



FEDERAL BUREAU OF INVESTIGATION

STRATEGY MANAGEMENT SYSTEM

Implementing the Balanced Scorecard at the FBI

March 2009



Table of Contents

- ❑ **Introduction and organization overview**
- ❑ **Change in operating environment and strategy shift**
- ❑ **New FBI Strategy Management System (SMS)**
- ❑ **Development of the Office of Strategy Management (OSM)**
- ❑ **Key Challenges and Lessons Learned**



Organization Overview

- ❑ Organization: **Federal Bureau of Investigation**
- ❑ Services: **Criminal and National Security investigation; National Intelligence Contributor; Law Enforcement Services**
- ❑ Customers: **American Public; Department of Justice; White House; Congress; ODNI; Greater Law Enforcement Community**
- ❑ Operating Budget : **\$7.0 Billion**
- ❑ Locations: **Washington D.C. (headquarters), 56 Field Offices, 450 Resident Agencies and 75 foreign liaison offices**
- ❑ Employees: **approx. 32,000**
- ❑ Other interesting facts:
 - **The FBI was established in 1908**
 - **Director Robert Mueller, appointed to a 10-year term Sept. 2001**
 - **In 2008, the FBI made roughly 25,000 arrests, resulting in 16,000 convictions**
 - **The FBI maintains 81 million fingerprint files for law enforcement and civil purposes**
 - **The FBI Lab has a staff of 1000 scientists and technicians and conducts more than 1,000,000 forensics examinations per year**



Changed Expectations of the FBI

Twentieth century model:

- ❑ **Solve Traditional crimes having interstate nexus or specific federal jurisdiction and prosecute offenders**
 - Bank Robberies
 - Fugitives
 - Kidnappings
 - Interstate Theft
 - White Collar Crime using mail or wire
 - Organized Crime
- ❑ **Foreign Counterintelligence work**

Twenty-first century model:

- ❑ **Prevent acts of terrorism against U.S. citizens and U.S. interests**
- ❑ **Defend the U.S. against foreign intelligence threats**
- ❑ **Mitigate the criminal threats to the U.S. regardless of where in the world these emanate from**
- ❑ **Leadership and service to our partners in the law enforcement community**
- ❑ **Full partnership in the intelligence community**
- ❑ **Critical Incident Preparedness**



FBI Strategy Execution Timeline

National Intelligence and DOJ Strategies

FBI Vision and Mission

FBI Priorities (2002)

1. Protect the United States from terrorist attack
2. Protect the United States against foreign intelligence operations and espionage
3. Protect the United States against cyber-based attacks and high-technology crimes
4. Combat public corruption at all levels
5. Protect civil rights
6. Combat transnational/international criminal organizations and enterprises
7. Combat major white-collar crime
8. Combat significant violent crime
9. Support federal, state, local and international partners
10. Upgrade technology to successfully perform the FBI's mission

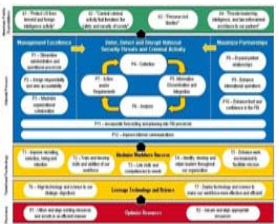
The FBI priorities articulate the manner in which the FBI will address its responsibilities.

FBI Strategic Shifts (2006)

Domestic	Scope	Global
Law Enforcement	Role	National Security and Law Enforcement
Case-Driven	Focus	Threat-Driven
Qualitative Evaluation (Case-based)	Measurement of Success	Quantitative Evaluation (Threat-based)
Contributor	Performance Community	Full Partner
Tactical	Senior Management	Strategic
"Protect and then what you must"	Information Strategy	"Clear, and focused about you must"
Ineffective communications	Internal Communications	Effective, relevant and timely
Operational silos	Organizational	Integrated team approach
Inefficient and ineffective HR processes	Human Capital	Highly efficient and effective HR processes
Agents' Support	Culture	Team of Professionals
Antiquated and disparate IT systems	Information Technology	Modernizing legacy and IT systems, prioritizing data
Applying developed S&T	Science & Technology	Developing and applying applied S&T
Budget-driven Strategy	Resource Management	Strategic plan budget

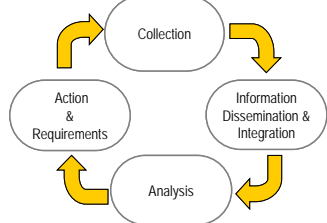
The FBI Shifts articulate the vision of what the FBI looks like in 3 to 5 years.

