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DCI REMARKS TO PERSONNEL BI-ANNUAL CONFERENCE

AUDITORIUM, 7 JUNE 1976

WHEN FRED JANNEY INVITED ME TO TALK TO THIS IMPORTANT BI-ANNUAL CONFERENCE, I THOUGHT MAYBE HE HAD LOST HIS MIND-- HERE YOU ALL ARE, EXPERTS IN THE FIELD, BUT THEN I GOT THINKING ABOUT IT AND I CONCLUDED THAT I WASN'T QUITE AS HOPELESS IN THIS FIELD AS I FEARED.

I HAVE HELD SEVERAL FASCINATING JOBS, AND IN EVERY ONE OF THEM, IN THE FINAL ANALYSIS, IT IS THE PEOPLE IN A PLACE--IN AN ORGANIZATION--THAT DETERMINE HOW GOOD THE ESTABLISHMENT IS.

I HAVE BEEN ENORMOUSLY IMPRESSED AT WHAT I HAVE FOUND IN THIS REGARD HERE AT CIA.

IN PUBLIC SPEECHES I HAVE BEEN TALKING WITH GREAT PRIDE ABOUT GRADUATE DEGREES HERE AT CIA--MORE THAN 300 DOCTORATES-- SOME 1,500 MASTERS. IN SUM, THE AGENCY HAS BEEN ABLE TO MATCH HIGHLY QUALIFIED PEOPLE AGAINST THE REQUIREMENTS AT HAND.

AND THEN I HAVE BEEN DOING SOME BUDGET WORK--HERE AT LANGLEY AND THEN UP ON THE HILL. FROM STUDYING OUR FIGURES I FIND THAT PERSONNEL, WHILE OUR MOST IMPORTANT ASSET, BEARS THE HIGHEST PRICE TAG. SOME 50% OF THE CIA BUDGET GOES FOR PERSONAL SERVICES.

ONE THING THAT WORRIES ME ENORMOUSLY--I CANNOT PREDICT WHAT THE PRESSURES IN THE FUTURE WILL BE ON OUR BUDGET--I AM NOT OPTIMISTIC; THUS, I SEE A GREAT NEED TO CONTROL PERSONNEL COSTS.

ARBITRARY REDUCTIONS APPEAR TO REDUCE THE AGENCY'S EFFECTIVENESS. THEREFORE WE NEED A CONSCIENTIOUS EFFORT TO INCREASE PRODUCTIVITY OF OUR EMPLOYEES SO THAT NECESSARY FUNCTIONS CAN BE PERFORMED AND PERFORMED WELL WITHIN THE ESTABLISHED PERSONNEL CEILINGS.

HERE ARE SOME KEY OBJECTIVES FOR THE FUTURE. I KNOW FRED JANNEY BELIEVES, AS I DO, THAT THESE ARE VITAL.

1. CONTINUE TO ATTRACT AND RETAIN QUALITY/
QUALIFIED EMPLOYEES WHO WANT TO WORK HERE AND
WANT TO WORK HARD.

2. WE MUST BOLSTER THEIR CONFIDENCE IN THE
AGENCY--SOME OF THIS IS PURELY MY JOB, MUCH OF
IT IS YOURS.

3. MANAGERS THROUGHOUT CIA MUST STRESS:
EXCELLENCE OF PRODUCT
EFFECTIVE UTILIZATION OF PERSONNEL
WE MUST MAKE A CONSCIOUS EFFORT TO IMPROVE
OUR PRODUCTIVITY THROUGH IMPROVEMENT OF PROCEDURES,

ELIMINATION OF UNPRODUCTIVE LAYERS OF REVIEW AND COORDINATION, USE OF IMPROVED EQUIPMENT WHERE IT IS COST EFFECTIVE, JOB ENRICHMENT, AND DELEGATION OF AUTHORITY.

4. STRENGTHEN THE ONE AGENCY CONCEPT...THIS DOES NOT MEAN THERE IS NO NEED FOR COMPARTMENTATION, NOR DOES IT MEAN THAT THE ESPRIT OF ANY DIRECTORATE NEEDS TO BE DIMINISHED--IT DOES MEAN ELIMINATING DUPLICATION AS MUCH AS POSSIBLE, IT DOES MEAN CROSSFERTILIZATION, IT DOES MEAN EFFICIENCY IF PROPERLY APPLIED.

