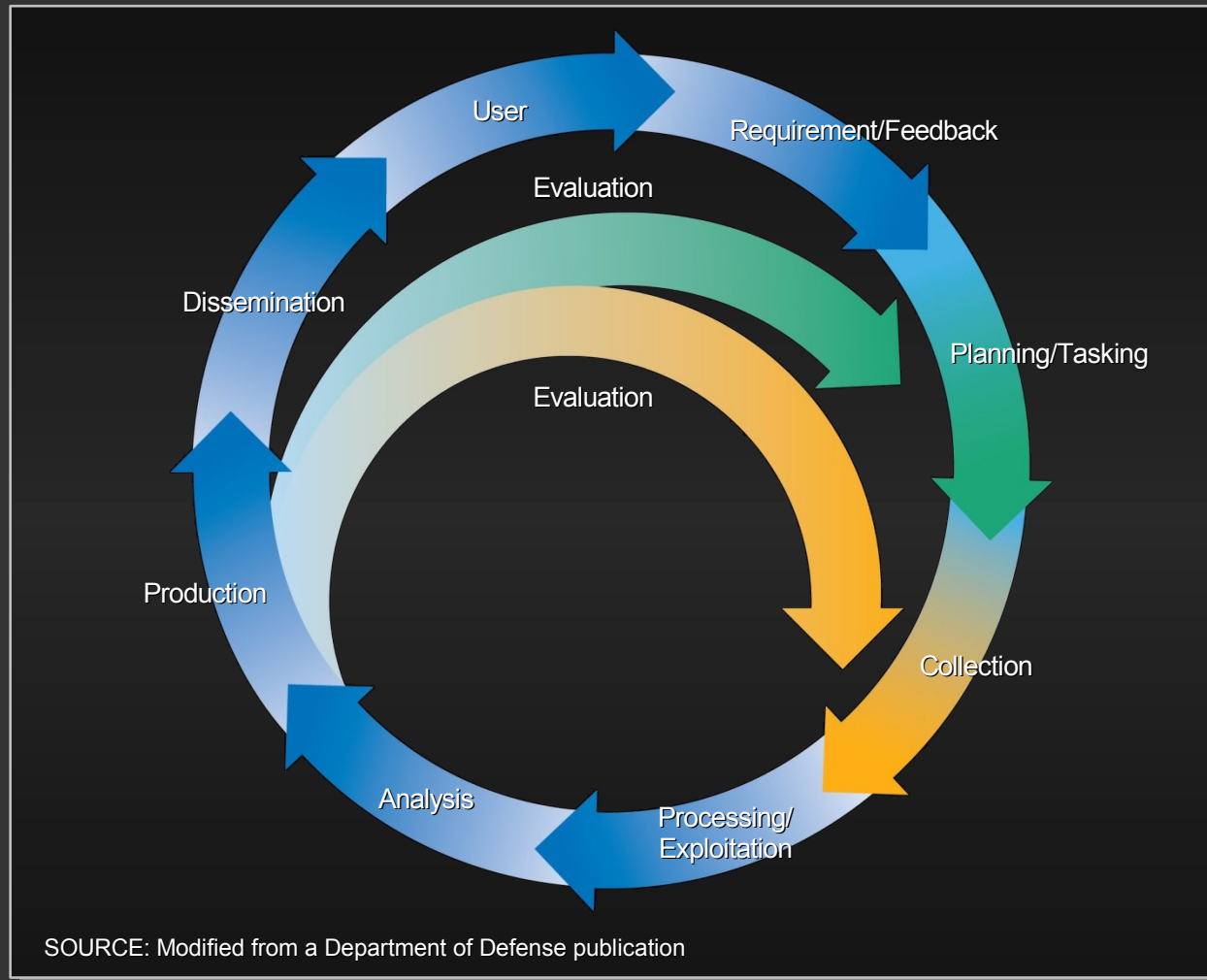
