Journal of Intelligence Studies in Business

How managers stay informed about the surrounding world

Klaus Solberg Søilen[a]*

[a]Department of Engineering, Natural Sciences and Economics, Faculty of Marketing, Halmstad University, Halmstad, Sweden

*klasol@hh.se

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Klaus Solberg Søilen[a]*

[a]Department of Engineering, Natural Sciences and Economics, Faculty of Marketing, Halmstad University, Halmstad, Sweden
*Corresponding author: klasol@hh.se

ABSTRACT In this paper we look at how managers and knowledge workers stay informed about the events in the outside world that affect their organizations. Data was collected using a survey of 308 subjects from around the world. A model for how managers stay informed is presented. We introduce the idea of the proprietary cloud. The findings have implications for managers who want to compare their own sources of information and improve routines for information gathering.

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1. INTRODUCTION

How do managers stay informed about the outside world on issues and events that affect their business? This is one of the basic questions not only in intelligence studies in business, but in management and business in general. It's a question that should be revisited at certain intervals as sources of information change, especially with new technologies and services.

Research on what managers read is scarce, which is surprising. Instead academics tend to focus on more general questions of knowledge management (KM), as shown in the theory chapter below. Non-academic literature sources tend to focus on what famous people read (or say they read/perception) or on what those who sell management literature and literature in general say managers should read. Another part of the literature on what to read takes the form of self-help, which shows how to cope with information overload and suggests how to handle stress. This can be quite banal. Holmes (2018): "If all else fails, take a small break".

Popular sources also focus on the problems with the information industry online and the fact that we are exchanging information for our privacy. For example, news organizations subject readers to third-party tracking (Libert and Pickard, 2015). This topic has been revitalized with the Cambridge Analytica scandal and the introduction of GDPR.

Griswold and Nisen (2014) describe what successful business leaders read: Warren Buffet tells CNBC he reads the Wall Street Journal, the Financial Times, the New York Times, USA Today, the Omaha World-Herald, and the American Banker, and that is only in the morning. Bill Gates reads the Wall Street Journal, the New York Times, and the Economist cover-to-cover, according to an interview with Fox Business. The Danish programmer David Heinemeier Hansson reads Reddit, Hacker News, Engadget, the Economist, Boing Boing, and Twitter. Jeffrey Immelt, the CEO of GE reads the Wall Street Journal "from the center section out". Afterwards he goes to the Financial Times and scans the FTIndex and the second section: "I'll read the New York Times business page and

throw the rest away". Charlie Munger is devoted to the Economist. Nate Silver, the FiveThirtyEight editor-in-chief, starts with Twitter, Memeorandum, and Real Clear Politics. Later in the day he reads blogs like The Atlantic, Marginal Revolution, and Andrew Sullivan (Griswold and Nisen, 2014). Elon Musk sticks out in his answer: "I read books" (Gautam, 2018). Many famous leaders and managers say they do their reading very early in the morning. They also exercise in the morning and do a lot of work then, which makes one wonder when they go to bed or if these answers can always be trusted.

According to a paper by McKinsey & Company (2017), leaders of some of the world's biggest organizations are all reading a series of three to six books at the time, fiction and non-fiction, with everything from Yuval Noah Harari, to Leonardo da Vinci and J. M. Keynes. Newspapers ask a similar question: what people have on the bedside table. It would be embarrassing to say that there was nothing there or that the books were just lying there half-forgotten.

What is missing from these sources is what managers in general read for their organizations to stay competitive, as we cannot assume that they follow the example of the persons mentioned above. There is, in other words, a research gap in how the well-educated, or the knowledge workers, keep informed about the world. This is an important question as it to a large extent has a direct effect on our actions, thus on the way companies are run. We would like to know where the managers get their information from and how they try to adapt to changes in the business environment. Such answers would also show what they do not read, which may be equally revealing.

