The Egmont Group
of Financial Intelligence Units

Egmont Strategic Analysis Course

Session 6
Planning and Tasking

Participant's Manual

Version 30 October 2012

1. Introduction

The primary focus of this session is on the planning and tasking stages of the intelligence cycle but before we move to this stage we will have another brief look at the feedback and requirements, and priority setting stages.

The Requirements stage is considered to be the start of the intelligence cycle and often occurs at the same "time" or as a result of feedback from earlier disseminations.

Requirements in the intelligence cycle relate to what the decision makers are **requesting** the analytical group to research or find. There may be a number of decision makers such as the FIU itself, partner agencies, or policy makers all requesting work of the strategic analysis team.

It is important to understand all of these requirements as this will impact on the priorities for the strategic analysis team.

2.   Requirements

Requirements or requests should include sufficient information to allow the analyst to clearly understand what is expected of them and allow them to make an informed decision as to what they can realistically provide.

Requirements may be many and varied.
For example

Own FIU vs partners' or others'
- Requests for strategic analysis products will come from outside agencies in addition to the requests from your FIU.

General and specific
- Some requests will require broader and less detailed analysis, when others will require detailed analysis.
- Consideration should be given to which is more important and why.

Clearly stated versus ambiguous
- Lack of clarity of what is required as a result of the analysis is dangerous
Ambiguity leads to confusion both for yourself and your manager.

As questions versus answers
- Requirements statements should always be as questions or information requirements, rather than predetermined answers seeking justification

   Eg determine the possible direction of money

What the analyst/analytical team can versus should do
- Facilitate the identification of requirements

- Negotiate with clients to obtain the most appropriate requirements statements
- Reflect ambiguous statements with clear articulations – "is this what you mean?"

Managing expectations

Unreasonable, unclear, etc., requirements often mask or lead to heightened expectations – the requirements stage is the first where clients can be engaged to ensure they understand what is possible and appropriate.

3. Priority setting

Done properly, priority setting is a somewhat formal process that is usually completed once each year, on an organizational basis. While such priorities are intended to be quite stable throughout the year, they must be somewhat responsive to relevant conditions, should these change sufficiently to require an adjustment to the priorities.

The organization's strategic analysis priorities are not set in isolation, but in the context of a series of priorities, from the general government-wide law enforcement and national security priorities, through those of the FIU's partner departments and agencies, to the FIU's own broader priorities.
Priority setting considers not only what is important to accomplish, but also what can be accomplished with the available resources – people, information, time, etc.

4. Planning and tasking

Adequate planning and tasking results in a more effective and value-added strategic analysis product.

Planning and tasking involves the management of the entire strategic analysis effort, from identifying the topic, the audience, the need for data through to delivery of final intelligence product.

Planning and tasking helps optimize time and resource. For complex topics, you typically need more time and/or resources.

In planning and tasking consideration must be given to the:

- Characteristics of the topic involved
- Needs of the final customer
- Available resources

a) Asking the right questions

It is essential to develop a set of questions to help define the nature of your analytical product.

Initial questions you may ask include-

- What has prompted the need for the analysis?

- Why is the issue important and how can analysis make a meaningful contribution?
- Who are the principal customers?
- Are the principal customers' needs well understood?
- Are there other stakeholders who would have an interest in the answer to this question?

You will also need to think about how manageable the scope of the project is and what resources are available to you. These include enough available contributors, time to conduct the analysis, access to technical support and expertise.

⅄ Activity 6.1 – Customer Checklist

Refer to Session 10 of your manuals.

☌ Activity 6.2 – Brainstorming / Starbursting

Your task is to establish the nature and level of criminal activities related to money laundering and/or terrorist financing in **Purpleana**. In other words, what do we know about the main relevant criminal activities in the country, including money laundering and terrorist financing, on which the FIU might conduct strategic analysis?

You will need to refer to the documentation on Purpleana. You have 10 minutes to perform this activity use both the starbursting and brainstorming techniques.