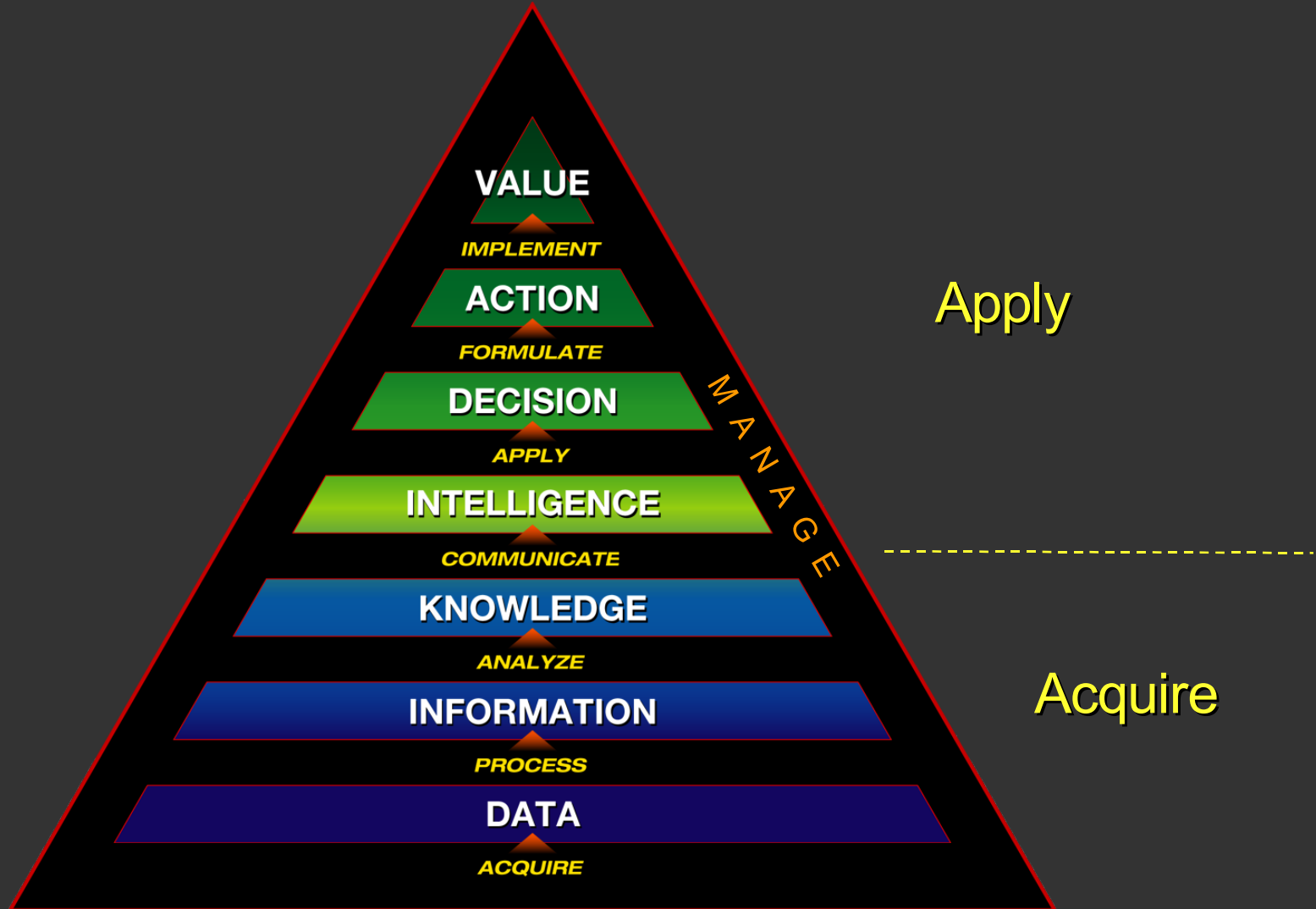


