

# Competitive intelligence gathering and ethics in entrepreneurship essay sample

[War](#), [Intelligence](#)



1. Is gathering competitive intelligence unethical? Explain. I believe that gathering competitive intelligence is both necessary and ethical. The question of ethics comes into play based on methods or tactics used to gather said information. I believe that use of publicly available information such as government records and filings, advertisements, and articles is ethical. Deceptive or sneaky tactics, such as hacking, designed to gain access to confidential information are not ethical.
2. Visit the website for the Society of Competitive Intelligence Professionals ([www.scip.org](http://www.scip.org)) and review the organization's code of ethics. How do the actions that Nate is considering taking to learn about his competitors measure up to the code?

It should be pointed out that the Code of Ethics applies to Competitive Intelligence Professionals; Nate is not a professional in this field so it really isn't applicable. In any case, the guidelines state that one is to accurately disclose all relevant information, including one's identity and organization, prior to all interviews and that one is to comply with all local, state and federal laws. With that said, the actions under consideration would be considered ethically borderline at best. Nate must research the legality of looking through garbage as it is likely illegal. He must also be sure to inform gym employees of his identity and organization prior to any interviews, however conducting said interviews is perfectly fine. Not having a formed an entity or started a business yet, his status probably won't be an issue if properly framed.

3. Does gathering information on their competitors mean that entrepreneurs must violate ethical standards? Explain.

Gathering information on competitors does not mean that entrepreneurs must violate ethical standards. The methods chosen to gather said information are what can lead to ethical issues. The majority of information one would need is public and readily available if you know where to look. For example, the owner of a retail grocery store can gather the advertisements of a competitor, visit the competition to gather information regarding pricing, shelving, display setup and customer service.

4. What suggestions can you offer Nate for gathering the information he needs to complete his business plan without violating any laws or ethical standards?

The overall rule of thumb that I would advise entrepreneurs follow is what I call the “light of day rule”; when considering whether or not to take a specific course of action, think about whether you could justify your actions on national television. Nate should request a franchise information package from the national franchise company; review SEC reports, if applicable; search public/tax records; visit competitors and talk to customers, employees, and suppliers; join and get involved in industry associations, review competitor websites; contact the SBA for additional resources; call insurance companies for insurance information; contact state employment authority for information regarding workman’s compensation, unemployment

insurance, income taxes etc.; and peruse the internet for articles and reviews.