

Specks

NPIC SENIOR STAFF CONFERENCE

11 June 1965

2/17/66

*sent Xero Copy to
PVH.*

Good morning.

I am grateful for the opportunity to meet and talk with you, the Senior officials of NPIC.

I want to talk with you about what is probably the most unromantic subject in the World--Paperwork--Records Management.

The Hoover Commission in 1949 and again in 1955 dealt with Paperwork Management at great length--and more recently, President Johnson on several occasions reminded his Cabinet to eliminate needless paperwork, In addition, the President has declared a Moratorium on the Purchase of Filing Equipment.

I take justifiable pride in the reputation that we, in CIA, have one of the best Records Management Programs in the Federal Government. This recognition is attributed primarily to the fact that our program includes all of the recognized elements of a professional Records Management Program in a single *a single* ~~an~~ intergrated system to cope with all related paperwork problems. As a result, Records Management has already saved ^{CIA} ~~this Agency~~ over 13½ Million Dollars.

*15 million, even
hundred thousand
dollars.*

Your organization is relatively new--your Program is changing and expanding--you, therefore, have not had the opportunity to participate to the extent that most of the CIA has in the savings realized ^{from} by records management. Now you have this opportunity and you can use Records Management as an effective tool in administration. It will pay you dividends in the same way that the rest of the Agency has profited from its use.

A week ago yesterday, at invitation, two members of my staff and I discussed Records Management with a selected group of about 50 of your employees. I believe they were impressed with the potential results that can be obtained from a good Records Management Program

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and they want you to feel the same way. So [redacted] asked me to give you, in half an hour this morning the highlights of our 4½ hour presentation last week. This is comparable to the experience of the Mosquito who landed in a Nuddist Camp and said: "There is so much to cover I don't know where to start".

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WHY SHOULD YOU BE INTERESTED IN RECORDS MANAGEMENT

First - because as ~~1 of~~ NPIC's top officials you are interested in the effective and efficient operations of the Programs that you have been given responsibility to manage. Each one of you is responsible for creating, storing, using and disposing of your records; therefore, you should be concerned with their proper management. As a tax payer you help pay for the cost of maintaining these records.

Second - the rate of growth [redacted]

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Another reason why you should be interested in Records Management is that I understand there may be some expansion of your program. When this occurs you will need more people and more space. You probably are not

hurting for space now but the plans you are now developing can create a serious space problem quickly--so now is the time to get your records program organized and going. If you wait too long you will find that people and paper cannot occupy the same space. Let's profit by the experience we had with the CIA Headquarters Building.

Let's spend a few minutes now to see

WHAT IS RECORDS MANAGEMENT

WHY DO WE HAVE RECORDS MANAGEMENT

HOW RECORDS MANAGEMENT CAN HELP YOU AND

WHAT YOU NEED TO DO

WHAT IS RECORDS MANAGEMENT

Records Management is a specialized profession which deals with the problems and practices of Paperwork. Originally, Records Management was primarily concerned with the disposition phases of records; also it was concerned with the arrangement of paper. As a result, of these 2 limited considerations a negative and narrow view of records management predominated. Now we have a positive viewpoint which includes paperwork, punch cards, magnetic and paper tapes, and your photographic products.

Records Management is emerging as a recognized profession. There are now 3 professional societies--AREA--ARMA--SAA. Both Government and Industry depend upon the professional records manager to solve their paperwork problems. (See Article from Wall Street Journal). You have a professional to help solve your records management problems.

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Basically, Records Management is a Management Improvement Program. Its objective is economy in office operations. President Johnson has included Paperwork Management in his Budget message to the Congress.

Records Management does not deal solely with bits and pieces--it is concerned with the entire life cycle of records ~~management~~ from Creation to Cremation.

WHY DO YOU NEED RECORDS MANAGEMENT?

I believe that Records Management can be a real asset to you in the day-to-day operation of your organization. Properly used it will do these things:

Save Manpower--Clearing out records that are no longer needed for daily use reduces filing and finding time. Therefore, the time of personnel needed to service an accumulation of paper can be reduced and used for other purposes. As a result, money can be saved and used elsewhere. I estimate that more than \$7 Million are required to maintain CIA records. [REDACTED]

Save Space - CIA records require about 200,000 square feet of office space. [REDACTED]

Eliminating unneeded records saves space. You might not need this space now but you probably will later.

To Control Growth - CIA creates paper at the rate of about 200 million pieces a year--this is equal to 12,500 safes. We also collect a lot-- over 6 million pieces last year. [REDACTED]

[REDACTED]

To Comply with Law - The Federal Records Act prescribes certain standards to follow.