Legacy Intelligence — US Intelligence Community’s “Intelligence Cycle”



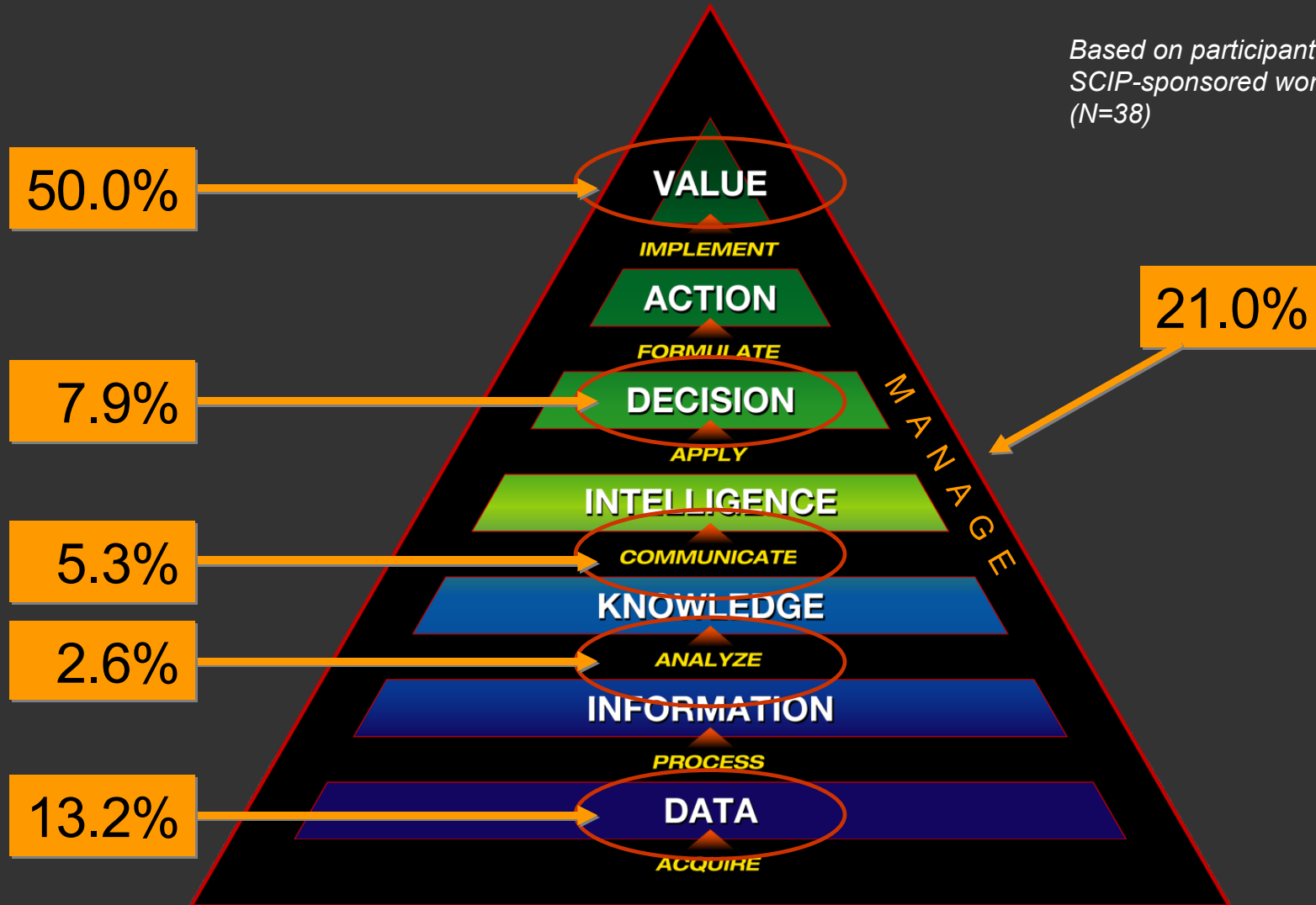
SOURCE: Krizan, *Intelligence Essentials for Everyone*

The Knowledge Value Chain



Use KVC to identify and solve intelligence problems.