First, you will need to decide who will act as the facilitator for your team. Each facilitator should then write, in brief form, the main topic (e.g., "Purpleana criminal activities") in the middle of the flipchart and the six starbursting questions around it.

You will need to determine -

- Who are the principle actors?
- What are they doing?
- Where are they doing it?
- When …?
- How …?
- Why …?

Now, for the next 10 minutes (or less, if all of the teams run out of ideas), conduct a brainstorming exercise using the starbursting questions to get as many relevant ideas on the flipchart as you can.

Write your ideas on 'post it' notes and place on the star. You may need to rearrange these many times. More information on these techniques can be found on page 7 of the SAT Toolkit in your Appendix.

You will also find Starbursting charts at the end of this session.

Rules of brain storming

- First, specify the topic/question to be addressed
- All are to contribute, but one at a time
- Brief idea inputs (few words or short phrases)
- No criticisms or discussion during the brainstorming
- Every idea is valuable, including contradictory ones
- Generate ideas quickly and maximize the number
- Listen to one another and use other's ideas to trigger new ones

Correctly defining the topic of your analysis is a very important part of the planning phase.

Planning and tasking questions allow you to define the topic for your strategic analysis in order to get a valuable final product.

Planning and tasking questions help you to-

- Define your topic for analysis
- Provide direction to the project
- Keep everyone on the same page
- Set constraints
- Establish the degree of analysis required.

b) Key Assumptions Check

At the planning stage, the questions "who, what, where, when, why, how, and so what" are important.

These questions can be applied when you are trying to define:

- The content of the Strategic Analysis product
- The audience/client of the product
- The sources that the analysis is going to relying upon

In order to check your assumptions you can use a Key Assumptions Check. The method of undertaking a Key Assumptions Check is described in detail in the SAT Toolkit.

Asking the right questions

- **What** do you know about this topic?

- **Where?** Does this topic fit into a local, regional, or global scheme?

- **When?** Is there a certain time frame when this topic became important or experienced change?

- **Who?** Specific groups of agencies involved in the project; Who does this topic benefit? Do I have to include other parts in the study (agencies, country Y)?

- **Why?** Why is this topic important?

- **How?** Can information be collected in an attempt to conduct the study?

- **So what?** Will the findings be considered significant?

c) Mind mapping

A mind map can help to light the path ahead. The four basic steps to creating a mind map are-

- Write your topic in the centre of a large piece of paper
- From the central topic, radiate out key words and the most important ideas you have about the topic, each on a separate, thick line;
- Branch thinner lines off the ends of the appropriate main lines, to show supporting data
- Use images and colors freely in your own special code to show people, topics, themes, associations or dates, and to make the Mind Map more memorable.

