SECURITY INTELLIGENCE REVIEW COMMITTEE

SECRET

SIRC REVIEW 2016-06
REVIEW OF CSIS'S SPECIAL PROJECT ON OPERATIONAL TRANSFORMATION

SUMMARY

- The Special Project on Operational Transformation (SPOT) was launched in July 2012 following recommendations put forward in CSIS's 2010 Business Modernization Project. SPOT is an important operational initiative, intended to not only change how CSIS approaches its operations, but also to transform the roles and responsibilities of its staff.

- SIRC was informed, and saw the benefits, of SPOT through the furthering of investigations and the increased inclusion of other areas of operational support. The team-based approach for tackling leads, gaps, and investigations has meant that roles which had traditionally been viewed as "support" functions have become more integrated and have a larger role to play in day to day regional work.

- Overall, **SIRC found that although the SPOT model is predicated on a consistent approach to operations, flexibility exists for the regions/desks to adjust the model to fit with the realities of the operating environment.**

- **SIRC found that communication will continue to be an essential element of SPOT – even after it has been firmly established as part of the operational culture of CSIS.**

- Given the magnitude of the cultural change inherent in SPOT, the transition will take time and SIRC recognizes the initiative is still ongoing and that there are lessons still to be learned and best practices to be shared.

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1   INTRODUCTION

The Special Project on Operational Transformation (SPOT) was launched in July 2012 following recommendations put forward in CSIS's 2010 Business Modernization Project. SPOT is an important operational initiative, intended to not only change how CSIS approaches its operations, but also to transform the roles and responsibilities of its staff,   . The initiative, first rolled-out and piloted in   regional offices, focused on streamlining operational functions, with greater emphasis on collaboration and integrated approaches to managing investigations.

Guided by three objectives, this baseline review sought to provide SIRC with a deeper understanding of the SPOT program model. First, SIRC examined the purpose and rationale behind the SPOT initiative – the need for the transformation and the key components. Second, SIRC looked at how CSIS implemented the initiative, by focusing both on the regions and desks first involved in the initiative, and Headquarters' (HQ) expectations. This included an examination of how SPOT is actually functioning in the regions and any adjustments the regions made to reflect the realities of the operational environment or the requirements of the desks. Finally, SIRC focused on the implications and operational impact of the SPOT initiative from both an HQ and regional perspective. Overall, SIRC found that although the SPOT model is predicated on a consistent approach to operations, flexibility exists for the regions/desks to adjust the model to meet the realities of the operating environment.

2   METHODOLOGY

This review examined SPOT to understand how CSIS will be conducting operations in the future. SIRC looked primarily at corporate documents, exchanges between HQ and the regions, as well as documents reflecting feedback from the pilot projects and the implementation process. In addition, SIRC sought and received input from all CSIS regions, including visits to Toronto and Ottawa Regions. SIRC held several briefings with management and staff, both at HQ and in the regions; exchanges with those working on the SPOT initiative and those operating in the new structure provided valuable insight.

SIRC assessed whether the SPOT model provided the flexibility to adapt to the unique conditions of the regions and/or investigative requirements. In addition, SIRC assessed how the associated challenges were managed by both HQ and the regions.

The core review period for this study was January 1, 2013 to April 30, 2016, but SIRC examined documentation that fell outside this period in order to provide a complete assessment of relevant issues.

3   BACKGROUND

In 2010, CSIS undertook a Business Modernization Project (BMP) in order to improve the efficiency and effectiveness of CSIS operations. The final report contained numerous findings and recommendations aimed at streamlining the functions of CSIS and eliminating duplication and redundancies. One of the findings of the BMP was that there was an "unclear delineation of roles and responsibilities between HQ branches, regional collectors and   personnel." Therefore, "(r)oles and responsibilities... should ideally be distinct and complementary along a continuum of activity (from collection, to case management, to analysis, to production)."[1]

The BMP was followed by a number of corporate initiatives that further identified a number of deficiencies in CSIS's operational model. For example, CSIS noted that it needed a "more proactive, flexible and forward-looking approach" in order to have the "capability to respond to emerging threats in balance with... established requirements." It also noted that it lacked fully integrated programs – the blending of operations and analysis, or "a structured approach to reviewing progress and the effectiveness of collection against national direction and ensuring accountability."[2] CSIS also noted that it required a structured national approach to prioritization,   as well as clarity of function in order to ensure productive collaboration, responsibility and decision-making.