To Protect Important Records - This phase of Records Management is concerned with the identification and dispersal of those records which you would need to reconstruct your operation in the event that your current papers were destroyed as a result of natural disaster or from enemy action.

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WHO IS RESPONSIBLE FOR RECORDS MANAGEMENT

The Federal Records Act (enacted by the 81st Congress in 1950) gives responsibility for Government-wide administration to the Administrator of GSA. The Administrator publishes regulations and standards and audits Agency Programs. He also operates all Federal Records Centers and the National Archives.

The Head of each Agency is required by this law to maintain a records management program in accordance with GSA standards. Our General Counsel says we must comply with the law too.

Each Deputy Director has been given the responsibility to establish a program as outlined in our Regulations. I am responsible for Agency-wide operations of the Program.

ELEMENTS IN RECORDS MANAGEMENT

In managing records we must be concerned with them in all phases-- While they are being made; while they are being used; and in their final stages of destruction or preservation. Specifically, we are concerned with them in these 3 phases--Creation--Use--Disposition. *Creation: Filing, etc. Use: Retrieval, etc. Disposition: Destruction, etc.*

Let's take a look at each of these elements and see how they are used.

FORMS MANAGEMENT

Forms are probably the most widely used type of records. A form is easier to prepare than a letter, a report or any other type of media used to transfer information. The ease with which a Form can be prepared is the cause therefore for the creation and distribution of many unnecessary pieces of paper. Forms, however, can serve as a vehicle in a continuous cost reduction program. Properly managed, forms save money, manpower, and materials. Our savings ^{from forms mgmt} have been over \$700,000.

Unnecessary supplies and copies of forms create problems of storage, warehousing and supply. Unnecessary items on a form cause confusion in their preparation. || We are continually trying to eliminate unnecessary forms. Our efforts have been successful and we have eliminated more than 2,000 official forms, in 10 years.

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Good design of forms saves time. Good design permits the forms to be filled in easily by hand or typewriter (Domestic Travel Order form).

Proper size of the form is important. It must be designed to fit standardized filing equipment and office machines. (Illustration of O/L forms). Sometimes the color of a form is most important--not only to catch the eye but to serve as a routing media. *(Illustrations)*

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Today, we have 2103 official Agency forms.

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The forms that we have designed are for Agency-wide use and they concern almost every conceivable function. ^{in OIA} These should be considered first before a new one is prepared.

An example of an Office not taking our advice.

// **

Two of our most widely used forms were designed to fit a long-carriage typewriter. WHY? No one considered the size of the form, just the data that was needed or data they thought they needed. The Forms were printed (costing well over \$10,000) and then a little error was discovered by the originating office, the forms were too wide to fit in normal typewriter carriages. So what, you say, "Let them get wide-carriage typewriters." Just consider the cost to furnish long carriage typewriters AROUND THE WORLD. The agency, of course, does not stock long carriage typewriters which meant we would have to go out and buy them and ship them.

Finally, the problem was solved, the forms were re-designed, printed, and re-distributed around the world. But at what expense? Well, the most obvious one was the destruction of forms costing more than \$10,000. //

An example of an office not knowing the processing of its own form.

A form was designed and specifications written by FMB, these were both approved by the originating office. One million continuous forms were printed and delivery was made to the using office. What happened? They thought the form was going to be printed on pink paper (of course remember they approved the specifications which called for white paper) and Pink paper they wanted. To eliminate reprinting the entire job, arrangements were made to run the forms on a color-verter and color the front side pink. Now you say, "the problem was licked" everybody happy. OH NO, the final phase of processing of this form was to microfilm it and pink paper did not microfilm well. You know what happened, these forms were also scrapped and re-ordered on white paper. Approved For Release 2005/07/25 : CIA-RDP70-00211R000500050017-2

CIA
Agency forms cause about 43 million *pieces of paper* copies to be created every year.

[Redacted]

The

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cost of printing *CIA* Agency forms last year was \$247,580. These are the apparent costs. The hidden costs are those concerned with processing, filing, and later disposition of them. Both Industry and Government use a factor of 20 times printing costs to show the actual cost. Last year the total cost of printing and processing CIA forms was almost \$5⁶ Million. I don't know what your costs are but they are probably high.

I believe your *Can* ~~savings~~ *seems of money paid gets* can be significant, too when this phase of your program gets under way ~~later~~.

