

- Q. Why does CIA desire to retire all employees, excepting those few asked to continue in service, at age 60?
- A. To increase attrition by shortening the career span of the total employee body.
- Q. Why is increased attrition desirable or necessary?
- A. Attrition provides vacancies. Vacancies provide opportunities (ceiling, funds, assignments)
- (a) To recruit and employ new personnel having the qualifications needed for current and prospective operations and which are not available or susceptible to development among on-duty employees.
 - (b) For the accelerated development of on-duty personnel by a broad continuing program of rotational assignments.
 - (c) To advance and exploit the capabilities of OS employees who otherwise would become frustrated.
- Q. Why does CIA need to increase its rate of attrition?
- A. The total need to increase its rate of attrition for several reasons-some of which are directly related to the nature of the CIA mission.
- (a) CIA has an abnormally low attrition rate from resignation, deaths, disability and retirement. The CIA attrition rate is considerably lower than that encountered by normal government service. The major reasons for this are the following.
- Q. Regardless of CIA's low attrition rate, why is it not adequate to merely replace attrition from any cause with additional new employees?
- A. There are two major reasons - they both relate to uncommon aspects of CIA staffing needs. These are:
- (1) A large segment of CIA's total activities are related to the conduct and support of clandestine activities overseas. It is essential that these activities be staffed preponderantly by relatively young people (age 25 to 50). The nature of the work and the environments in which it is performed requires endurance, drive, singleness of purpose and fearlessness-qualities that are characteristic of relatively young people. Family inconvenience, frequent transfers, long and irregular working hours, physical discomfort, stress and hazard are normal factors in overseas intelligence activities. It is an observable and demonstrable fact that as the years pass tolerance for these working conditions decreases and concern for family and personal consideration increases to the detriment of optimum performance of the Agency mission.
 - (2) It is an unavoidable fact that "cover" employment opportunities abroad become progressively more difficult to provide as individuals pass age 40 and attain higher levels in the hierarchy of employment. Not

only are approprial "cover" assignments increasingly difficult to find or create but the need to perform cover duties substantially and effectively lessens the individual intelligence usefulness.

- Q. Does CIA not have a special retirement system for these intelligence personnel that permits their retirement as early as age 50 and makes retirement mandatory at age 60? Does this fact not take care of this segment of your personnel body?
- A. It helps to solve the problems of excess numbers of over-age intelligence officers and supporting personnel. Managing, supporting exploiting and developing the overseas intelligence activities of CIA is a Headquarters organization of approximately equivalent size. It is highly desirable that this organization be staffed in so far as possible by personnel who themselves are experienced in or are being trained for overseas intelligence operation. This is done by a continuing program of job rotation between field and headquarters and by gradually moving the most outstanding officers into senior staff and management positions at Headquarters as they outgrow their usefulness in overseas assignments. Many of these positions over the years tend to become filled by personnel who have never qualified for the CIA retirement system. The reasons stem from the stringency of the requirements for eligibility and the relatively recent creation of this retirement system. Cumulatively therefore a substantial and steadily increasing portion of of the position at Headquarters both within the Clandestine Service and in other Agency components may be pre-eminently qualified are not available for field-headquarters rotation or for exploitation in the later career phase. The age 60 retirement policy for personnel in the Civil Service Retirement System materially alleviates this situation by increasing attrition. It is a matter of providing more opportunities for the most outstanding overseas employees to continue their careers to the benefit of the Agency.
- Q. What other reasons compel the Agency to continue to hire new employees at the apparent expense of the old employees?
- A. Intelligence inherently embraces all elements of economic, political, scientific and social evolution. It is always concerned with change. The urgency and importance of its need, direction it may take, the techniques that may be required and the situs of emphasis can not be predicted very far into the future. Counter-measures are always present and must be overcome by new techniques, tactics and scientific applications. There is therefore a compelling need to adjust the mix of skills, academic and scientific background and experience available in the CIA employee body to the requirements of the moment and the predictable future. Time and practical consideration frequently preclude the re-education, retaining of on-duty employees. Expertise, of whatever kind, must be brought into the Agency when required. In addition, intelligence collection and exploitation calls for the highest levels of imagination, creativeness and currency of knowledge. There is little doubt that a steady influx of new minds, new viewpoints included by years of proven experience is a desirable if not essential

requirement to the maintenance of a viable dynamic intelligence organization. The most effective, and most equitable way to provide room for the employment of the "new blood" required is by limiting the career span of employees.

