Outline for Presentation on CIA Records Management Policies
Support Services Course for Career Trainees
8:30 A.M. - 28 October 1966
Room 1A-04, Headquarters

It is always a stimulating experience to be a guest speaker at these
courses for Career Trainees. You are always eager to know what is going on -
to learn more about the functions and programs of the agency. I also find it
interesting to meet new people and therefore it is a good opportunity to
exchange views with you; perhaps we can get some new ideas on how to solve
an old problem - "how to manage records".

The subject of our discussion, records management or paperwork management,
is probably the world's most unromantic topic. It has very little glamour
and practically no sophistication.

Occasionally we see a comical cartoon about the Secretary getting
desperate to locate a paper the Boss needs in a hurry - but we seldom hear a good
story. How about one from you people. (Repeat previous story if appropriate.)

Today, management is concerned about how fast it can get information.
Computers and printing presses grind out paper faster than the human eye can
read it and certainly faster than the human mind can understand what we
produce. These are days of glamour gadgets - high cost hardware and piles
and piles of software - expensive mounds of paper.

Government and industry are greatly concerned about the increased cost of
creating and keeping the tremendous volume of paper required to operate
modern business today. Here is what one of the great industrial leaders,
J. Paul Getty, who is recognized as the world's richest man said recently -

"One of the really serious wrongs in American business today is the penchant

for wallowing in welters of paperwork. Some companies have hundreds of

people keeping records on each other and passing office memorandums back and

forth. *Some times* There seem to be more memo writers, readers and filers than productive

workers. The cost of this over administration is staggering in salaries paid

to paper shufflers".

We pay a stiff price for complexity in our modern age of progress -

paperwork. It takes 25 tons of engineering drawings, for instance, to build

a jet airliner. Most companies now require 25 - 30 separate personnel forms.

CHART - WHAT IS RECORDS MANAGEMENT

Basically, it is a management improvement technique. It is a specialized

tool of management concerned with paperwork practices and problems. It is not,

however concerned with the bits and pieces of paper as in filing or in

destroying records; instead we pay attention to the life cycle of records

from Creation to Cremation.

CREATION - Forms, Reports, Correspondence

USE - Equipment, Systems, Supplies, Vital Records

DISPOSITION - Inventories, Schedules, Archives and Records Center

Operations.

CHART

Records Management, or paperwork, is recognized today as a professional

aspect of our society. This recognition is best illustrated by a recent

event - the awarding of Certificates of Honor on 28 September to 21 Federal

Officials for Outstanding performance in promoting effective Paperwork

Management in their Agencies. The real significance of these awards is that they were given by the Administrative Management Society, a professional society of 15,000 business managers throughout the U.S. and Canada. Industry, as you can see, recognizes the importance of paperwork in every day business operations.

CHART - WHY SHOULD YOU BE INTERESTED IN RECORDS MANAGEMENT?

My primary objective is to interest you in the records management and show you how the techniques we use to solve paperwork management problems can help you when you get your permanent assignment.

Need For New Talent -

Records have received a lot of attention since 1949 when the Hoover Commission first dealt with this subject and interest increased substantially after the Second Hoover Commission report in 1955 because for the first time an independent body developed a course of action to help reduce the Four Billion Dollar annual Cost of Federal Paperwork.

The Federal Government and Industry have taken positive action and they have used records management techniques to save million of dollars. The Ford Motor Company, Union Carbide, IBM, Westinghouse and Lever Brothers are among the large industrial concerns which have used the same records management tools as the Federal Government.

Congress has expressed its concern about costly paperwork. Last year Congressman Olsen of Montana attempted to eliminate some of the costly reporting placed on business by the Federal Government. He described these requirements as a part of the "Federal Paperwork Jungle". Congressman Nix of Pennsylvania submitted a report to the Speaker of October 6 - HR 2197 called "How to Cut Paperwork".

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As a taxpaper, I recommend it to you for serious reading - One shocking highlight - todays Federal paperworks costs are 8 billion dollars.

President Johnson has expressed his concern about paperwork on these specific instances - -

First - December 1963 Cabinet Meeting - "Cut out excessive paperwork - it breeds overstaffing".

Second - February 1965 - Moratorium on the Purchase of Filing Cabinets.

Third - April 1966 - "Every Government employee must think hard about cost reduction".

Fourth - September 22, 1966 - Continuation of Moratorium and Government-wide Clean-Up Campaign - (read pertinent parts of the President's Letter to All Agency Heads).

The Cost of creating records is high - $16726 every time a 4 drawer safe is filled.

This means - $69 Million-664 thousand for the DDS Area; and another Two Million to store them every year.

As a taxpayer you are spending $100 of your tax money every year for this paperwork burden. Do you wish to continue doing this?

CHART - Graph

The volume of paper in DDS offices has been increasing as you can see from this chart. In FY 1966, however, we did have a decrease of 6% but it is still too high because we have 12.1 cu. ft. [   ]   STAT

[   ] compared to 5 cu. ft. (2½ file drawers) Government-wide and   STAT
3 cu. ft. for Industry.