Reports serve 2 primary objectives--First, they convey information to management for control purposes. Second, they furnish other offices information necessary to carry on day-to-day work. The objectives of Reports Management are to eliminate reports that are no longer needed, consolidate those which overlap and duplicate one another, and eliminate the distribution of non-essential copies.

~~Why should you have Reports Management?~~

Reports Management
~~I don't think that this should be an element in your program just for the sake of having it. Reports cost a lot of money. I have seen some reports programs which were so cumbersome that they actually annoyed everybody in the organization. Reports, however, are essential as a management tool and when properly used they are most valuable.~~

~~I suggest, therefore, that a proper Reports Management Program should be concerned with analyzing existing reports, determining their needs, determining whether the cost of preparation is justified, seeing if they are presented in a reasonable time cycle and if they are accurate.~~ *are still*
on *still necessary*

Reports create a lot of paper, Last year they created about 12 million pieces for ~~us~~ *CIA* and cost us about 30 Million dollars.

We have not done as ~~many~~ *much* in Reports Management as I think we should. I am convinced, however that we must get busy. The increased use of ADP equipment and Computers makes it too easy to ask for a report. STAT
 know that ~~they~~ *computers* can produce about a 100 cu. ft. of paper a day in STAT
contrast to about an inch a day by typewriter.

Oknow There are some benefits to be gained--we did a ~~survey~~ Survey several years ago and came up with a saving of \$25,000 for an investment of about \$500 in time.

CORRESPONDENCE

Correspondence is a neglected phase of Records Management. Many outgoing pieces of mail and interoffice memos are hard to understand and require additional correspondence. Many times letters and memos are too long-resulting in extra cost. Routine correspondence in many instances is reviewed at too high a level and an unnecessary paperwork burden is placed on Executives.

In Correspondence Management we are primarily concerned with standard practices for the preparation of all kinds of correspondence so that we can get quality work at lower costs.

We have developed an Agency-wide Correspondence Handbook. A revised copy is being coordinated. Mr. Lundal's secretary is using this new Handbook as a guide to the manual she is developing for your use. ×

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One of the best ways to economize in the Correspondence area is to use Form and ~~typed~~ Letters. I don't like form letters any better than anyone else but the well designed and properly organized form letter is acceptable and it is used in Industry to a greater extent than in Government. We use a modification of a form letter, the Speedletter. It really has caught on in the Agency and is saving a lot of time and money. (Illustrate) *I recommend it highly for informal correspondence.*

Limit the number of copies that you prepare in letters and memos. Don't make an extra one just in case. They are too hard to get rid of. I understand that one product of our orientation last week is a limitation on the preparation of copies.

Probably the best idea that I could give you in Correspondence Management is to delegate authority to the proper level for preparation, review and signature. This is where much time is wasted and many unnecessary reviews occur.

Correspondence creates about 8 million pieces of paper a year in CIA at a cost of about 20 million dollars.

SECRET
(When Filled In)

SPEED LETTER	REPLY REQUESTED		DATE	
	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
TO :	FROM:			
ATTN:				
				SIGNATURE
REPLY			DATE	
				SIGNATURE
Approved For Release 2005/07/25 : CIA-RDP70-00211R000500050017-2				

SECRET
(When Filled In)

SPEED LETTER	REPLY REQUESTED		DATE
	YES	NO	LETTER NO.
TO :	FROM:		
ATTN:			
			SIGNATURE
REPLY			DATE
			SIGNATURE

This Program is concerned with identifying records which are essential for the ~~re construction of~~ ^{continued} operations in the event of an emergency or for ~~the~~ re-construction in the event that the Headquarters offices ~~were~~ ^{are} eliminated by enemy attack. A vital records program should not be just a scheme to select paper and put it in a deep freeze "just in case." It can be a catalyst to the development of an entire management information system.

We use Vital Records Deposit Schedules as a primary medium to identify these papers. At this point I want to emphasize that papers that we select ^{are vital} are current papers, not historical, ~~not~~ ^{or} inactive. ^{only} You have an active Vital Records Program. ^{it} put in operation several years ago. I believe that some improvement can be made in it. For instance.



(Accidentally by the National Records Management Council says about 2%)

While I believe you have a good Vital Records Program, I think that you should ~~consider some improvements.~~ [←] First, you should review what you have with us and eliminate the unessential. Second, ^{also} I believe that you should consider the ~~relocation of some of this material~~ by dispersal ^{of some of this} to other locations. I have talked to will be discussing Vital Records with you later.