In this same time period, CSIS released its strategic plan for 2014-2017. This plan identified CSIS's strategic objective as creating "a Service that is nimble, flexible and innovative and takes responsible risks in the delivery of [its] mandate and in the pursuit of [its] strategic outcomes." The report listed five such strategic outcomes dealing with leadership, risk, technology, clients and employees. Overall, CSIS noted that it needed a "more proactive, flexible and forward-looking approach" in order to have the "capability to respond to emerging threats in balance with... established requirements."

In response to all this work, CSIS launched SPOT– a project that is still ongoing as significant changes are rolled out both at HQ and in the regions. One of the primary goals of SPOT is to create an operational environment that can be proactive, flexible and forward-looking. Indeed, CSIS sees SPOT as being key to transforming operations to ensure that it has "the right skills, knowledge and competencies to carry out... critical analysis, collection, reporting and regional administration functions." More concretely, in

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[1] CSIS Business Modernization Project Report. 2010. P. 23. *Secret*
[2] SPOT: HQ Operational and Analytical Transformation. 2015 12 15

CSIS's words, SPOT was "founded on a structured approach
, shaped by HQ national program leadership, [and] supported...by a more
efficient and focused regional collection management methodology."[3]

To achieve these goals, SPOT clearly delineated and defined   positions,
which cover the spectrum of CSIS activity and provide for clear case management.

The model also reinforces a team-based approach to operations and investigations.

As the program matures, analytical resources
will be physically integrated into the operational areas.

CSIS has identified SPOT as key to transforming operations to ensure that CSIS has
"the right skills, knowledge and competencies to carry out... critical analysis, collection,
reporting and regional administration functions." While SPOT fundamentally changed
how investigations are managed   and moving to a team
based approach,[4] CSIS HQ was not prescriptive in its implementation – it provided the
"what" in terms of objectives, but left the "how" of implementation to the regions in order
to ensure sufficient flexibility. The next section examines how SPOT was rolled out and
implemented in CSIS's regional offices.

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[3] Final Report of the Special Project on Operational Transformation (SPOT) – Integrated Program Model Pilot. 25
November 2014. *Secret*
[4] At the time of writing, CSIS is still working on other aspects of SPOT, including   issues and fully implementing
a method of handling cases of national priority.

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4 ROLL OUT AND REGIONAL ENGAGEMENT

The strategic goal of SPOT was to achieve operational efficiencies "via greater streamlining and integration of functions, designed to achieve increased focus on investigative planning and decision making." Objectives also included efforts to strengthen the discipline of   and to test the effectiveness of

[5] The regions were then given the latitude to determine how best to do this within their operational realities.

However, in setting out these roles, HQ did not dictate how they were to be established or implemented; the precise job description for were not fully fleshed out as CSIS wanted these positions to become more clearly defined during the initial phases of implementation, and to be reflective of regional realities and particularities. What HQ did specify were the principles behind the transition in order to make clear to the regions what the outcomes should be.

After considerable planning,
                          the initial phase of SPOT was rolled out in February 2014. Toronto Region (TR),   was chosen for the rollout. The second phase involved the roll out in Ottawa Region (OR),   , in early 2015.

Prior to rolling out SPOT nationwide, formalized feedback sessions were held with TR staff and a final report was prepared. For example, TR defined and shaped the new IO functions, realizing that the roles need greater delineation. With this feedback from TR, HQ issued a document that clarified the various roles under SPOT,
        , and their interactions in order to provide more structure and reduce some of the challenges that had resulted from the ambiguity. From there, SPOT was rolled out nationally to all regional offices and a regional SPOT working group was formed with representatives from each region to share lessons learned and exchange information and experiences. SIRC heard that other regions learned from TR's experience and were able to change their approach to the SPOT roll out, particularly with regard to

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[5] Final Report of the Special Project on Operational Transformation (SPOT) – Integrated Program Model Pilot. 11 25 2014.

In rolling SPOT out nationally, most regions were similar with some variations, as will be discussed later in this review. However,   required some additional consideration.   began with   as resources were available and willing to implement SPOT.

With SPOT, the focus changed

. Through the implementation of SPOT   determined that such a shift is operationally possible and beneficial; however, the transition will take some time as   is also in the process of testing a new   model   [6]

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[6] SIRC will examine the   model in its review   – to be presented to the Committee in March 2017.

5   OPERATIONAL REALITIES AND CHALLENGES

SIRC's review focused on the operational realities and challenges of implementing this fundamental change in how CSIS manages and executes the collection of security intelligence. In order to assess SPOT's impact   SIRC consulted with all of the regions and examined documentation related to working groups and employee feedback on the initiative.