2. METHOD

The population for this study is defined as any professional knowledge worker. A knowledge worker is an employee whose main capital is knowledge or who can be said to "think for a living". A professional here simply means someone who is employed. Thus, a more complete title for this paper could have been "How knowledge workers stay informed about the outside world", but for clarity and simplicity we chose the shorter version: what managers read.

A sample size of 1050 subjects were selected on LinkedIn by personal invitation. A pre-test was run for a general invitation but this resulted in few responses. Respondents were widely spread across the Western World, with about 1/3 of answers from Africa, Asia and South America. 326 complete answers were collected, where about half could be defined as "managers" and the other half as "knowledge workers", but with a substantial overlap. A manager is a person who controls a staff of employees. We should have added this as a control question. No questions were removed from the survey after an initial pre-test which included some 25 respondents. About 20% of the complete answers were taken out because they were not precise enough, giving answers like [I read] "Good Competitive Intelligence". At the end, 308 complete answers were used in the analysis. Answers of the same kind were omitted from Table 1, but the number of similar answers was counted.

The research strategy is a survey. The purpose of the research is exploratory, concentrating on three research questions:

RQ1: How do you as a manager stay informed about what goes on in the outside world that affects your company?

RQ2: What kind of newspapers, reports and TV/video do you access to stay informed about what is happening that affects your company?

RQ3: In what other ways do you stay informed about what is happening in the outside world that affects your company?

The reasoning behind the choice of questions were as follows: questions should be exhaustive, repeating questions in detail (Q2), asking for deeper answers (Q3). The coding process: The data presented in the table went through a process in three stages: 1. clarifying and condensing meaning, 2. classifying key terms/notions and groups based on answers given, 3. placing the data in the appropriate group, and 4. counting occurrences of answers and weighing these with meaning in other answers in the same category (Q1) and with other categories (Q2 and Q3). The raw data are available upon request.

The extent of researcher interference has been minimal. The author's own opinions and experience as relates to the RQs is kept out of the analysis throughout the paper. The study setting is non-contrived, meaning the people were interviewed in their normal environment, in front of their personal computer, tablets or

phones. The unit of analysis is individuals. The data collection method is surveys using the service Surveymonkey and the analysis is qualitative. The time horizon for the research can therefore be said to be longitudinal.

3. THEORY

When searching in scientific databases on the question of how managers stay informed we found few, specialized and diverse answers. Suggestions of how to stay informed varied from participating in public policy discussion (Ellis, 2002) to tweeting (Turner, 2016). Searches on phrases such as "what people read" or "how people stay informed" gave very different results in Web of Science and Scopus, such as an article about what people read in France "between 1920 and 1950" (Chesneaux, 1996) or a quick survey done in a French cinema magazine (Ciment, 2008), related to Cinema viewers only.

The single largest amount of articles found refered to how to read the bible, or are specialized contributions like "letters in interwar New Zealand", or "The Boer war and the invention of masculine middlebrow literary culture". There was nothing substantial related to management or business. I realized this may also be symptomatic for the complicated way in which we have learned to write titles and frame problems as we avoid simple titles and subjects, even when they are good questions. Instead the social sciences often try to resemble the way that problems and specializations are framed and developed in natural sciences, with over-complicated titles and concepts which make finding the information more difficult.

These issues put aside, the general question of what to read has traditionally been studied under workplace learning and knowledge management, but there is hardly any area are of study in the social sciences that does not touch on the topic in one way or another. There is a substantial literature on news consumption. Schrøder, K. C. (2019) summarizes key findings in an online paper thus: People find those stories most relevant that affect their personal lives, which they can share with friends and on social media, which are amusing or weird. At the same time, we do want to stay informed on all levels, also internationally. It follows that we are not very good at achieving what we set out to do as rational beings, which is confirmed by much of the neural sciences during the past decade. We want good news, but often end up with entertainment because it is tempting and easily accessible. The shared notion that news is everywhere is making us believe that we are well-informed or that it's enough to read headlines. News avoidance is also a real issue discussed in this literature as news is seen as negative and we do not want too much negativity in our lives.