Examples of mind maps:
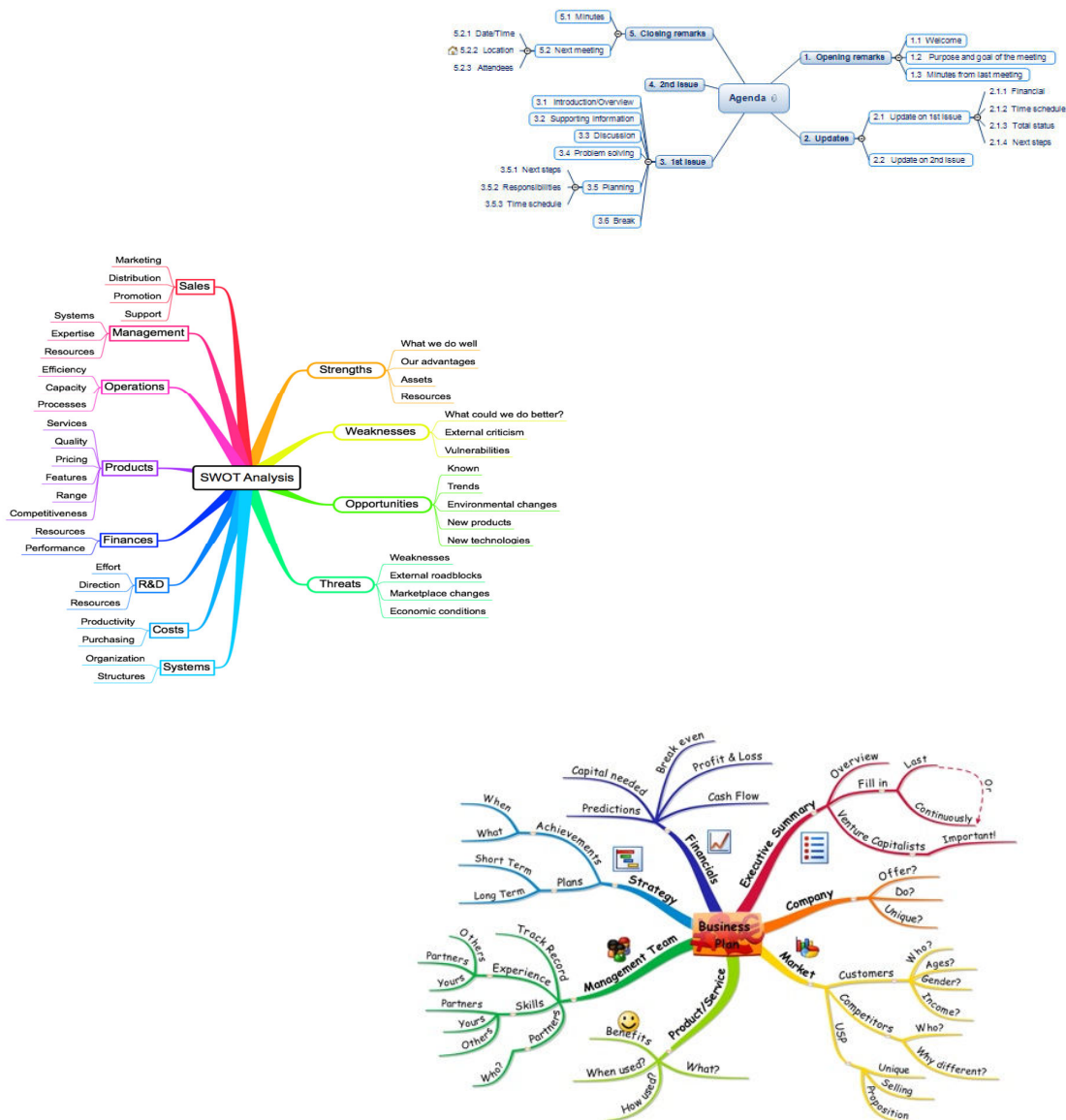
d) Terms of Reference (ToR)

Once you know your client and the questions you want to answer, you can set Terms of Reference which is an 'action plan' detailing the phases of the analysis. A Terms of Reference is often shortened and referred to as a ToR.

A ToR can be defined as a description of what the analysis aims to achieve, the criteria, parameters, scope, range, outputs, sources, participants, budget, constraints and timescales.

Setting the ToR is the initial stage of any Strategic Analysis project an helps you to establish priorities.

Setting the ToR is also important to set up specific actions for the desired goal, to have measurable accountability of the process of the product, to provide a framework to keep the product on track, and to provide clarity on the expected outcomes.

A general ToR structure for a strategic analysis product could include the following points: Background, Objectives, Scope, Constraints and Project Risk Assessment, Methodology, Deliverables, Timescale, and Negotiation.

i) Background

The background states how the project came about. This will assist you determine the aim and scope of the project.

ii) Objectives

Objectives are concrete statements describing what the analysis is trying to achieve. The objectives should be written, so they can be evaluated at the conclusion of a project to see whether they have been achieved or not.
A well-worded objective will be **S**pecific, **M**easurable, **A**ttainable/Achievable, **R**ealistic and **T**ime-bound. (SMART)

Example
Identify risk patterns in a financial institution (products, geographic trends, types of clients), through the analysis of STR, CTR to get parameters to establish rules in order to prevent ML.

iii) Scope

A project's scope defines the broad parameters of the study and provides the foundation for all subsequent steps in the project cycle. A clear scope sets the rough boundaries for what the analysis will attempt to do.