Strategy Management System (SMS) (2006)



The Strategy Map and Scorecard delineate how the FBI will execute its strategy and accomplish the shifts.

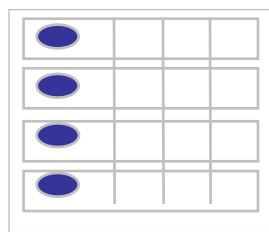
Strategy Performance Sessions (SPS) (2007-08)



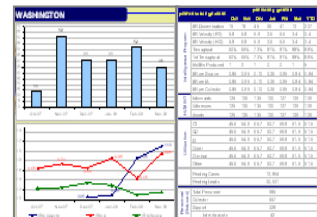
The FBI has cascaded its intelligence strategy through the SPS process, a CompStat-like performance dialogue between the Director and field leadership every 60-90 days.

Individual Performance Plans (2008-09)

Individual SAC, agent and analyst performance plans and file reviews are being modified to focus more on intelligence operations. The SMS, SPS and SAPRs will all play a major role in future performance evaluations.



Semi-Annual Program Reviews (SAPRs) (2008)

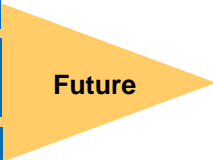


The FBI revised its Inspections process to focus on a threat-based risk management model, as opposed to a case-based approach.



FBI Vision

	Law Enforcement	<i>Roles</i>	National Security and Law Enforcement
	Case-Driven	<i>Focus</i>	Threat-Driven
	Quantitative Evaluation (Case-based)	<i>Measurement of Success</i>	Qualitative Evaluation (Threat-based)
	“Restrict; and share what you must”	<i>Information Sharing</i>	“Share; and restrict what you must”
	Contributor	<i>Intelligence Community</i>	Full Partner
	Domestic	<i>Scope</i>	Global
Past	Tactical	<i>Senior Management</i>	Strategic
	Ineffective communications	<i>Internal Communications</i>	Effective, relevant and timely communications
	Operational silos	<i>Organization</i>	Integrated team approach
	Inefficient and Ineffective HR processes	<i>Human Capital</i>	Highly efficient and effective HR processes
	Agents / Support	<i>Culture</i>	Team of Professionals
	Antiquated and disparate IT systems	<i>Information Technology</i>	Mission-enhancing integrated IT systems; productivity tools
	Applying developed S&T	<i>Science & Technology</i>	Developing and applying optimal S&T
	Budget drives Strategy	<i>Resource Management</i>	Strategy drives Budget



Future



FBI Strategy Map

American Public Expectations

A1 - "Protect US from terrorist and foreign intelligence activity"

A2 - "Combat criminal activity that threatens the safety and security of society"

A3 - "Preserve civil liberties"

A4 - "Provide leadership, intelligence, and law enforcement assistance to our partners"

Internal Process

Management Excellence

P1 – Streamline administrative and operational processes

P2 – Assign responsibility and own accountability

P3 – Maximize organizational collaboration

Deter, Detect and Disrupt National Security Threats and Criminal Activity

P4 - Collection

P5 - Information Dissemination and Integration

P6 - Analysis

P7 - Action and/or Requirements

Maximize Partnerships

P8 – Expand partner relationships

P9 - Enhance international operations

P10 – Enhance trust and confidence in the FBI

P11 – Incorporate forecasting and planning into FBI processes

P12 – Improve internal communications

Talent and Technology

T1 - Improve recruiting, selection, hiring and retention

T2 – Train and develop skills and abilities of our workforce

Maximize Workforce Success

T3 – Link skills and competencies to needs

T4 – Identify, develop and retain leaders throughout our organization

T5 - Enhance work environment to facilitate mission

Resource

T6 – Align technology and science to our strategic objectives

Leverage Technology and Science

T7 - Deploy technology and science to make our workforce more effective and efficient

R1 - Utilize and align existing resources and assets in an efficient manner

Optimize Resources

R2 - Secure and align appropriate resources



2009 Director's Priority Initiatives

Deter, Detect, Disrupt National Security Threats and Criminal Activity	Field Intelligence Group (FIG) Restructuring
	Regional Intel Restructuring
	Surveillance Capabilities
	CORE – Collections & Requirements Management System
	Risk-Based Management
Leverage Science & Technology	Delta – Human Source Management System
	Going Dark
	Sentinel – Case Management System
Maximize Workforce Success	Special Agent Career Path
	Intelligence Analyst Career Path
	Intelligence Analyst University Recruiting
	UNet – FBI Unclassified Network
	Leadership Development
Optimize Resources	Strategic Placement of FBI Facilities