Other studies are focused on certain industries or sectors. Kay (2001) looks at how professionals in the hospitality industry read. She found that a significant number of lodging professionals tend to read hospitality industry and general business publications instead of academic research journals, but that academic journals were rated higher by managers regarding usefulness as a source for information on research, employee management, marketing, hospitality industry, and general business, as well as professional and personal development. Other papers and papers in general are less optimistic about the value of scientific articles.

The link to business intelligence is made, for example, by Schroeder (2015):

"The widespread availability and accessibility of information via the Internet and other sources means that employees at all levels and areas of an organization are often able to directly retrieve and use data in their day-to-day work. New forms of data and analysis are rapidly emerging, particularly from the Web 3.0 technologies generating massive amounts of unstructured data that firms need to understand and utilize in pursuit of their business goals. These developments are resulting in a more data-conscious and data-driven business environment overall. Firms need to ensure that their employees are equipped with the right skills and expertise to exploit the opportunities offered by this while also managing the risks, such as misinterpretation or inconsistencies in data use."

Schroeder (2015) concludes that workers need the right skills and expertise to identify, interpret and apply relevant data and knowledge, and the organization must provide an overall environment that is supportive of and promotes data-driven activity. A manager looking for practical advice may wonder what the specific skills are, but this has not been a focus in the scientific literature. Liebowitz (2016), on strategic intelligence:

"If we make this assumption, then knowledge is at the root of this equation and thus, the ability to leverage knowledge electively internally and externally should be a core competency for the organization. All this points to the area of "knowledge management" for competitive advantage."

Liebowitz, J. (2016) explain the difference between CI and KM as follows:

"With business intelligence, the use of analytics (Davenport and Harris, 2007) and advanced information technologies often applied to assist the decision maker. Competitive intelligence (CI) deals with establishing a program for collecting, analyzing, and managing external intelligence (such as competitors, environmental scans, etc.) to improve organizational decision-making. Knowledge management (KM), as we discussed in the last chapter, looks at leveraging knowledge both internally and externally, but typically has an inward focus on maximizing human capital and other intellectual assets in the organization. Together, the synergies among these three areas (BI, CI, and KM) can result in what the author calls "strategic intelligence" (SI)."

McKenzie, et al. (2012) suggest that the best way to make employees inspired to learn about the world is by reducing hierarchies. This frees people to use their knowledge more responsively; geographical dispersion gives better access to specialist expertise wherever it exists. In the book "Understanding the Knowledgeable Organisation: Nurturing Knowledge Competence" McKenzie and Van Winkelen (2004) make similar observations.

The notion of tacit knowledge was introduced by Nonaka (2007). Tacit knowledge consists partly of technical skills – the kind of informal, hard-to-pin-down skills captured in the term "know-how." A master craftsman after years of experience develops a wealth of expertise "at his fingertips":

"These activities define the "knowledge-creating" company, whose sole business is continuous innovation. Deeply ingrained in the traditions of Western management, from Frederick Taylor to Herbert Simon, is a view of the organization as a machine for "information processing." there is another way to think about knowledge and its role in business organizations. It is found most commonly at highly successful Japanese competitors like Honda, Canon, Matsushita, NEC, Sharp, and Kao. "The centerpiece of the Japanese approach is the recognition that creating new knowledge is not simply a matter of "processing" objective information. Rather, it depends on tapping the tacit and often highly subjective insights, intuitions, and hunches of individual employees and making those insights available for testing and use by the company as a whole."