- Q. What is the practical impact of the age 60 retirement policy on the career span of employees?
- A. The most recent report of the Civil Service Retirement System shows that the great preponderance of employees retiring voluntarily do so in their 65th year of age. This would indicate that the age 60 retirement policy shortens each individual's career by five years.
- Q. Does the shortening of career span by five years have any special significance to CIA other than those previously pointed out?
- A. Indeed no! CIA has two unusual characteristics in the makeup of its employee body.
- (a) CIA, and indeed, ~~US~~ intelligence in the modern conception, had its origin in World War II and the Korean War. CIA was initially staffed during this period by persons essentially of the same age and historical perspective. With a low attrition rate until recent years the Agency has an age and cultural "hump." The individuals comprising this "hump" predominantly occupies the managerial and staff portions of the Agency. Even with the age 60 retirement policy the peak five year span for retirement of this group will be 1971-1976 (?). Most of these individuals were at or near their career peaks, as limited by the number of opportunities afforded the Agency organizational structure, in their late 40's and early 50's. With an age 60 retirement policy they will make their maximum contribution for roughly a ten year period. Without the policy most will perform the same duties for at least 15 years and many for a longer period. During this 10 to 15 or more year span there will be minimal opportunity for the introduction of new blood and the advancement of officers who in many cases are better qualified than their seniors.
- (b) The other characteristic is derivative of the rapid and high rate of growth in the size of the Agency and the scope of its activities during its first 20 years. The urgency of need was so great that despite stringent selection standards a considerable number of employees of less than optimum qualifications and potential by today's standards were employed. The rate of growth has been so great during the brief existence of the Agency that there has been no opportunity to thoughtfully weed out those of less than fully desirable competence until it was too late to do so in terms of their career investment and years of loyal service to the best of their abilities. The Agency now has the option of attempting to correct this situation during the next to years by the process of retirement at age sixty, the development and advancement of better qualified personnel who have risen through the ranks but are presently flocked, and by the employment of young new officers with proper qualifications for today's intelligence operations. The alternative is to extend the process over an addi-

tional 5 or more years. A further alternative would be selective purge of those not meeting today's standards - an alternative that would doubtless destroy the morale of the Agency and result in legal action jeopardizing the Director's separate authorities.

Q. What evidence do you have that CIA has a substantial accumulation of personnel in their 50's who are not properly or ideally qualified for their present or other assignments or more specifically as not as well qualified as available subordinates?

A. No, actual survey has been made since the process itself would entail serious morale problems. I believe based on many discussions with Heads of Career Services that each service has a substantial number of employees who have progressed to positions beyond their capabilities who are unassignable to other than positions tailored to their capabilities. I believe, that supervisors at all levels will affirm that they would rather lose a few outstanding employees at age 60 than retain most employees to age 65 or more. I believe there would be strong affirmation that the best interests of the U. S. Government call for the retention and enforcement of the present age 60 retirement policy in so far as all professional employees are concerned. A survey made in the Intelligence Directorate appears to support this belief.

Q. Why is it we adopt the same mandatory retirement age for employees in the CIA Retirement System and the Civil Service Retirement Service Retirement System?

A. Question reflects the fact that the CIA Retirement System with its provisions for early retirement at age 50 and mandatory retirement at age 60 was a specific remedy for the fact that clandestine intelligence operations abroad must be accomplished by a preponderantly young group of employees. There is none the less a compelling need for the services of a substantial number throughout their careers at Headquarters. The age 60 retirement policy for personnel not in the CIA Retirement System contributes greatly in providing job rotation opportunities at Headquarters for those whose careers relate to intelligence operations and for their best utilizations during the final decade of their careers. The age 60 retirement policy for those in Civil Service Retirement System is completely justifiable in its own right without regard to the CIA Retirement System and the members thereof. Question and Question provide some reasons in support of this policy.