STRONG POINTS IN EXISTING PERSONNEL POLICIES

1. THE PUBLICATION BY THE CAREER SERVICES OF THE PERSONNEL HANDBOOKS INFORMS EMPLOYEES OF THE PROCEDURES THAT RELATE TO THEIR CAREER MANAGEMENT AND DEVELOPMENT. IT ESTABLISHES A VISIBLE SYSTEM THAT CAN BE IMPROVED BY THE JOINT EFFORT OF EMPLOYEES AND MANAGEMENT.

2. THE BOARD AND PANEL STRUCTURE IS PROVING ITS MERIT IN COMPARATIVE EVALUATION OF PERSONNEL SO THAT DECISIONS AFFECTING THE CAREERS OF OUR EMPLOYEES CAN BE BASED UPON OBJECTIVE CONSIDERATION OF THEIR QUALIFICATIONS, PERFORMANCE AND POTENTIAL.

3. THE CONSOLIDATION OF THE PREVIOUS 23 CAREER SERVICES INTO FIVE HAS BEEN A NECESSARY STEP TOWARD THE ONE AGENCY CONCEPT. I AM NOT, HOWEVER, CONVINCED THAT ALL THE DIFFERENCES IN PROCEDURE THAT REMAIN

WITHIN THE AGENCY ARE NECESSARY; WE SHOULD MOVE TOWARD ANY FURTHER STANDARDIZATION THAT DOES NOT DETRACT FROM THE UNIQUE REQUIREMENTS OF THE DIRECTORATE.

4. THE DEVELOPMENT AND USE OF THE PERSONNEL DEVELOPMENT PROGRAM AS A TOOL HAS MATERIALLY AIDED SUCCESSION PLANNING, ASSIGNMENT AND TRAINING DECISIONS, AND A MORE SYSTEMATIC AND EQUITABLE APPROACH TO CAREER DEVELOPMENT.

5. THE ANNUAL PERSONNEL PLAN HAS PROVIDED MANAGEMENT WITHIN THE CAREER SERVICES A NECESSARY TOOL TO COORDINATE COMPONENT LEVEL MANPOWER PLANNING AND PROVIDED ME A MEANS TO AUDIT THE EXECUTION BY THE CAREER SERVICES OF THE PERSONNEL RESPONSIBILITIES THAT HAVE BEEN DELEGATED TO THEM. IT IS NOW THE OFFICE OF PERSONNEL'S TASK TO SIMPLIFY THIS TOOL AND MORE ADEQUATELY EXPLAIN ITS ADVANTAGES TO THE MIDDLE-LEVEL MANAGERS WHOSE TIME IS HEAVILY INVOLVED IN ITS PREPARATION.

6. IN VIEW OF MY EXPRESSED CONCERN ABOUT THE COSTS OF PERSONAL SERVICES IN THE AGENCY, THE POSITION CLASSIFICATION FUNCTION PLAYS AN IMPORTANT ROLE IN CONTROLLING THE RISE IN COSTS THROUGH THE UPGRADE OF POSITIONS. WE MUST ASSURE THAT THE GRADE ATTACHED TO EACH POSITION IS JUSTIFIED BY THE FUNCTIONS OF THE POSITION AND IS NOT OUT OF LINE WITH SIMILAR POSITIONS WITHIN THE AGENCY OR WITHIN OTHER AGENCIES. DESPITE STRENUOUS EFFORTS TO CONTROL UPGRADE, THE RISE IN AVERAGE POSITION GRADE SINCE 1964 BEARS A CURRENT COST OF \$21 MILLION.

MUCH HAS BEEN DONE BUT MORE REMAINS TO BE DONE.

YOU HAVE ALL HEARD OF KEY INTELLIGENCE QUESTIONS, BUT
HERE ARE SOME KEY PERSONNEL QUESTIONS.