The idea that a company is not a machine, but a living organism, leads to the evolutionary approach. It's not an accident that this comes from a Japanese scholar. The evolutionary approach was well-developed in Germany and Japan and interest prolonged also after WWII. The narrative is often the same. Social life on our planet is consistently changing. Managers and professional must adapt to these changes to stay competitive. Adapting to these changes first of all means getting new knowledge and skills. New knowledge and learning come predominantly through education and reading. What managers chose to read has a direct effect on how well the organizations that they are set to lead are able to compete in the market. The question then becomes what to read. The answer will to a large extent depend on the industry that we are in. Cultural factors also play a role. The evolutionary approach is also supported in McKenzie, et al. (2012): "Tension is essential to a healthy system: it triggers adaptation."

From the theory review it must be concluded that the question of what mangers should read has not been the object of scientific investigation, and thus represent a gap in the research. Existing theory will be used to compare empirical findings and to conduct an analysis.

4. DATA AND ANALYSIS

The answer data from the three main questions from 308 subjects was exported into MS Excel. Comments about sources could be classified into general sources, HUMINT related sources, specific sources, internet-based sources and TV and radio sources, as in Table 1.

When reading the different classes of data, we see that the separation between TV and internet is not that clear, even though it still make sense to keep this classification. Nor is there a clear distinction between physical

papers and the internet as different sources, including radio, are digitalized and available over the Internet. A subscription to, for example, The Economist can give access to the physical journal and the web-based journal, as part of the same subscription.

From the data we can draw a number of immediate conclusions:

- No one said they read books
- New media companies are dominating as providers of competitive information: Google, YouTube, LinkedIn, Facebook, Twitter
- People watch TV news first of all, to the extent that the content is available on YouTube
- Trade shows are a major source of information
- Radio is not a significant source of information anymore, with the exception of in places like the African continent and to a certain extent in France
- HUMINT is still considered highly relevant for information gathering, on all levels and across organizations. This includes "co-workers and colleagues", but also gossip and "friends in the media".
- Many managers say they get their best information through emails, from Google and the act of googling. This makes Google LLC the single most important source for competitive intelligence.
- A number of reports are widely popular, for example from OECD, IMF, and the World Bank, but those are also distributed by the major consulting companies.
- Most managers read a combination of their local and/or national news and international news.
- The most popular sources offline are The Economist, WSJ, and NY Times.

There is a strong notion that "open source is mostly noise". This implies that managers are willing to pay for good information because searching in Open Source is often found to be a waste of time. It may also mean that managers feel they are not able to search effectively in Open Source.

Table 1 Sources of knowledge for managers and knowledge workers.

