

14 November 1961

MEMORANDUM FOR FILE

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1. At 9:15 AM on 14 November 1961 [redacted] sat in the office of Mr. Edward B. Bruner, Assistant Vice President for personnel of the American Telephone and Telegraph Company, 195 Broadway, New York City. An assistant to Mr. Bruner, Mr. J. W. Cogswell, was introduced to [redacted] and sat in on the meeting. C/S [redacted] requested an outline of the AT&T Executive and Personnel Development Program, explaining that we had a special interest in their treatment of young men of executive caliber as related to training and development.

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2. A two and a half hour discussion took place relative to personnel development and training. Mr. Bruner explained that because of the broad scope of the whole problem, it would be necessary to outline the concept they followed and that if necessary details could be discussed at a later time. He prefaced his conversations on the subject with the statement that AT&T did not have a formal or written program for the development and training of personnel but had a plan which outlined general concepts and requirements. A copy of this plan, which has a very limited distribution within AT&T was given to C/S [redacted] for relay to the interested persons within CIA. This plan called "A Plan for Achieving the Early Identification and Continuing Development of Managers", gives areas of responsibility and specific areas of activities for six of the seven levels of management of the AT&T company. In the areas of activity for each of the six levels consideration is given to "Manning the Organization," "Improving the Performance and Developing the Potential of Management People", "Appraising the Performance and Potential of Management People", and "Assessing the Activity". A copy of this plan has been filed at [redacted] and a copy was forwarded to [redacted], Deputy Chief of Contact Division. The first level of management at AT&T not given in the above plan is the first step into the management category. Relating this level to the Office of Operation of CIA, this could be considered comparable to the introductory period of an intelligence officer in the Junior Officer's Training Program of CIA or the period of new young intelligence officers in the OO [redacted]

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3. The following is a brief, general outline of the points raised by Messrs. Bruner and Cogswell relating to the development and training of AT&T management personnel commencing with this first level:

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A. Selection of Personnel

1. From Non-Management group within the AT&T companies.
2. From the College Campus.

The latter is the largest because the Non-Management group is unable to supply their needs.

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B. Concepts

1. AT&T's old concept was to place a college graduate, after suitable procurements techniques had been followed, in a job for training and during the first and second year evaluating his progress. After this period the man can be evaluated for a specific job yet the company knows little about his potential for later management responsibilities. The AT&T company conducted a study for about 6 years on management progress because they were concerned that college men they selected for the first level of management did not reach the levels to meet the companies needs. With expansion, their needs increased and yet the yield of good management people was not as great as they expected. This resulted in AT&T's need for another approach.

2. The new concept now in effect is basically:

Evaluating the potential of the man in each level. During the first level phase of the development the company focuses considerable attention on the individual, shifting him around, giving him special assignments and opportunities. All of this is to enable higher management to learn the man, his strengths and weaknesses, so that by the end of one or two years a fairly real picture of the individual's potential can be seen. Under the old concept a first level man was expected to develop to the third level in 11 to 13 years. AT&T expects the new concept will result in a reduction of this by three or four years.

C. Group Discussions or Appraisal

This is the method used to evaluate a man; what he does, how he does it, job performance and his development. Mr. Cogswell outlined six steps used in group appraisals:

- Step 1. Job Standard (what the job is and the performance expected)
- Step 2. Results individual achieved.
- Step 3. Results not up to the Standard. Reasons why, etc.
- Step 4. Evaluation of Man.
- Step 5. Determine what to do if job requires changes or man does.

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Step 6. Work out with the man procedures for changes if needed.

It was pointed out that the group discussion and appraisal procedure is followed extensively throughout the Bell System from the first level on up to the high levels. It is conducted in an informal manner, minimizes comparison with the man's predecessor and curbs "emotional judgments". In the case of first level personnel, a group of level three people do the appraisal.

D. Development Philosophy

AT&T uses two: Individuals as understudies and prepared for specific jobs, and the Pool concept. The latter makes more people available for diverting to other jobs as needed. This, however, may result in over-staffing. AT&T officers are selected from the pool. The Bell System, having many different companies, offers wide opportunities for development of managers and consequently an effective pool system has resulted.

E. Development and Training

Mr. Bruner appeared to avoid discussions on specific training programs within the company probably because 95 percent of their effort is on the development concept and only 5 percent on formal training courses. In the training area some AT&T companies conduct below college graduate level training courses when a general need is evident and the cost warrants it. The company does conduct formal training courses for managers; makes use of executive and business seminars; uses various college programs such as: MIT's Sloane Program, Harvard Advancement Management courses, etc. Mr. Cogswell summarized their development and training in three phases:

1. What are we going to do?
(Testing and Evaluation)
2. Evaluation of Individual and his potential.
(First and Second year, giving him the kind of experience he wants and needs).
3. Give him the opportunity to pass judgements.