In general, Scope consists of two main components:

- **Boundaries.**
  Boundary statements help to separate the things that will be addressed in your project from those areas that are out of scope.

- **Deliverables.**
  Deliverable are exactly what you are going to produce and deliver

to the client.
Defining your deliverables goes a long way toward defining the overall scope of the analysis.

iv)   Constraints and Risk Assessment

Once you define the objectives and scope, you should identify the constraints that limit or place conditions on the analysis, especially those associated with the objectives and project scope.

If you have a constraint risk, it might be not possible to bring the analysis to a successful end, so you should consider a Risk Assessment of the project.

With Risk Assessment you will identify those areas of the project with the most severe constraints and the highest uncertainty.

You can undertake a risk assessment in 3 steps:

Step 1 – Identify uncertainties or restrictions

To complete your Risk Assessment explore each task in the project and look for areas of uncertainty.

For example
If you need data from an external source (Tax Department, Law Enforcement Agency), you should consider the risk of not getting it on time to finish the project.

Step 2 - Analyze Risks

Specify how those areas of uncertainty can impact the performance of the project, either in duration or meeting the customer's requirements.

Step 3 - Prioritize Risks

Risks can be categorized into 3 groups.

- Those that should be eliminated completely, due to the potential impact they can cause.

- Those that should be regularly monitored and managed as necessary

- Those that a sufficiently minor and require minimal monitoring

v) Project Risk Management

Once you have assessed the project's risk to next step is to determine how you will manage the risks. Risk management allows you to minimize the adverse impact of constraints. There are three phases to deal with risks:

a. Reduce Risks

Take whatever action you can in advance to reduce the effect of risk. It is better to spend time on risk mitigation rather than dealing with the problem later on.

b. Prepare an action plan to mitigate significant risks

If risks have been deemed to be significant, ensure that you have a plan to deal with the event before it happens.

c. Control risks

Track the effects of the risks identified and manage them to a successful conclusion of the project.

vi) Methodology

State the methodology which will be used in the analysis. Methodology could be defined as a body of practices, procedures, and rules used by those who work in the project; a set of working methods.

At this stage you can also establish the tasks for every participant on the project.

vii) Deliverables

Define the key deliverables that the project aims to produce and the final customer. Deliverables could include reports on trends, patterns, typologies, regulatory advices.

viii) Timescale

Establish the schedule of activities taking into consideration time and available human resources. Specify each of the tasks, who will be involved and how long each task should take.

It is also important to establish break-points where progress can be reviewed and checked.

People often use the Pareto Principle. Pareto said that 80% of tasks can be completed in 20% of the time. The remaining 20% of tasks will take up 80% of the time. It is recommended that the 80% tasks that can be completed in 20% of the time are assigned a higher priority.

ix) Negotiation

At the negotiation stage you agree the conditions and structure of your Strategic Analysis product with your supervisors:

- Present background information
- Explain clearly which questions the project will answer
- Define the benefits and final costumers and participants
- Explain the outcomes and and constraints
- Define the needed resources

Establishing and agreeing a project specification is an important process no matter how simple your task is.

Adequate consultation and discussion contributes to a shared understanding and consensus of what goes into ToR and more importantly the content of the Strategic Analysis Study/Project.
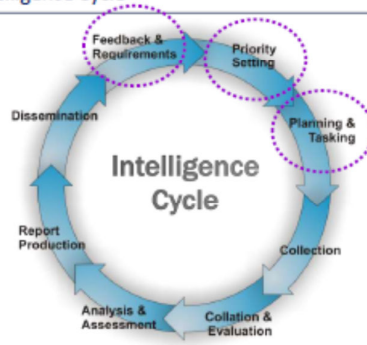
🌐 Globex exercise
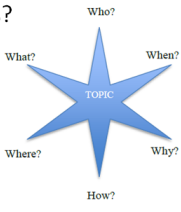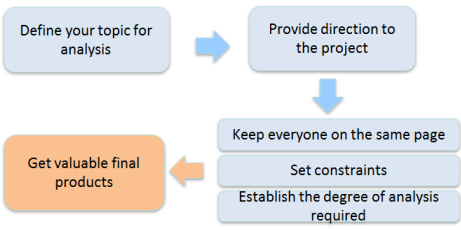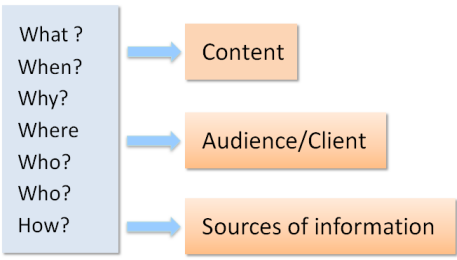
🍸 Activity 6.3 – Terms of Reference