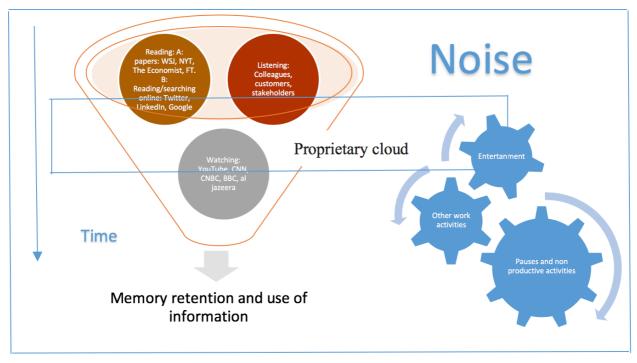| General sources	Magazines, tech magazines, professional newsletters, financial column in newspaper, business report, online newspaper feeds, social media feed, regular gazettes, blogs, vlogs, scientific papers, regulatory bodies, significant movement or activities in the market, consultancy services and media monitoring services, internal financial data, operational activities, technological advancements, annual reports, events and congresses, focus on credibility of information, previously acquired, subscribing to specialists on macro-economics, reports from business consultancies from big 5, continuously update internet crawl targeting, corporate news of relevance that feeds into a news dissemination intranet system, press releases of companies, scientific community, industry white-papers, internet forums, gossip
HUMINT	Engaging suppliers, channel partners, competitors. keep a keen eye on sectors, events and people, journalists covering the sector, rely on communication department, peers in other regions, personal network and relationships with top officials, media friends, discussing topics with co-workers and partners, competitor analysis, competitor's employees, a friend circle with successful people, informal meetings with experts, events organized by embassies or trade associations, coworkers and colleagues
Specific sources	Economic Times, Financial Times (FT), Khaleej Times, Gulf News, (Brazilian) National Industry Confederation Reports, Ghanaian Times, Daily Guide, Business and Financial Times and The Dispatch, The Economist, Autonews, Automobilwoche, Manager Magazine, Focus, Handelsblatt, Il Sole 24 ore, Business Insider, Forbes, BBC, In Sweden: DN, SVD, DI, HBR, NRC, Handelsblad, Le Monde, Le Figaro, MIT review, Verge, Techcrunch, McKinsey Q, BCG, Bain, Deloitte, WEF, Goldman Sachs, The Guardian, El País, UBS, Exane, Barclays, Times Higher Education, QS World Ranking, Guardian League Table, Fortune
Internet-based	LinkedIn, YouTube, Gmail Alerts, Google search, emails, thinkerview, Diane, Orbis, Kompass, TEDx, Reuters, Specialized tech content (Gartner, IDC), CB Insights, Infodesk, Swedish Tax Organizations Information, Wikipedia, Crunchbase, Mapegy, Clarivate, Foresight, Resumé, Journalisten, Dagens Media, Medievärlden, Digiday MediaGuardian, Nieman Lab, Reddit, Google News
TV-Radio	CNN, Sky News, CNBC, Bloomberg, GTV (Ghana), France Info, Aljazeera, Euronews, France Culture, Joy NewsTV (Ghana)

Figure 1 The manager's model for staying informed.

HUMINT plays a large role as a source of information, but no one mentions travelling by itself as a source of learning about the world, which is something Westerns used to value highly (Søilen, 2016). Today it seems to be more Asian which are "roughing it", while western youth prefers "to party" and have fun. This may be symptomatic for the decline of the West, as Julius Caesar surely would have noted if he had lived today [he warned his own youth against the rise of the Germans in the book the Gallic Wars].

From the answers, the managers' information gathering can be divided into three parts or distinct activities: listening, reading and watching. These correspond to our most important senses for information gathering, hearing and seeing.

Based on these conclusions and on the existing theory presented above, a model was constructed to make sense of the different components, as shown in Figure 1.

In Figure 1, the larger square box represents all the information available. Inside that box most information is Open Source and most of this is considered 'Noise', or at best nice-to-know information. The opposite of Open Source (which is free) is proprietary. Proprietary information comes in many categories, as part of what we read, what we hear (as in consultancy), in what we watch and as part of the entertainment we consume. At the same time there are parts of the same four categories that are also Open Source. The smaller box is the proprietary cloud. I's called a cloud because it is hanging over the available information we search for, often in the form of barriers, or information behind paywalls.

What we read, see and listen to are the groups of categories where we actively seek to gain new information. These groups are placed in a funnel in the model, where the amount of information retained diminishes with time. What comes out of the funnel is the information that we use which is only a small part of all the information we take in from the beginning (to of funnel). The reason is that we forget parts of what we read even in the shorter term (memory loss) and that the situations we are confronted with in business life only demand that we use a very small part of what we read. Thus, what comes out of the funnel is a function of memory retention and the use we have of information that was acquired.

The information age means that information is in abundance, but this is a mixed blessing as most information is "useless, trivial and distracting". Thus 'noise' is a major problem in the process. The challenge with noise is not to put any of it in the funnel, meaning that we must disregard it from the very beginning once it has been identified. We can use AI and machine learning to help us sort out the noise, much like in spam filters

So far, the model presented could make an ideal model in an ideal world, but theory suggests there are other components to be added. One part is that we mix intelligence with entertainment as we search. We are continuously being drawn to other tempting sorts of information that are distracting and stealing our time, but which at the same time we seek. Humans are not machines. We do not spend all of our working time even gathering and analyzing intelligence. Instead we have a need to take pauses, perform other tasks (out of necessity and to avoid monotonies), and we want to be entertained. Entertainment has never been more accessible than now with the Internet (not only cat and dog movies). Thus, these three parts may be seen as a necessary part of the information gathering process for it to work, and must be included in our model to make it more realistic.