Their internal training emphasizes working with people and manager skills to develop the individual treatment of getting people to get a job done through others.

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4. Mr. Bruner agreed to further discussions of their surveys, development and training procedures if required.



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5 PLAN FOR REVIEWING THE EARLY AND INTERMEDIATE AND ADVANCED DEVELOPMENT OF MANAGERS

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| RESIDENT AND OTHER HEADS | GENERAL PERSONNEL HEADS/PROVIDERS | STATE DEPARTMENT OFFICERS | DEPARTMENT HEAD | DIVISION HEAD | DISTRICT HEAD |
|---|--|--|---|---|--|
| Establish goals and objectives for the early identification and continuing development of managers. Assume responsibility for establishing accountability for their assignments. | Establish a continuing process for the identification, selection, and development of managers. Provide the organization with appropriate personnel resources for development and growth. Assume responsibility for the identification, selection, and development of managers. Assume responsibility for the identification, selection, and development of managers. | Establish goals and objectives consistent with those set for the country. Provide positive leadership in developing company and area goals and objectives. Assume responsibility for management development and accountability for individual performance. | Establish departmental goals and objectives consistent with company and area goals. Provide positive leadership in developing company, area and departmental goals. Assume responsibility for management development and accountability for individual performance. | Establish divisional objectives consistent with company, area, and departmental goals. Provide positive leadership in developing company, area, and departmental goals. Assume responsibility for management development and accountability for individual performance. | Establish divisional objectives consistent with those set for the division. Assume responsibility for the identification, selection, and development of managers. Assume responsibility for the identification, selection, and development of managers. |
| SPECIFIC AREAS OF ACTIVITY | | | | | |
| INITIATING THE IDENTIFICATION PROCESS Approval of all promotion and movement of district level and above to: - Control quality. - Control size, shape, and function of organization. | Develop a system for the identification, selection, and development of managers. Provide the organization with appropriate personnel resources for development and growth. Assume responsibility for the identification, selection, and development of managers. Assume responsibility for the identification, selection, and development of managers. | Provide a continuing estimate of present and future needs for managers. Provide a continuing estimate of present and future needs for managers. Provide a continuing estimate of present and future needs for managers. | Provide a continuing estimate of present and future needs for managers. Provide a continuing estimate of present and future needs for managers. Provide a continuing estimate of present and future needs for managers. | Provide a continuing estimate of present and future needs for managers. Provide a continuing estimate of present and future needs for managers. Provide a continuing estimate of present and future needs for managers. | Provide a continuing estimate of present and future needs for managers. Provide a continuing estimate of present and future needs for managers. Provide a continuing estimate of present and future needs for managers. |
| INITIATING THE IDENTIFICATION PROCESS Develop a company climate that encourages the identification of managers. Provide the organization with appropriate personnel resources for development and growth. Assume responsibility for the identification, selection, and development of managers. Assume responsibility for the identification, selection, and development of managers. | Establish a continuing process for the identification, selection, and development of managers. Provide the organization with appropriate personnel resources for development and growth. Assume responsibility for the identification, selection, and development of managers. Assume responsibility for the identification, selection, and development of managers. | Provide positive leadership in developing the quality and quantity of managers. Provide positive leadership in developing the quality and quantity of managers. Provide positive leadership in developing the quality and quantity of managers. | Provide positive leadership in developing the quality and quantity of managers. Provide positive leadership in developing the quality and quantity of managers. Provide positive leadership in developing the quality and quantity of managers. | Provide positive leadership in developing the quality and quantity of managers. Provide positive leadership in developing the quality and quantity of managers. Provide positive leadership in developing the quality and quantity of managers. | Provide positive leadership in developing the quality and quantity of managers. Provide positive leadership in developing the quality and quantity of managers. Provide positive leadership in developing the quality and quantity of managers. |
| CONTROLLING THE IDENTIFICATION PROCESS Ensure, personally, at the district level, all high potential people in the division level of the organization. Maintain a continuing interest in the progress of all high potential people. | Ensure, personally, at the district level, all high potential people in the division level of the organization. Maintain a continuing interest in the progress of all high potential people. | Ensure, personally, all high potential people in area, and to extent possible, in whole company and follow their progress. | Ensure, personally, all high potential people in area, and to extent possible, in whole company and follow their progress. | Ensure, personally, all high potential managers, and to extent possible, in other departments in the division. | Ensure, personally, all high potential managers, and to extent possible, in other departments in the division. |
| MEASURING THE RESULTS Assume responsibility for individual performance in management development. | Assume responsibility for individual performance in management development. | Continuously assess quality and quantity of management development activity measured against objectives. | Continuously assess quality and quantity of management development activity measured against objectives. | Continuously assess quality and quantity of management development activity measured against objectives. | Continuously assess quality and quantity of management development activity measured against objectives. |

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