Q. What other reasons are there?

A. In my own judgement there is one reason that surpasses all others. It is inherent in the nature and importance of the intelligence business. I believe the intelligence business thrives on challenge, stress, competition, and obsession with the task at hand. The task is to provide the best intelligence possible. The fact that "best possible is" unmeasurable merely means that it must be done by the best personnel available putting out their best efforts. It requires the continuous matching of qualifications to constantly changing targets and worldwide situations. It requires intense concentration and effort on the part of each individual, whatever his role may be. Inability to perform at optimum levels

whether due to inability to keep abreast, lack of qualifications, distractions due to ill health or other interests, mental or motivational degeneration detract from optimum performance. I believe it is incontestably true that in the mass, people tend to relax, become less discerning and understanding as to the changes taking place around them, rely more heavily upon past experience than on newly acquired knowledge, and more distracted by problems of health and less aggressive and progressive as their physical and intellectual needs become satisfied. I believe this is particularly true when a man realizes that he probably has attained his vocational peak. When this happens he either coasts or seeks fulfillment in non job related endeavors. It is in this area that the difference of five years in the terminal phase of the working careers of CIA employees is critical. Either the best interest of the Agency and the Government are sacrificed to the best interests of the individual or vice versa.

- Q. Is the need to assert the general best interests of the Government in this respect equally relevant to every individual employee, all CIA functions, all areas of career specializations and all levels of positions?
- A. The answer is clearly in the negative. With respect to any given individual, to various fields work, to very many specific jobs entirely satisfactory performance can be expected until impairment of physical or mental competence takes its toll. In many hundreds of jobs nominal fall off in productivity or effectiveness might be acceptable in deference to advancing man. Similarly it cannot be demonstrated that thousands of individual jobs have any direct effect upon the intelligence product of the Agency, or that turnover in these jobs is needed to provide career development and advancement opportunities for those on the way up.
- Q. Since this is the case why does not the Agency identify such jobs and exempt the incumbents thereof from the age 60 retirement policy?
- A. Practical administrative consideration preclude the Agency from making an individual determination regarding each employee. Now only would the magnitude and useable standards for such subjective judgements. Furthermore, and probably more important, employees would tend to defer retirement planning until a discussion had been reached regarding their retention in service. This would be detrimental to managerial planning of succession and each adverse decision would be personally offensive to the individual since post retirement loyalty to the Agency is highly important in times of national security, such a process should be considered. It would be possible, with relatively little impairment of total Agency performance to exempt substantial categories of jobs or possibly all jobs in specific functional activities.
- Q. Why does the Agency not do this? Failure to do so appears to restrict the individuals discretion as to the extent of his working career for no valid purpose. Valuable work know-how is lost and recruitment and training expenses must be incurred?

A. The separation of employees into two categories - those incorporated in and those excluded from the retirement policy is feasible. There are very real and demonstratable reasons for doing so-there are conjectured reasons for not doing so. The major reason against doing so is the following.

(a) The creation of an exempt category or categories of employees will instantly create an odious comparison. A pressure point will be established that will plague management indefinitely and consume endless hours of research and debate. Since many of basic considerations underlying the policy are necessarily empirically derived additional requests for exemption will forever arise and which will be reasonable only by fiat incorporating empirical reasoning. Chronic morale problems will inevitably prevail. The major reasons for exempting a substantial number of position from the policy are as follows:

- A. It will be impossible to justify the need for the policy with respect to specific individuals or specific types or levels of work. This could well lead to circumstances wherein the courts will attempt to adjudicate between the rights of an individual and the Director's judgement as to what is best for the Government.
- B. There is known to be at least one group of employees (in Printing Services) to whom the Agency has given assurance at the time of employment that their job tenure would not be impaired.
- C. It is an obvious and demonstratable fact that the lower graded positions fall in the categories of work where it is most difficult to establish, even by empirical methods, that job turnover and optimum level of performance have any direct or significant bearing upon the total performance of the Agency. It is also in this group that the majority of cases of inadequate preparation for retirement and financial hardships generating emotions for compassionate consideration arise. It is also the group where the loss of five or more years of employment is most crucial. Offsetting this is the fact that this group can generally most easily find subsequent employment in a reasonably good labor market since their skills are widely used and their good character is almost attested to by their Agency employment record. Nevertheless, were these lower graded employees generally exempted from the retirement policy considerable emotional on the part of the individuals and their supervisors would be avoided.

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