



A CONTINGENCY APPROACH TO PUBLIC SECTOR PERFORMANCE MANAGEMENT: THE CASE OF THE CANADIAN INTELLIGENCE COMMUNITY

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KEY EVENTS

On November 13, 2023, Dr. Joe Faragone presented *A Contingency Approach to Public Sector Performance Management: The Case of the Canadian Intelligence Community* for this year's West Coast Security Conference. The presentation was followed by a question-and-answer period with questions from the audience and CASIS Vancouver executives. The key points discussed were the limitations of universalistic performance management approaches, the critical need to reassess New Public Management (NPM) reforms in Public Administration, and the necessity to explicitly define the distinctiveness of the Intelligence Community (IC) when examining the IC's performance.

NATURE OF DISCUSSION

Dr. Faragone discussed the critical need to reevaluate reforms in Public Administration and Performance Management, highlighting that relying solely on universalism-based approaches neglects the specific context of performance management in Public Administration and the IC. He advocated for integrating contingency strategies and organizational theories to tackle modern governance challenges specifically, in the IC broadening performance management beyond 'intelligence failure.' Understanding these limitations is crucial as ineffective strategies could risk intelligence failures, impacting national security and public safety. Dr. Faragone highlighted bridging the gap between theoretical models and practical implementation in both intelligence and public administration, emphasizing the importance of adaptable approaches in these domains.

BACKGROUND

Presentation

In exploring performance management, Dr. Faragone questioned whether a universalism or particularism approach better suits the public sector, and pinpointed three critical gaps in intelligence studies: a dominance of US-centric perspectives that limits global representation, limited focus on Canada with some contributions from historians but minimal from political scientists, and a notable absence of intelligence within the realm of public administration. A mere 6% of published articles cover organizational analysis or administration, showcasing a significant gap in exploring intelligence within the context of public administration. Additionally, public administration's limited participation in discussions on defense or national security hampers a comprehensive understanding of these crucial issues.

Dr. Faragone underscored the social importance of trust in government institutions, particularly within the intelligence sector, and emphasized the role of intelligence in preserving public order, national security, and countering emerging threats. Additionally, he stressed the need for visibility of intelligence in public discussions and the significance of aligning intelligence activities with democratic values.

Dr. Faragone's theoretical exploration compared universalism and particularism in organizational approaches, contrasting the conventional generic approach in public administration, emphasizing command and control and minimal focus on policy impact, with particularism, which stresses contextualization and open systems thinking. His emphasis on contingency theory highlights that performance is dependent on aligning both external and internal contingency factors.

Dr. Faragone highlighted unique aspects of the IC, examining both external and internal contingent factors. External factors consist of the threat environment, the legislative framework, and the external expectations of the IC. The internal factors consist of: the intelligence process, intelligence product, intelligence and secrecy, along with an ongoing debate about the relevance of secrecy. In addition, Dr. Faragone also labeled the IC as a High Reliability Organization (HRO) which has not been done before; emphasizing characteristics like preoccupation with failure rather than success, avoiding oversimplification, sensitivity to operations, commitment to resilience, and deference to expertise. He noted that despite heightened scrutiny after failures, attention tends to shift elsewhere over time. Lastly, he stressed the importance of recognizing and utilizing the expertise

within the community, urging policymakers to invest in training and development initiatives.

Dr. Faragone created a map of the IC as there is no official government document explicitly defining it, including estimated budgets and personnel. Deliberately avoiding an all-encompassing security-centric perspective, he excluded sectors that don't fall under the ambit of traditional national security. He highlighted five broad categories within the IC: direction and coordination (involving the Office of the Prime Minister, Privy Council Office, and Public Safety Canada), specifically mandated entities (for example, the Canadian Security Intelligence Service, Integrated Terrorism Assessment Centre, Financial Transactions and Reports Analysis Centre of Canada, and the Communications Security Establishment), non-specifically mandated groups (like Royal Canadian Mounted Police, Global Affairs Canada, Transport Canada, Canadian Border Services Agency, and Department of National Defense/Canadian Armed Forces), oversight and review bodies, and supporting functions provided by the Department of Justice..