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CHART - WHY DO WE NEED RECORDS MANAGEMENT?

First - To Save Manpower - An estimated [   ] employees are needed   STAT
to file and keep Agency paper. If we eliminate unneeded paper we can find
what we want in our files easier - quicker and with fewer people.

Second - To Save Space - At the rate of expansion in Rosslyn, Office
space at Headquarters is still at a premium. DDS Components now require   STAT
[   ] sq. ft. for office use and almost [   ] of this is for records.   STAT

Third - To Control Growth - We create about 200 million pieces of paper
every year and we collect a lot too - 18 million pieces last year. This means
an increase at the rate of $7\frac{1}{2}$ file cabinets every hour of the work day.

Fourth - To Protect Essential Records - Those we cannot afford to lose
by enemy action or from natural disaster - Pentagon Fire.

Fifth - To Comply With the Law - Federal Records Act

Sixth - To Save Money - $16,726 is saved every time we avoid creating
one safe full of records- and we save $473 everytime we empty one safe of
records.

Seventh - To Improve Over-all Efficiency

CHART - AUTHORITY - WHO IS RESPONSIBLE FOR RECORDS MANAGEMENT

The 81st Congress enacted PL 754, Federal Records Act

Administrator of GSA - Government-wide; National Archives; 16 Federal
                       Records Centers

Heads of Agencies - All departments and agencies - Opinion of our
                    General Counsel

Our Authority - [   ] Director, Deputy Directors - CIA Records   STAT
                Officer - Component Records Officers

CIA Records Officer - Guides, Standards

                    Now lets see how each records management element

                can help to improve office efficiency.

CHART - FORMS MANAGEMENT - is a continuous cost reduction program. Forms
serve management in many ways - they constitute the backbone of most systems;
they are often selected as the natural unit of work flow, production,
scheduling and cost accounting.

We are concerned about forms for two reasons - first, they create a lot
of paper; second, they help us solve procedural problems by working for us.

Last year 50 million pieces of paper were created from Agency official
forms - the printing bill for these was $285,866 - while this is a substantial
amount of money it represents only the apparent costs - the real cost of
filling them out, filing them and reference operations amounted to almost
$6 million - this is determined by a tested formula used by government and
industry. Forms processing costs are 20 times the cost of printing them. The
real savings in forms management, therefore is in the operating procedures.
Here is a good illustration of how we let a form work for us. The Records
Center Service Request Form 490 must be filled out when an office needs infor-
mation on records they sent to the Center. By using a six part form the
requester prepares - Charge Card; Address Label; Courier Receipt; Routing
Slip with Document; Suspense for Requesting Office; Statistical Data. Forms
Management pays dividends - $759,000.

CHART - REPORTS MANAGEMENT

The objectives are the same as Forms - better procedures and less paper.

Administrative reports last year created 12 million pieces of paper at
a cost of about $30 million. We have done very little in Reports Management -
primarily because of lack of professional personnel. We did one survey which
produced $25,000 in savings so we know this is a good potential money saver.

It is _too easy_ to get reports today - _Computers_ can grind out reports at the rate of _100 cubic feet_ a day compared to an inch a day by typewriter. This is an area of paperwork management that requires attention but operating offices will have to use Reports Management on a "_Do It Yourself Basis_". Some offices - Logistics, Commo, OTR have done a little. Recently OTR changed the routing of Reports of External Training and eliminated _3 pieces of paper_ for _every one_ prepared. This seemingly minor procedural change actually eliminates the _filing and keeping_ of _22,000 pieces_ of paper a year, equivalent to _1½ safes_ and saves _$25,089 annually._ ~~There is something~~

CHART - CORRESPONDENCE MANAGEMENT - This is a _most important_ phase of our everyday work. _Communications._ We make a good impression or an unfavorable one by what we say, how we say it, and when we say it. Good public relations and a favorable public image depend on the written word to a great extent.

President Johnson appointed _Chairman Macy_ of the CSC to head up a Government wide program to improve the quality of Communications to the public. [   ] is Chairman of the CIA Committee. _Mr. Macy will_ speak on this topic today.

STAT

Correspondence created _8 million pieces of paper_ in our agency last year at the cost of _$12 million._ Cables and dispatches add _another 18 million pieces._ Don't you think we need to do something to stem the paperwork tide caused by correspondence? Some progress has been made by using such short cuts _as Letterex_ to make the girls work easier in assembling and separating paper and carbons. _Form Letters_ are being used to good advantage by _Personnel, Security, Logistics._ We can make greater use of form letters and they will

help to reduce costs from $3 for an individually typed letter to about 30 cents.

We are getting excellent results from the Speed Letter - Logistics, Security, Contacts, Commo - FBIS - NPIC - (Describe - Tell How to Get Supplies) NPIC Division Chiefs Write It in Long Hand. Describe new procedure used by Office of Personnel to Request Work Orders.

CHART - VITAL RECORDS - What are they - Current, not inactive records - those we cannot afford to lose by enemy action or by natural disaster. The Vital Records Deposit Schedule is the key to our program. Here is a typical one - Describe.