You are now working in your allocated country.
Please refer to Session 10 of your manuals

Who?

When?

Why?

How?

Where?

What?

TOPIC

Strategic Analysis Course
Session 6
Planning and tasking

1

The Intelligence Cycle

2

Requirements

- Own agency's and partners'
- General versus specific
- Clearly stated versus ambiguous
- As questions versus answers
- What the analyst/analytical team can/should do
- Managing expectations

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Priority setting

- Annual process
- Usually with increasing focus
  - Government law enforcement and national security priorities
  - Partner agencies' priorities
  - Own organization's broader priorities
  - Strategic analysis priorities
- Considers not only what is important to accomplish, but what can be accomplished with the available resources

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Planning and tasking

Planning and tasking involves the management of the entire strategic analysis effort, from identifying the need for data to delivering an intelligence product to the costumer.

Planning and tasking definition must consider:
- Characteristics of the topic involved
- The needs of the final costumer
- Available resources

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Asking the right questions

It is essential to develop a set of questions in order to focus your project.

- Is the topic easily and fully researchable?
- What type of information do I need to answer the main questions?
- Can I have access to all the needed sources?

Think about the potential impact of the project/study.

- What is the benefit of studying the phenomenon/topic?
- Who will it help and how?

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Ϋ Activity 6.1 🌍 Globex

Customer Checklist

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Brainstorming

Brainstorming rules

- First, specify the topic/question to be addressed
- All are to contribute, but one at a time
- Brief idea inputs (few words or short phrases)
- No criticisms or discussion during the brainstorming
- Every idea is valuable, including contradictory ones
- Generate ideas quickly and maximize the number
- Listen to one another and use other's ideas to trigger new ones

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Starbursting

- Who are the principle actors?
- What are they doing?
- Where are they doing it?
- When …?
- How …?
- Why …?

Who?
When?
What?
TOPIC
Where?
Why?
How?

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Ϋ Activity 6.2

Brainstorming / Starbusting

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Asking the right questions

Planning and Tasking Questions will help you to:

Define your topic for analysis → Provide direction to the project →

Keep everyone on the same page

Set constraints

Establish the degree of analysis required

← Get valuable final products

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Asking the right questions

What ?
When?
Why? → Content
Where → Audience/Client
Who?
Who?
How? → Sources of information

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Key Assumptions Check - Method

1. Gather a group of individuals involved in the analysis.
2. Run a full structured brainstorming session to identify any assumptions made in developing the analysis
   - Develop further assumptions during further rounds of this process
     - Ask the starbursting questions
   - Challenge statements that include "always", "must", "never" etc.
   - Ask "What else seems so obvious that one would not normally think about challenging it?"

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Key Assumptions Check - Method (cont.)

3. With a full set of assumptions in place, ask:
   - Why am I confident that this assumption is valid?
   - In what circumstances might this assumption be invalid?
   - Could it have been valid in the past but no longer valid?
   - How much confidence do I have that this assumption is valid?
   - If it turns out to be invalid, how much impact would this have on the analysis?
4. Sort each assumption into one of three categories
   - Basically solid
   - Correct with some caveats
   - Unsupported or questionable

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Key Assumptions Check - Method (cont.)