Dr. Faragone stressed the necessity of reevaluating NPM reforms in Public Administration and Performance Management, urging a critical examination of their suitability in meeting specific organizational needs. He challenged the belief that older methodologies lack utility, advocating for integrating contingency approaches and organizational theories to address modern governance challenges.

Regarding the IC, Dr. Faragone emphasized the need to explicitly define its distinctiveness from other public sector entities, often overlooked in research. He broadened the scope of performance management within the IC beyond singular 'intelligence failure,' proposing models like the contingency factors model for a comprehensive framework. Notably, the idea of designating the IC as a HRO surfaced, a novel concept in this context. The scarcity of research utilizing the Canadian IC as a case study in Public Administration underscored the need for deeper exploration. Dr. Faragone also posed thought-provoking questions about applying organizational theory to examine adversarial, criminal, or non-state entities within the intelligence domain, warranting further investigation.

Questions and Answers

How can older theories such as contingency theory, aid in the limits of Universalist based approaches? And are there any other past or outside the box approaches that can assist?

Dr. Faragone highlighted the relevance of organizational theories, particularly contingency theory and resource dependency theory, in challenging universalist-based approaches. He emphasized how these theories consider the larger systems and external factors, crucial for understanding the IC's reliance on resources dictated by external influences rather than just internal actions. Regarding resource allocation, he questioned why a government would allocate resources to national security intelligence if it's not a primary concern for the public. This tied into the relevance of theories like contingency theory, which address these contextual dependencies. Dr. Faragone expressed concern over the tendency to overlook organizational theories when studying communities, and stressed the importance of considering broader contextual factors, resource dependencies, and unconventional organizational theories. He highlighted the necessity of these elements to effectively manage intricate functions such as the IC.

How can we ensure public trust in the intelligence community and what are your top three tips?

Dr. Faragone emphasized the importance of broader public trust in institutions as a foundation for trust in the IC, highlighting the need for a proactive approach in public affairs and engagement, focusing on transparency and openness as key factors. He noted the evolution toward more accessible information about intelligence agencies, indicating that transparency contributes significantly to building trust. Additionally, being candid about societal threats and risks was mentioned as a crucial element. He referenced the UK's national risk registry as an example of transparency as well as the U.S.'s annual threat assessments. Furthermore, Dr. Faragone suggested that we could look to our five eyes partners to learn good practices in citizen engagement.

KEY POINTS OF DISCUSSION

- The primary research question asked whether a universalism-based or a particularism-based approach is more suitable for performance management in the public sector, using the Canadian IC as a case study. The response suggested that particularism-based approaches are better suited, or at the very least, should complement universalistic-based approaches.
- Dr. Faragone highlighted the critical need to reevaluate the New Public Management (NPM) reforms, emphasizing their limitations when universally applied across the public sector and the IC.
- The presentation emphasized the pitfalls of employing one-size-fits-all strategies in performance management, particularly within intelligence and public sector organizations, stressing the detrimental impact of

overlooking contextual nuances. Understanding the limitations of universalistic methods, the discussion underscored the significance of tailored, context-specific approaches to enhance performance, accountability, efficiency, and effectiveness.

- The need to explicitly define the unique aspects of the IC beyond just 'intelligence failure' was emphasized, expanding the scope of performance management to account for the complexities inherent in this sector.
- Dr. Faragone proposed the idea of designating the IC as a High Reliability Organization (HRO). Additionally, he encouraged further exploration of the Canadian IC within Public Administration and emphasized considering organizational theory's application within the intelligence domain.

FURTHER READING

Faragone, G. (2023). *A Contingency Approach to Public Sector Performance Management: The Case of the Canadian Intelligence Community* [Thesis, Université d'Ottawa / University of Ottawa].
<https://doi.org/10.20381/ruor-29167>



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