We have an active program. It is tested periodically - our Repository is built to withstand normal bomb damage and it is equipped with the required detection devices. Our program is judged the best in the Federal Government.

CHART - FILING SYSTEMS

These concern the orderly arrangement of papers by uniform systems so they can be found by anyone in the office - not just the file clerk. Management is not interested in files as such but management is very much interested in information (cite General Counsel - SAVA)

Here are some Basic Filing Systems -

Subject - administrative - operational [   ] - Handbook   STAT

Numeric - Terminal Digit - large numerical files - file on last digit right to left; Contacts   — *No Mi's Files*

Alphabetic - Soundex - personal name - Biographic *Register*

An appropriate filing system is the key to the success of any office operation. It is essential to the proper functioning of any ADP or Computer operation.

CHART - FILING EQUIPMENT

The DDS investment in filing equipment is over one million one hundred thousand dollars - this includes everything from the conventional file cabinet to the most complex motorized unit for cards or correspondence. Filing equipment costs continue to rise - from $238 for a 4-drawer safe in 1951 to $565. today.

To help reduce equipment costs we have - -

Standardized Cabinets and Safes - 6 instead of 17 in 1951 - result lower cost -

Introduced Specialty Space Saving Equipment

Shelf Files - Save 40% Space - 65% Cost; saves time in filing and finding by 25%.

89 Shelf File Installations in Agency have saved 5600 sq. ft. of space and $275,694.

Conserv-File-V - Show Chart

Full Space - Pictures - Results in NPIC

Moratorium Government-wide 3 million 600 thousand saved in purchases - *Compared to shelf files*

Our Results - 9,485 cu. ft. removed from offices; 232 pieces of equipment released.

Use of Excess and Surplus

STAT

CHART -RECORDS DISPOSITION

This is probably the most productive area of records management in terms of tangible results. On the other hand, it is the most difficult from a substantive viewpoint because we must decide what to keep and what to destroy - and this is not always easy.

There are, however, these professional guides -

Legal - some records must be kept for specified periods; official

personnel records 85 years.

Historical - records of policy determination.

Administrative

Rate of Reference - less than 1 reference per file drawer per month;

eliminate from office space.

The Records Control Schedule is the key to managing records disposition.

(Describe how it is used)

Graphs - This graph shows the history of Agency records accumulation;

you will note that there was a normal increase from 1957 to 1960 and then a

significant decrease from 1961 to 1963. The increase

We believe the increase in records holdings are due to these factors -

Copying Machines - 39 million pieces of paper created from them in 1965;

cost of the reproduction paper alone was $205,000. When you add the cost of

time to file it, the time to read it and the cost of file equipment, this

becomes an expensive luxury. Cite the Ford Motor Co. experience.

Computers - Conversion from manual to mechanical processes; development

of parallel systems to determine feasibility (Retention of 12,000 cu. ft. in

Records Center until a particular project is determined to be successful;

See Cards regarding 230,000 SCIPS punched cards) and 1,042,000 open reference

index).

Less Professional Records Management Time

Results - The Agency has done remarkably well when we consider that

there are no published standards for the disposal of intelligence records.

We have removed the equivalent of 46,553 safes from office space by

destruction or retirement.

We are particularly proud of our position on permanent records - in 1954 we kept 24% permanently - now we keep only 5.2%. Government-wide the percent today is 25 compared to 26.3 in 1954.

CHART - RECORDS CENTER

The Center building cost [   ] its capacity is 103,380 cubic feet   STAT equivalent to 12,915 safes; it has the required security and fire protection devices. Since the Center has been in operation it has received 184,081 cu. ft. of records (equivalent to 23,010 file Cabinets) but we have destroyed 93,757 cubic feet (equivalent to 11,719 file Cabinets). If we did not have the Records Center it would have been necessary to spend about five and a half million dollars for file equipment. The Records Center has saved about 4 million 800 thousand dollars. Today, we have 90, 324 cubic feet - about 86% filled.

ARCHIVES AND RECORDS CENTER ACTIVITY - Future Use of GSA Facility at [   ]   STAT

Now lets take a minute to summarize -

First - Paperwork Is Expensive - $16,726 to create one safe full - $114 million for DDS paper.

Second - Paper Requires a lot of Space - 45,000 sq. ft. for DDS area.

Third - Paperwork Requires a Lot of People - [   ] to file and keep Agency   STAT records.

Fourth - Paperwork Programs are Required by Law

Fifth - Good Paperwork Practices Pay Dividends - $15 Million.

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In conclusion I want to quote one of the worlds foremost management authorities - Lyndal Urwick who said, "Some paperwork, some records are essential; some men lie and all men die - the records become essential where these accidents occur. Records are essential in all large organizations because men change posts and forget - but the records are only memory aids. The big decisions are made not on paper but by men meeting face to face who trust each other."

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used from
page 2 - 12 of this speech (mc
for his Speech on Records Program to
mid- Career Group, Fri: 20 Jan. 1967
at 8:30, in Room 80? ~~Briefed~~ 1000 Itlebe