5. Refine the list.
6. Consider whether the unsupported or questionable assumptions should be converted into further research.
7. Review all assumptions for quality and reliability.
   Estimate the probability that any conclusions could be wrong.
   This focus allows the analyst to scrutinize him/herself and overcome the human reluctance to admit an invalid assumption.

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Asking the right questions - Example

Background

Country X reports a significant increase in the flow of foreign currency operated in the Financial Sector without any economic explanation.

Authorities worry that legitimate economic activity may be used to disguise the proceeds of certain illicit activities.

Intelligence agencies are interested to conduct a study to better understand the flow of currency between the two countries, and set a strategy to stop possible money laundering operations. They ask you to set up a **project plan**.

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Asking the right questions - Example

What?   What do you know about this topic?

Where?   Does this topic fit into a local, regional, or global scheme?

When?   Is there a certain time frame when this topic became important or experienced change?

Who?   Specific groups of agencies involved in the project; Who does this topic benefit? Do I have to include other parts in the study (agencies, country Y)?

Why?   Why is this topic important?

How?   Can information be collected to conduct the study?

So what? Will the findings be considered significant?

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Asking the right questions

Mind Mapping: Improves critical and creative thinking by depicting relationships visually. Here are some steps to take:

- Write your topic in the centre of a large piece of paper
- Radiate out key words and important ideas form the central topic
- Show supporting data
- Use image and colors freely

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Examples of Mind maps

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Examples of Mind maps

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Examples of Mind maps

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Setting the Terms of Reference (ToR)

Action plan that sets out the key aspects
of each phase of a project.

Why is it important?

• Set up <u>specific actions</u> for the desired goal

• Measurable <u>accountability</u> of the process of the project

• Provides <u>framework</u> to keep the project on track

• Provides <u>clarity</u> on the expected outcomes

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Terms of Reference Structure

There is <u>no</u> standard universal structure for a ToR document.

Example table of contents for ToR

1	• Objective & Scope
2	• Users
3	• Analysis questions
4	• Available information
5	• Methodology
6	• Time schedule & reporting
7	• Indicative budget
8	• Qualifications of analysis team

A useful ToR structure for Strategic Analysis could be:

• Background
• Objectives
• Scope
• Constraints and Project Risk Assessment
• Methodology
• Deliverables
• Timescales
• Negotiation

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Terms of Reference Structure

BACKGROUND
• Describes how the project came about.

OBJECTIVES
• Describe what you are trying to achieve
• Well-worded objectives should be **S.M.A.R.T**
  ✓ **S**pecific, **M**easurable, **A**chievable, **R**ealistic, **T**ime-bound

SCOPE
• Sets the boundaries for what the product will attempt to do (Boundaries & Deliverables).

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Terms of Reference Structure

CONSTRAINTS AND PROJECT RISK ASSESSMENT

- Identify the specific constraints or restrictions that limit or place conditions on the process.

- Risk Assessment: Identify those areas of the Strategic Analysis Project with the most severe constraints and the highest uncertainty.

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Terms of Reference Structure

CONSTRAINTS AND PROJECT RISK ASSESSMENT

In general a project Risk Assessment has three elements:

Step 1 - Identify Uncertainties/Constraints

Step 2 - Analyze Risks

Step 3 - Prioritize Risks

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Terms of Reference Structure

PROJECT RISK MANAGEMENT

Risk management helps you to minimize the adverse impact of risks on the Strategic Analysis project

- Reduce risks in advance
- Prepare an action plan
- Control risks

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Terms of Reference Structure

METHODOLOGY

- Describe the approach, and processes required to complete the assignment

DELIVERABLES

- Define the key deliverables that the project aims to produce and the final customer

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Terms of Reference Structure

TIMESCALE

- Establish the schedule of activities considering the time and human resource constraints

NEGOTIATION

- Set the conditions and structure of the Strategic Analysis product with your supervisors.

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Terms of Reference Structure

ToR specification will lead to clear goals, better quality decisions, and more accurate results.

ToR are the link between getting your overall direction right and making the correct decisions.

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Activity 6.3

Terms of Reference

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Questions

?

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