Based on participant input from SCIP-sponsored workshop (N=38)



Learn how to measure your “ROI baseline”

Intelligence: Developing the Business Case

by T.W. Powell

Chapter from the book *Starting a CI Function* to be published by SCIP, spring 2008. This manuscript may be edited before final publication.

SUMMARY: Intelligence should be seen, not as a cost, but as an investment. But to do that, one must define specifically the ways in which intelligence creates value. And, to the extent possible, each of these ways should be quantified wherever possible. Intelligence is a fact-based discipline, and demonstrating its value should likewise be fact-based.

This chapter proposes using a discounted cash flow (DCF) project financing model to seek and justify new investments in corporate intelligence. The economic value-added from intelligence is estimated based on the benefits that derive from each of four major roles played by intelligence professionals.

Introduction - Two Vignettes

Scenario 1 – A Visit to the Doctor

You pay a non-routine visit to your doctor. The doctor's first question is, "What kind of pills would you like today?"

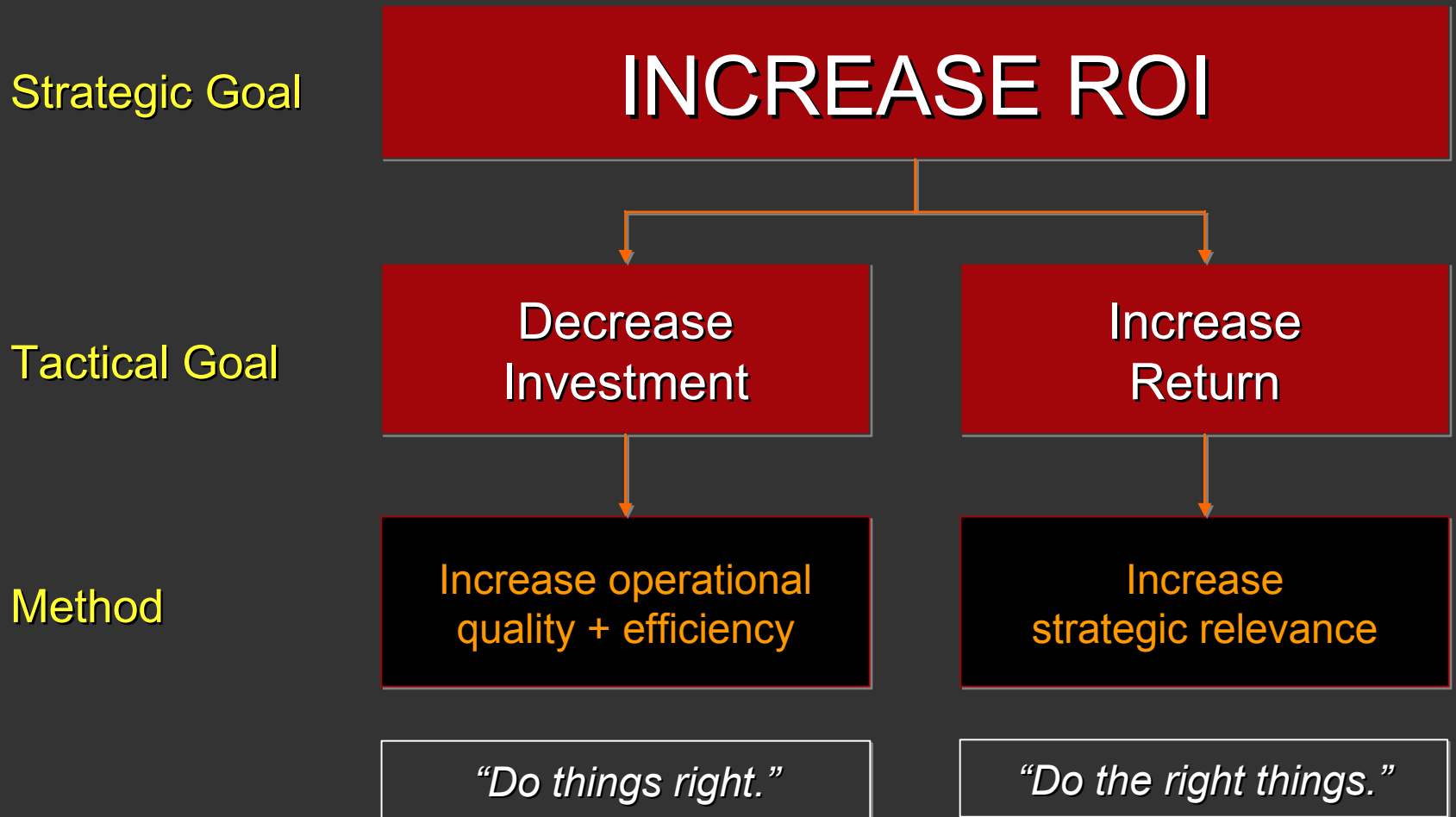
Your reaction? You're shocked at the incompetence, and look for another doctor. Any doctor that prescribes medicines upon request is little more than a very expensive vending machine.