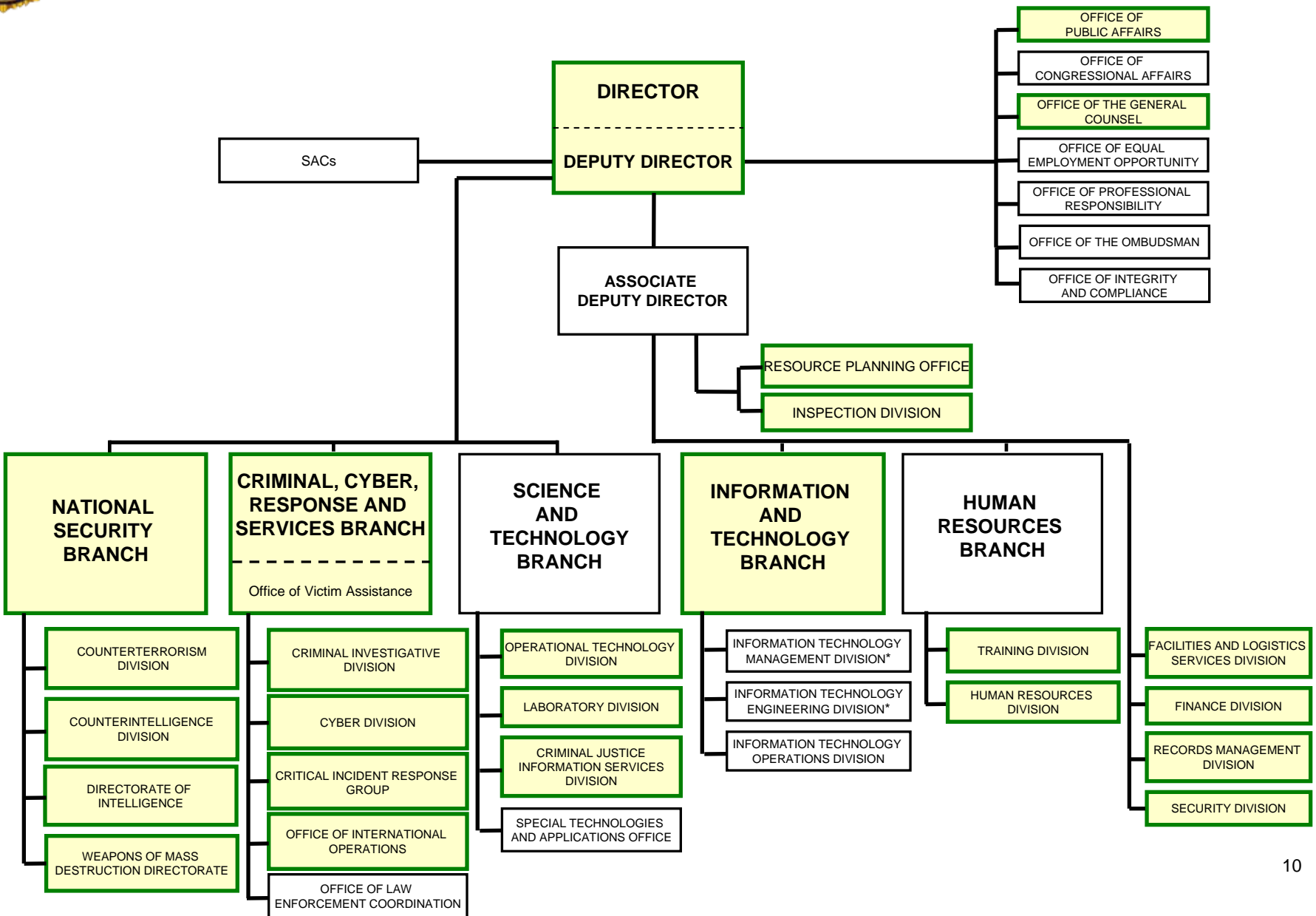


Challenges to Implementing SMS

- ❑ Highly autonomous Field Offices
- ❑ Strategy - Historically seen as “doorstop” documents developed silos at FBIHQ
- ❑ Inconsistent program management
- ❑ Budget not well aligned with strategy
- ❑ Internal Inspection and performance appraisals systems not aligned with strategy
- ❑ Repeated failures at successfully implementing progressive management practices (Management By Objectives, Total Quality Management, Malcolm Baldrige Quality Improvement Act of 1987 initiatives)
- ❑ Senior executives consumed with tactical issues and dealing with fall-out from incidents and investigations to include Robert Koresh, Ruby Ridge, Amerithrax Investigation, Robert Hanssen, and Wen Ho Lee.