SIRC was informed, and saw the benefits, of SPOT through the furthering of investigations and the increased inclusion of other areas of operational support. The team-based approach for tackling leads, gaps, and investigations has meant that roles which had traditionally been viewed as "support" functions have become more integrated and have a larger role to play in day to day regional work. SIRC noted the increased collaborative atmosphere   in the regions and was informed, universally, that this has been a positive development.

5.1   Challenges: Perceptions, Ratios and Workspace

CSIS identified a number of challenges stemming from the SPOT model. Initially, there was a set of perceptions   that added additional challenges to successfully implementing such a fundamental change. In addition, getting the ratio between   right, laying out an effective collaborative work space, and dealing with the unique realities and requirements of the particular region appear to be universally experienced challenges.

Previously, the primary function of   was perceived as the collection of information   . Secondary to this were the administrative tasks

Initially it appeared that the   role had all the secondary tasks removed, allowing   to focus first and foremost on   collection, and that   took on all the administrative office-related duties - leading to some initial perceptions that it was a less favourable and more junior position.[8] This viewpoint added to the challenge of assigning staff to the new positions

Regions were given the latitude to decide how to place   . This was not an easy exercise and there were definite growing pains during

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[7] Ibid., p. 9.
[8] As noted in the SPOT Role Guidelines document "the perception also exists that one must first work as a and then graduate to the   role".

the roll out process.

5.2 Unique Regional Challenges –

As the region with the largest   investigation, had some unique challenges.
noted that flexibility was important with regard to   investigations, but that the
nature of the investigations meant that   had distinctive
characteristics.

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has used the flexibility in its implementation of SPOT

also faced the unique challenge of being the smallest region and therefore, the least able to adapt to a model based on defined roles due to a lack of resources.

Finally, in   , one challenge of implementing SPOT stems from the fact that structure is based on   [14] This made allocating resources more challenging, but   was able to find a suitable working solution.

Overall, **SIRC found that although the SPOT model is predicated on a consistent approach to operations, flexibility exists for the regions/desks to adjust the model to fit with the realities of the operating environment.**

5.3   Change Fatigue

It is important to note that the roll out of SPOT coincided with a number of other large changes at CSIS,

. All of these initiatives in a short span of time led to some change fatigue and to some implementation delays in certain areas.

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[14] SIRC briefing   , November 23, 2016

6　　IMPACT AND IMPLICATIONS OF SPOT

While SPOT's national roll out is still in its early phase, there are a few consistent messages that surfaced during SIRC's review. Overall, despite the cultural shift, growing pains and change fatigue, the value or perceived value of SPOT was apparent.

The collaborative team approach to investigations also provides a better understanding and allows more direct input from a diverse number of people working on the file.[16] In addition, the case management expertise helps to ensure that leads and support requests are acted upon.

However, one drawback that was noted by all regions is that of resources. In many regions, there are not always enough personnel to fill all of the roles identified under SPOT. And even when those roles are filled, the SPOT model is more acutely affected by vacancies and staff absences, particularly in the smaller offices, where a single absence can make a big difference.

All regions also commented on communication as key to the success of the model – both between the various roles at the working level and between the working level and management. The bifurcation of　　　　　functions has meant that　　　　　　　often experience a loss or lack of ownership of the investigation. The regions, whether formally or informally, have developed methods for mitigating this through a variety of communication methods (i.e. bi-weekly meetings, informal newsletters, brainstorming sessions). Overall, **SIRC found that communication will continue to be an essential element of SPOT – even after it has been firmly established as part of the operational culture of CSIS.**

As SPOT is rolled out, there will be further changes to come. The goal at HQ is to clarify the roles and functions between HQ and the regions, and to provide streamlined and coordinated HQ and analytical functions through the integration of . CSIS has coordinated and consulted with　　　and the desks on this transition and the first stage will involve

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[16] SIRC briefing　　　　　　　October 12, 2016

Another outstanding issue that the roll out at HQ will address is "Cases of National Priority," which are assessed as involving significant implications for domestic or international partners or as having significant operational impact.

         SIRC was informed that this process is still requires a better structure underpinning the decision to elevate a case to national priority and is an area that will be worked on as HQ undergoes transition.

7   CONCLUSION

Overall, the SPOT implementation was carefully considered and rolled out in a manner that provided flexibility for the regions to address and adapt the initiative to operational realities. Given the magnitude of the cultural change inherent in SPOT, the transition will take time and SIRC recognizes the initiative is still ongoing and that there are lessons still to be learned and best practices to be shared. SIRC will, in the context of its ongoing reviews, have the opportunity to examine the impact of SPOT and its implementation at HQ.

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