We expect the doctor's first question to be something more like, "What is bothering you today?"

Intelligence: Developing the Business Case
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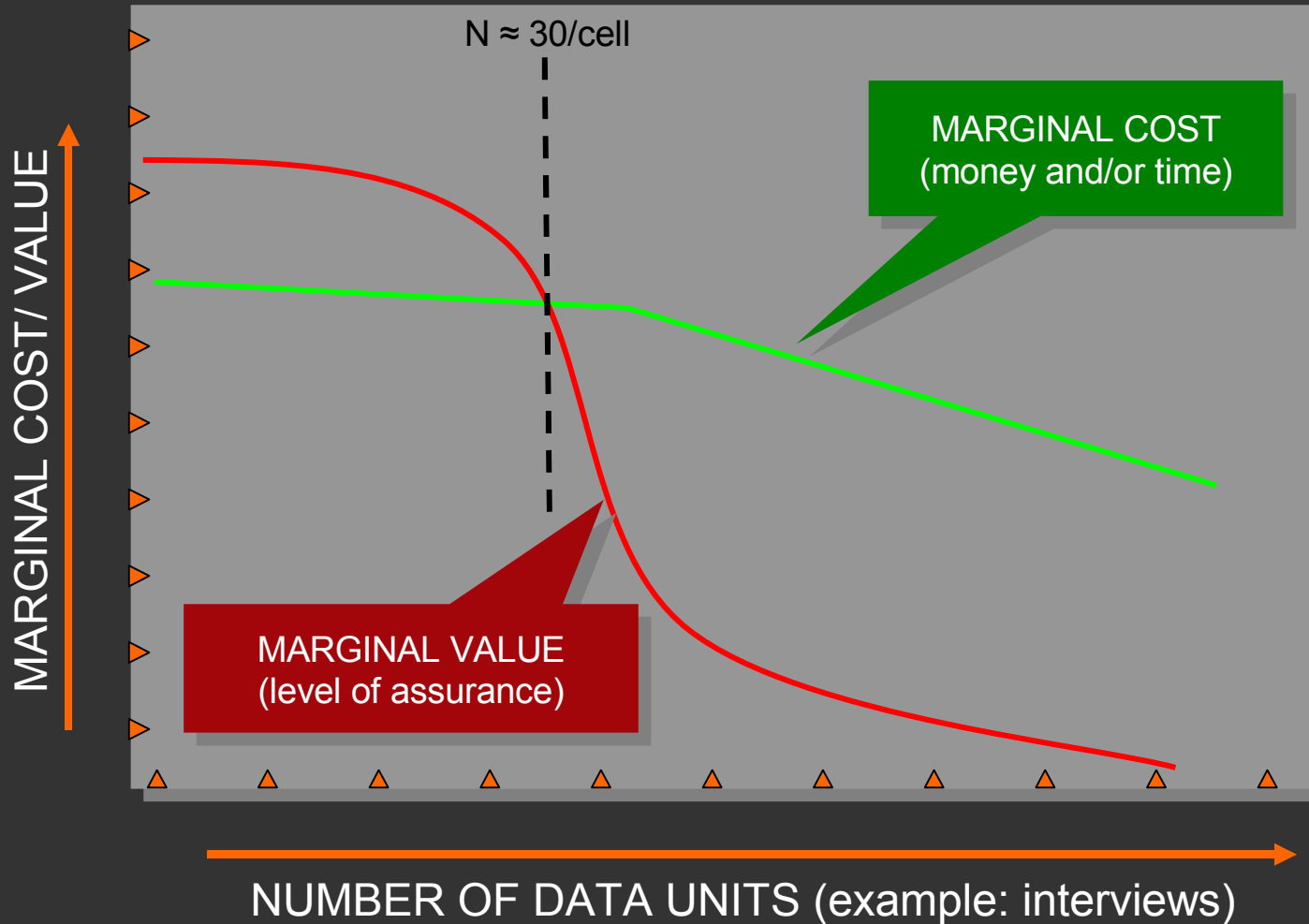
- TWP chapter “Intelligence: Developing the Business Case”
- Includes discounted cash-flow metrics
- In *Starting a CI Function* – SCIP, spring 2008