Alignment to SMS through Cascaded Strategies



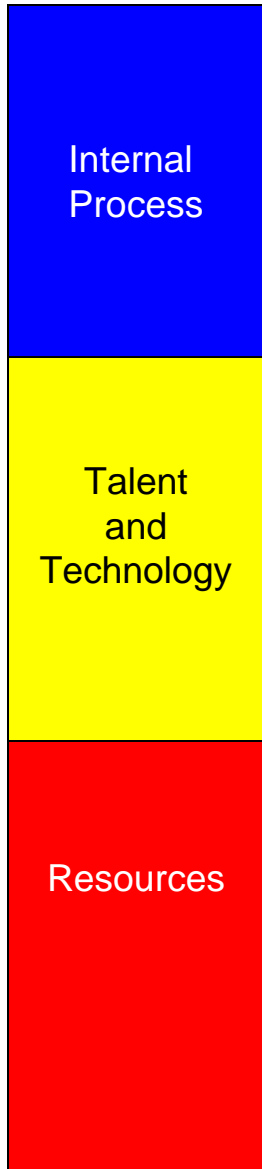


Alignment with FBI Inspection Process

- Inspection Process is the FBI's traditional performance evaluation mechanism
- Inspection Reconstruction launched in October 2007, after Inspection Division SMS cascade
- New Inspection process includes both Field Office and Programmatic Inspections
- Evaluation Criteria for both Field Office and Programmatic Inspections are fully aligned with Enterprise and Programmatic SMS objectives, measures, and initiatives.