1. IN EVALUATING PERSONNEL MANAGEMENT IN THE AGENCY, THE
TIME HAS COME FOR FEEDBACK FROM THE EMPLOYEES. I HAVE RECENTLY
ISSUED AN EMPLOYEE BULLETIN CALLING FOR AN EMPLOYEE ATTITUDE
SURVEY, ON A SAMPLING BASIS. ARE THERE OTHER INNOVATIVE METHODS
FOR EVALUATION THAT CAN BE TRIED?

2. THE KIND OF PRODUCTIVE AGENCY I ENVISION REQUIRES A
STRONG CAN-DO SPIRIT AND A WILLINGNESS TO CONTINUE INNOVATION WITHIN
THE AUTHORITIES WE RETAIN. HAVE RECENT EVENTS--THE SELECT
COMMITTEES AND TERRORISM OVERSEAS--ADVERSELY AFFECTED THIS SPIRIT
AND THIS WILLINGNESS? I NEED FEEDBACK FROM SUPERVISORS AND
PERSONNEL OFFICERS ON THIS.

3. WE HAVE BEEN SO PREOCCUPIED WITH THE PROBLEMS OF THE
PRESENT THAT WE HAVE NOT SPENT SUFFICIENT TIME WITH THE PROBLEMS
OF THE FUTURE. ONE WARNING SIGN IS AN AGE DISTRIBUTION WITHIN
THE AGENCY THAT IS BIASED TOWARD THE MATURE YEARS. THE AGENCY
IS AGING SLOWLY BUT SURELY; THE AVERAGE AGE IS INCREASING A
YEAR OR TWO EVERY FIVE YEARS. WHAT IMPACT DOES THIS HAVE ON
KNOWLEDGE, STAMINA, INNOVATION AND OUTLOOK?

4. TO STRENGTHEN THE APPLICATION OF THE MERIT PRINCIPLE,
SHOULD WE PLACE THE RESPONSIBILITY FOR HIRING WITHIN THE OFFICE
OF PERSONNEL? SHOULD OTHER FUNCTIONS OF THE OFFICE BE STRENGTHENED?
IT IS APPROPRIATE TO RAISE SUCH QUESTIONS.

5. THERE ARE OTHER AREAS IN WHICH WE CAN STRENGTHEN THE APPLICATIONS OF THE MERIT PRINCIPLE AND THE COROLLARY OF EQUAL PAY FOR EQUAL WORK. FOR EXAMPLE, EMPLOYEES ENCOUNTER SIGNIFICANT DIFFERENCES IN TAKE-HOME PAY ACCORDING TO THEIR WORK LOCATION BECAUSE OF PARKING COST DIFFERENTIALS. WHAT CAN BE DONE IN THESE AREAS?

6. THERE ARE INNOVATIONS GOING ON WITHIN GOVERNMENT THAT WE MIGHT EMULATE. SHOULD WE MAKE GREAT USE OF FLEXTIME? ARE WE PROVIDING ADEQUATE RECOGNITION TO OUR MORE PRODUCTIVE AND INNOVATIVE EMPLOYEES? THERE PROBABLY ARE OTHER SIGNIFICANT INNOVATIONS WITHIN THE PERSONNEL FIELD THAT WE SHOULD CONSIDER.

THOUGH WE ARE IN AN ELECTION YEAR AND THE GOVERNMENT EMPLOYEE APPEARS TO BE TAKING HARD KNOCKS, I AM OPTIMISTIC ABOUT THE PROSPECTS FOR FORWARD-LOOKING PERSONNEL PROGRAMS IF WE CAN TIE THEM TO THE COST EFFECTIVENESS OF THE EMPLOYEES.

AS THE OFFICE OF PERSONNEL GOES INTO ITS CONFERENCE, I WISH YOU WELL. DURING THE COMING YEAR, I SHALL LOOK FOR PROGRAMS DESIGNED TO HELP US MOVE FORWARD IN THE DIRECTIONS I HAVE INDICATED. IN ADDITION, PERSONNEL OFFICERS ARE WELL SITUATED TO PROVIDE READINGS ON THE STATE OF MIND OF THE ORGANIZATION; YOU CAN PLAY A VALUABLE ROLE IN OUR FEEDBACK SYSTEM.