How can we increase Return On Intelligence?



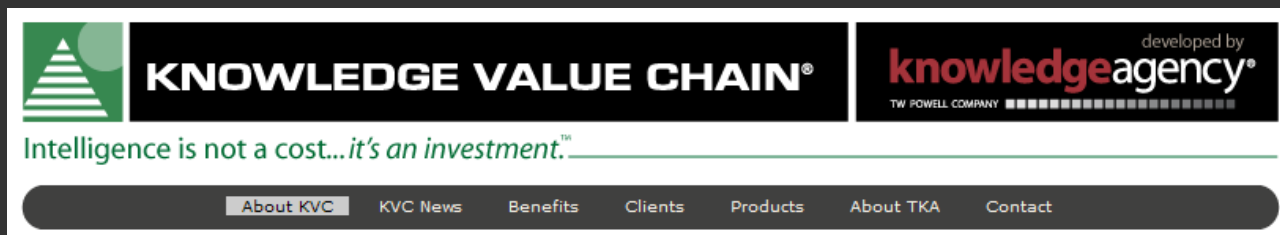
POLL →

Value vs. Cost of Data (per unit)



More at:

- KVC site – www.knowledgevaluechain.com
 - Read KVC Workbook excerpts
 - Reserve a copy of the Workbook
 - Request a manuscript copy of the SCIP ROI book chapter
 - Request information on the KVC Clinic
 - Contact Tim Powell



The screenshot shows the top section of the Knowledge Value Chain website. On the left is a logo consisting of a green triangle with white horizontal lines. To its right, the text "KNOWLEDGE VALUE CHAIN®" is displayed in white on a black background. Further right, the text "developed by knowledgeagency®" is shown, with "knowledgeagency" in red and "developed by" in smaller black text. Below this, "TW POWELL COMPANY" is written in small black letters. A horizontal line separates the header from the navigation bar. Below the line, the slogan "Intelligence is not a cost...it's an investment.™" is written in green. At the bottom, a dark grey navigation bar contains several menu items: "About KVC", "KVC News", "Benefits", "Clients", "Products", "About TKA", and "Contact".