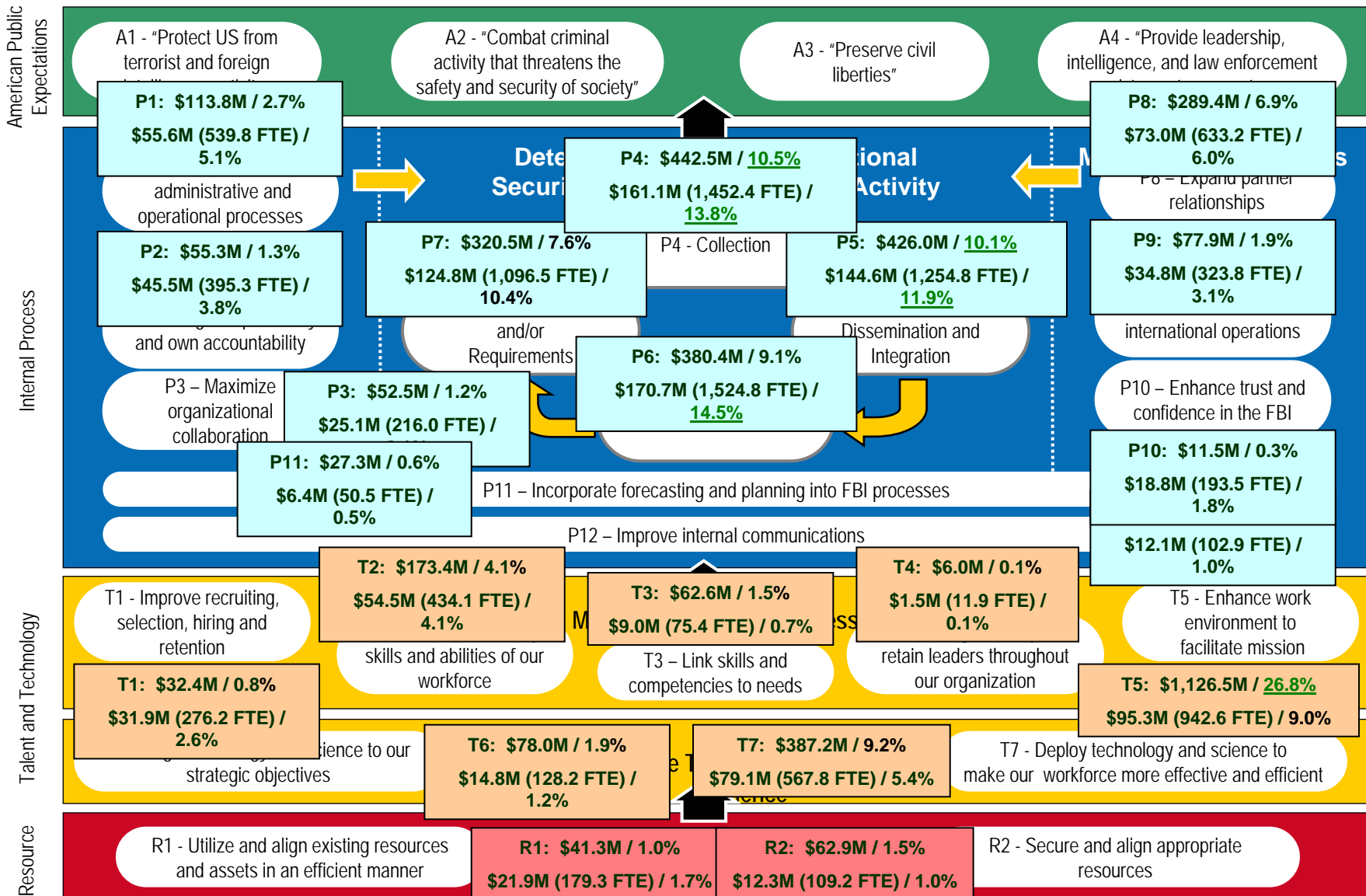
Alignment through Budget



- Establishment of enterprise-level spending priorities
- Evaluation of division level resource utilization, both financial and personnel, relative to strategy and strategic priorities
- Identification of Director’s Priority initiatives, short-term projects which impact multiple divisions - receive augmentation of personnel, funding and management attention



FBI Enterprise Strategy Map – Corporate Resource Alignment



Totals: \$ 4,202,453,666 Non-Personnel

\$ 1,192,796,756 (10,508.3 FTE) Personnel



Alignment with Performance Review Framework

FBI Enterprise Strategic Objective	DOJ Mandated Critical Element	Data Source	New	Creator of Criteria & Assessment Guidance	Data Input From	Rating/ Call Made By	Cross-Cutting Analysis
American Public's Expectations Internal Processes	Org. Results 60%	Operational Program SAPRS 60%	No	INSD/Programs	Field Office/SAC	Operational ADs	INSD Team to Pilot with Transition to HRD
		Leadership Survey Results 20%	No	HRB/Grubb	Employees	HRB	
		Soft Skills Self Assessment 20%	Yes	INSD (954 Elements)	SAC	SAC Review Board*	
Talent Teamwork Technology	People/ Workforce 20%	Applicant SAPR 30%	No	INSD/HRB	Field Office/SAC	HRB	
		Climate Survey Rating 20%	No	HRB/Grubb	Employees	HRB	
		Validated EEO Self Inspection Rating 20%	No	INSD/EEO	Field Office/SAC	EEO	
		Workforce Development Rating 30%	Yes	TD/RPO	Field Office/SAC	TD/RPO	
Resources	Tax Payer Value 20%	Financial Management Rating 34%	Yes	INSD/FD	Field Office/SAC	FD	
		Security Rating 33%	Yes	INSD/SecD	Field Office/SAC	SecD	
		High Risk SAPR Rating 33%	No	INSD	Field Office/SAC	OGC/OIC	

*Self Assessments will be reviewed "blind" (numbers substituted for names)



Alignment through New Inspection Process

- ❑ **Replacement of a bottom-up one size fits all audit with a contextualized top-down operational evaluation process**
- ❑ **Field operations are evaluated relative to national program-level strategy**
- ❑ **Semi-Annual self-reporting, augmented by climate survey and leadership evaluation data, is used to evaluate risk**
- ❑ **Where appropriate, substantial on-site inspections are conducted to identify root causes of performance issues**



Alignment through Strategy Performance Sessions (SPS)

- ❑ Regular dialogues between HQ and Field leadership to generate strategic conversations and insights:**
- ❑ Roughly twice per month roughly six field offices participate in a video conference with the Deputy Director and other senior executives**
- ❑ Benefit of SPS**
 - Enable informed decision-making by senior executives**
 - Enhance performance in key areas**
 - Instill a culture of accountability**