This is probably the most productive element of the entire records management program. It is however, the most difficult phase of our business *- because*
we must e
the making up of our minds on what to keep and what to destroy. We cannot keep everything and we must not destroy everything - there are certain recognized professional standards to guide us - they concern:

Legal Values

Historical Values

Administrative Values

Our disposition program has provided the Agency with tangible savings of almost 9 million dollars.

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Now however, is your chance to get going - and here is how will do it -

First - Prepare Inventories

Second - Develop Records Control Schedules. From these you can expect ~~some~~ results. This is about what we normally get when *making acc* starting out with an *first inventory and schedule -* organization initially as you will do - (See Chart)

- 30% Destroy Now
- 40% Retire Now and Later
- 30% Keep In Offices
- 5.20% Permanent

Frankly, I don't know whether we can expect this much here - but let's try. I can tell you now however, that it is cheaper to keep paper in the Records Center than in this building and here are the relative costs ~~to keep for~~

(See Ditto Sheet) *1/2 of a file drawer.*

<u>Store & Service</u>	<u>Store</u>
In the Office - 55.98	6.24
In the Records Center - 1.75	.42

Many of you have seen the Records Center. Paul will arrange for others to see it. It is specially built for records - secure and efficient storage.

But our Records Center is filling up and the DDS doesn't want to spend the money for an addition. So I have arranged to acquire space in the new Federal Records Center [redacted] The Office of Security has approved the secure vault area and we hope that it will be ready for us to

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[redacted]

In this area we are concerned with systems for the arrangement of papers so that they can be easily found; the storage of paper in the proper type of equipment and the use of the right kind of filing supplies. In each of these instances we have developed standards.

A Uniform Filing System - Subject-Numeric for Administrative and operational uses. (Illustrate the Office of General Counsel) Result - trained people - System understood by everyone. [redacted] STAT

Standard Equipment - Safes and Filing Cabinets - In 1952 - 17 types now 6.

In 1952 - 54 types of folders, now 9. Result - Procurement easier and cheaper. [redacted] and his people can appreciate this. STAT

Special Equipment -

Shelf Files - Saved CIA about \$400,000 already. Reason - saves about one half floor space; equipment costs about one half. - *about 75 now in use.*
~~(Roll-out Shelves)~~ [redacted] STAT

Roll out Shelf Files - Conseramatic
Motorized - Shelf Files

No Walk - Files

Control of Requisitions - Paul is doing this now. Substitution. Use of surplus - (Time Magazine)

Ratio of Equipment to Personnel - About 1 for 1 - This ^{is} high when you consider extensive use of Shelf Files.

we are making in space said, "We have conquered most of the problems in gravity and we will reach the moon - if the paperwork doesn't hold us down."

wouldn't have much paper was created for Kennedy. 4 -

President Johnson ^{recently} told his cabinet - "Cut out excessive paperwork, it breeds overstaffing - continuing the President said, "I want you to give as much attention to management as you do to your programs." Incidentally, the President's message is echoed in this article in the Harvard Business Review by Robert Shiff, President, NRMC, entitled "The New ^{Science} ~~Scheme~~ of Records Management".

The President considers Records Management a part of his management improvement program, it is included in his budget message to Congress - He has implemented this by declaring a moratorium on purchase of filing equipment - savings so far of about \$800,000. Projected savings of \$5 million. Our results are excellent too - almost 10,00 cubic feet eliminated from offices in 2½ months, equivalent to 1,250 safes - you didn't participate in this - you can because this is a continuing program and the moratorium is going to stay as long as Mr. Johnson is President.

I have given you my experience in dealing with Records Management problems in CIA for over 14 years and I have shown you some of the results from the application of paperwork management techniques. You are ready to embark on an active program - ^{Here's} ^{can} What can you do to assure the success of this program?

First - Become interested in Records Management on a continuing basis - crash projects produce good results but they are not lasting. Discuss Records Management in your staff meetings.

Second - Use your professional Records Manager, is equipped to do the job and he has a desire to help you. He has a tough job.

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Third - Be patient - don't expect earth shaking results immediately -
it takes time. But the results are worth waiting for.

In conclusion I want to quote a short statement from Lyndall Urwick,
widely acknowledged as the foremost international authority in the field
of management - I quote -

slowly

"Some paperwork, some records are essential.

Some men lie and all men die. The record becomes
critical where these accidents occur.

It is also essential in all large scale organizations
because men change posts and forget but it is only a record,
a memory aid.

The big decisions get taken not on paper, but by men
meeting face to face, who trust each other." *Pause*

I have enjoyed this discussion with you today. Good luck in your
Records Management efforts and I will be delighted to help. Thank you
for inviting me.