’s identity and organization, prior to all interviews.” Not all SCIP members limit their practice to the gathering of competitive intelligence data. Some have additional practices involving industrial security.

For them, whether internal or external consultants, this standard bars them from using a false identity, with

the clear consent of the client, to probe the adequacy of a client’s industrial security, IT security, etc. One way to cure this flaw would be to limit the entire code to the “gathering of competitive intelligence.”

The moral – it is OK start with the SCIP Code as a guide, but draft your own Code for your own environment and your own enterprise.

REFERENCES

Society of Competitive Intelligence Professionals (SCIP), *Code of Ethics for CI Professionals*, <http://www.scip.org>.

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The advertisement features a large, stylized image of the SCIP website interface. The main text "scip.org" is prominently displayed in a large, bold, sans-serif font. To the right of the text is a starburst graphic with the word "new!". Below the main text, there is a list of four features, each preceded by a checkmark in a square box:

- ✓ Extended content
- ✓ Enhanced search features
- ✓ Bold new look
- ✓ User-friendly interface

In the bottom left corner, the URL "www.scip.org" is written in a smaller font. In the bottom right corner, the SCIP logo is displayed, consisting of the word "scip" in a bold, sans-serif font, with "Society of Competitive Intelligence Professionals" written in a smaller font below it.