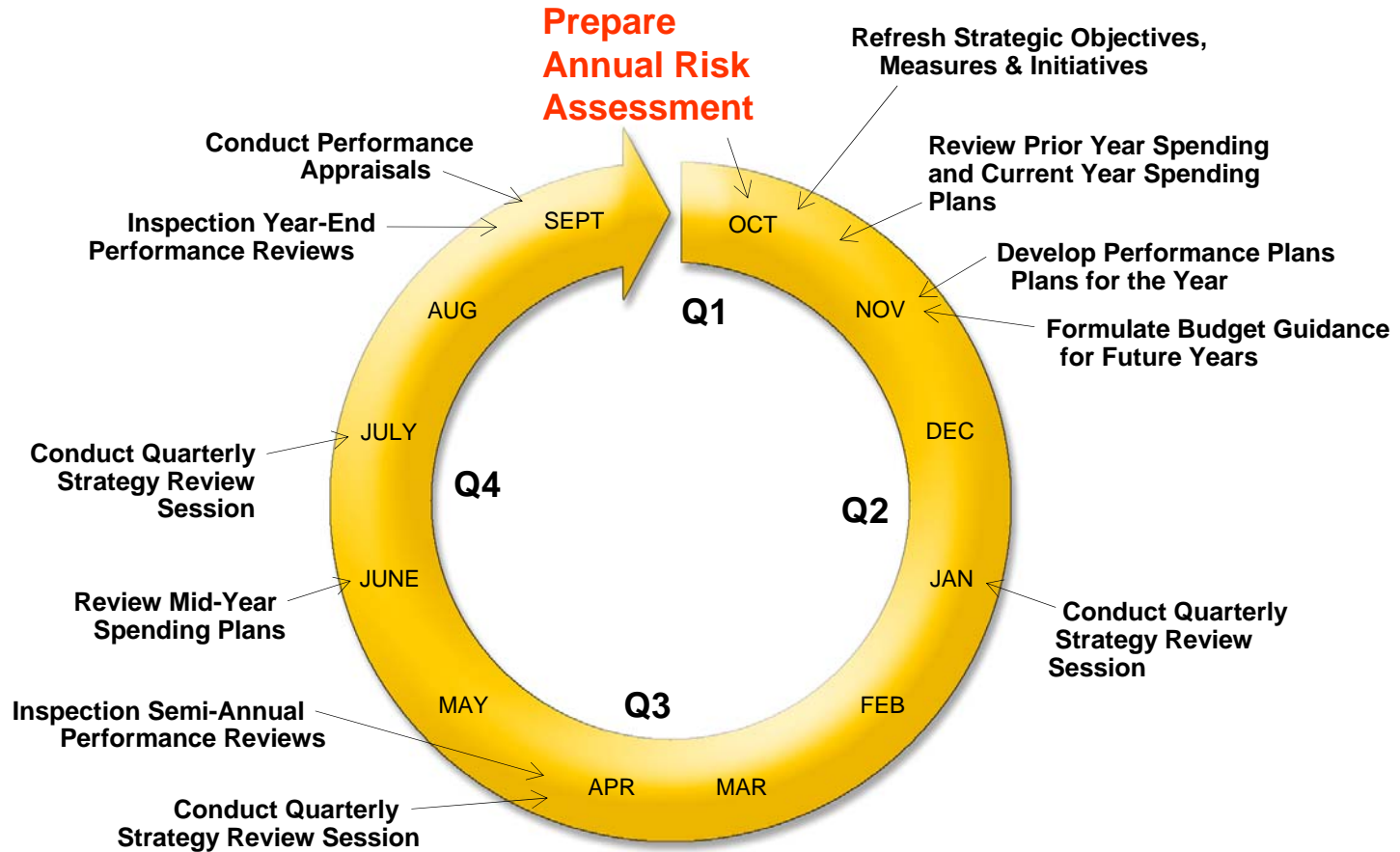
FBI Strategy Management Office (SMO)

- ❑ FBI created a Strategy Management Office (SMO) in 2007
- ❑ SMO is responsible for:
 - Supporting the Director and FBI Leadership Team on the enterprise SMS
 - Cascading SMS to branches, divisions, offices
 - Sustaining SMS in branches, divisions, offices
 - Aligning SMS with core FBI business processes:
 - Budget formulation and execution
 - Performance plans and appraisals
 - Inspections
- ❑ FBI also created a Strategic Execution Team to focus on executing the FBI's intelligence objectives



Risk-Based, Strategy Driven

Annual FBI Strategy Cycle





Lessons Learned

- ❑ Create Strategy Management Office sooner and continually focus on staffing
 - Must have resources/personnel and expertise to support alignment
- ❑ Incorporate “Maps” at all key levels of the organization
- ❑ Ensure enough focus on communications
- ❑ “Core” processes must be in sync with your strategy
- ❑ Alignment is a top-down process
- ❑ Continuous attention to measures are key to behavioral change