A major question is how good the sources that are identified above in the survey are for the purpose of monitoring the world. This brings us to the second major question which is what alternative sources of information there are that are missed by the respondents in the survey. Those included are overall mainstream. We see that those missing are non-Western.

A more detailed answer is that major external sources are missing like the TV stations CGTV (pro China) and RT (pro Russia), often labeled as propaganda channels by Westerners. Then there are narrower Western channels like Democracy Now! (TV) and the economic blogs Zero Hedge and Naked Capitalism. There are numerous university professors in business and economics who blog regularly, like Michael Hudson, Steve Keen and Richard Wolff, none of whom tend to appear on mainstream lists of economic bloggers. Even main stream bloggers like Robert Reich, Stephen Stieglitz and Paul Krugman are missing from the survey. Institutional blogs are also missing like IMF, the Mises Institute and Council on Foreign Relations, just to mention a few. Another problem altogether is that many respondents say they use Twitter, but we do not know who they are following which makes a whole world of difference. From the major papers we miss China Daily and Asahi News (Japan). Otherwise there are numerous newspapers in Japan and Pakistan with large circulation but their impact is more local. Then there are the major magazines missing like Der Spiegel, Newsweek, Time magazine, Foreign affairs, Harpers, New Statesman, The Spectator, and Focus (German). For France: L'Express, Le Point, L'Obs and Jeune Afrique. In Italy: L'Espresso and Panorama. Wikileaks was another major source of information missing even though many probably read or see the stories coming from there but printed in other media outlets.

5. CONCLUSION, IMPLICATIONS AND FUTURE RESEARCH

There are two main conclusions to be drawn from the data. The first is what is in the data, which is what managers and professionals say they read. The other is what is implicit in the data that is what is missing, what respondents do not read. We see that managers mainly read mainstream and western sources. That is not a major problem for the companies as long as valuable information comes from these sources, which is not given. It is a risk that these sources present the same world view, especially as the Western world is losing economic influence to Asia and China in particular. Western managers have a knowledge deficit when it comes to their major competitors and to Asian cultures which can be seen through what they read, but more so, what they do not read. It's noteworthy to see that managers do not read more books and scientific articles. Radio is probably better than the attention it gets from managers as a source of valuable information. We also see that few respondents read news agencies directly except for Reuters. They do not read smaller, narrower publications except for special trade magazines or for specific industries. The survey also suggests that managers and professionals read more heuristically, not necessarily what gives the most valuable information, and they do not read in an organized fashion.

The competitive company is an intelligence driven organization. This is more true today than ever before in history. Still it can be argued that managers and knowledge workers in general are not handling the question of what to read professionally. Instead much is ad-hoc and based on habit. Others know that they have to get good information to know what is happening in the world, but fail to access it. Learning is not only a question of what the individual reads, but of spreading the message around repeatedly through frequent dialogue and communication. On this point, managers report that they do quite well.

6. FUTURE STUDIES

This and other studies focus primarily on what people say they read. More studies are needed on what managers actually read, what they recall from reading and what they actually use to make decision.

There is another question almost equally important and that is how to read, from what platforms. This raises another question which is when to read what. As we have seen from popular sources, managers say they read early in the morning, but they also prefer to eat and exercising during this time and the morning is only so long.

It would be interesting to know how much time we are using on each of the different categories of sources. We are changing back and forth between sources much more than before. This leads to news as a series of distractions which is deteriorating our concentration in general. The consequences of this on our understanding of what we read will have to be studies, but preferably then by psychologists and neuroscientists.

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