OFFICE OF THE DIRECTOR

Action Memorandum No. _____

A-412

Date _____

21 August 1964

A C T I O N

TO : Deputy Director/Support

ATT : Director of Training

SUBJECT : Management Training

REFERENCE:

M E M O R A N D U M

1. The recent supervisors' reorientation periods have evoked considerable questions as to management training. I therefore believe it is incumbent upon us to work out a program for management training with specific courses, internal or external, recommended at various levels; for example, one for section chiefs, one for branch chiefs, one for division chiefs, etc. Further, I believe we should have a basic supervisors' course for all individuals when they first enter into a supervisory position, and I would include as a mandatory requirement that this be for new employees being brought into supervisory positions.

2. Could you prepare for me a program for management training with indications as to how this will be fitted into the program of OTR. If this poses manpower and money problems for you, I would be happy to discuss them with a reasonably open mind. Before you commence the preparation of any report, perhaps we should discuss the matter.

(signed) Lyman B. Kirkpatrick
Lyman B. Kirkpatrick
Executive Director

SUSPENSE DATE:

SECRET

LBK:drm
Distribution: O&1 - Addressee; 1-ER; 1-ExDir

DTR 2315
DL/B 64-5397
Executive Registry
9 NOV 1964   64-7434

MEMORANDUM FOR: Executive Director-Comptroller

THROUGH   : Deputy Director for Support

SUBJECT   : A Program for Management Training

REFERENCES   : Action Memorandum No. A-412, "Management Training";
                    DD/S Memorandum 64-4435, Same Subject

1. Paragraph 13 contains a recommendation for your approval, submitted in response to the action requested in referenced memoranda.

2. We are assuming that the main objective of management training is increased efficiency and effectiveness in the Agency's performance of its mission. Although the exposure of individuals on a voluntary basis to various types of management training may contribute to improved individual performance, too often the students are not able to apply what they have learned to their actual working situation. About [   ] Agency 25X1 managers and supervisors have been oriented, familiarized, or otherwise trained in the last ten years, but management problems still persist. (see Attachment 1)

3. A study of all the kinds of management training currently being practiced has led us to the conclusion that the concepts and teaching methods embodied in the so-called "Managerial Grid" offer the best prospects for a material improvement of the Agency's management process (see Attachment II - "The Managerial Grid"), if used on a planned, systematic basis.

4. We therefore feel that the first step in a planned program of management training should be the administration of Phases I and II of the Grid method to selected offices of the Agency, with evaluation of results before proceeding further. Attachment III is the rough proposal submitted by [   ] for 25X1 the conduct and appraisal of a pilot project for an office with about one hundred people in managerial and supervisory jobs. The objectives listed by [   ] are highly appropriate for management training in our kind of organization.

5. A single pilot project could be accomplished by [   ] and 25X1 the present Management Training Faculty of OTR, but the results of such 25X1 a project would not be known for a year and a half after its beginning.

w/ AM-412

and even then might have little impact on other parts of the Agency.
A bolder and to us a much more desirable effort would call for four
pilot projects at the same time (a foreign division of DD/P, plus one
office each from the DD/I, the DD/S, and the DD/S&T), even though this
effort would require more staff and a substantial sum of money.

6. The second element in our 5-part program calls for two Senior
Management Seminars each year with the objective of bringing to senior
officers a deeper understanding of managerial behavior. Although the
Seminars are currently studying the "Managerial Grid" with Mr. ☐ 25X1
other subject matter is not necessarily precluded from future sessions,
if worthwhile programs can be identified. These Seminars should be
staged, however, by outside consultants. It is doubtful that more than
two Seminars a year can be supported at this time; the number could be
increased if need arises.

7. The third part of the program consists of a "Supervision Course"
for GS-5 through GS-10 and a "Management Course" for GS-11 through GS-14,
these courses being one week in length and substantially similar to those
currently offered by OTR. Their objective would be to introduce basic
knowledge of the subject, to afford some practice in basic skills, and
to encourage right attitudes toward work and workers. These courses
can be offered up to twelve times a year, which should more than take
care of all persons moving into supervisory positions for the first time.

8. The fourth part of our program consists of external courses
offered by universities, management specialists, and government organi-
zations. These would be used to meet the demonstrated need of indi-
viduals for specialized instruction beyond what OTR can provide.

9. It is planned to meet the needs of midcareerists for management
training by emphasis on actual Agency problems in the Midcareer Executive
Development Course, and by a prerequisite basic course.

10. The above described four-part program is a modest one compared,
for example, with that of the Federal Aviation Agency or the Internal
Revenue Service. It is essentially a stepping up of the present OTR
management training, with the addition of the Pilot Program. It cannot
cope with the total number of managers in the Agency who have had no
management training (see Attachment IV on Numbers to be Trained), but
we believe that any expansion of this training should be postponed until
the Pilot Program has been assessed.

11. In summary, our management training plan calls for three
stabilized continuing elements which are already budgeted for and which
can be handled with no increase in staff or facilities (see Attachment
V on Funds).

-2-

a. Two one-week Senior Seminars (GS-15 and above) per year, conducted by outside consultants, for a maximum of ☐ persons;

25X1

b. Twelve one-week courses per year apportioned as required between Basic Supervision (GS 5-10) and Management (GS 11-14); conducted by OTR for a maximum of 400 people; one or the other to be mandatory for all persons entering supervisory positions for the first time.

c. External training in specialized aspects of management where need can be demonstrated.

12. The fourth element of our plan, and the most significant for increasing managerial effectiveness, consists of training one or more offices in Phases I and II of the Managerial Grid program:

a. First option: a single pilot project, as outlined in Attachment III. This could be handled by the present Management Training Faculty of OTR in addition to its other programs. The money (about ☐) has not been budgeted and would have to be provided from some appropriate source.

b. Second option: four concurrent pilot projects (one from each Deputy Directorate). To handle this, OTR would need an allocation of four positions in order to provide the Management Training Faculty with two additional senior instructors, an administrator and a clerk-typist. The cost of this option is estimated to fall between ☐

25X1

13. Recommendation: that you

a. approve the training plan outlined in paragraph 11;

b. approve in principle the proposal for four pilot projects (second option), subject to a solution of the staffing and financial problems.

MATTHEW BAIRD
Director of Training

Attachments: As Stated Above

CONCURRENCE:

/s/. L. K. White	9 NOV 1964
Deputy Director for Support	Date

The recommendation contained in paragraph 13 is approved.

(signed) Lyman B. Kirkpatrick	10 NOV 1964
Executive Director-Comptroller	Date

DISTRIBUTION:
Original - DTR (w/basic)
1 - Executive Registry (w/basic)
2 - Deputy Director for Support (w/basic)
3 - Office of Training (w/basic)

ATTACHMENT I

AGENCY MANAGEMENT PROBLEMS
(As Seen By Students)

1. During the period March-June 1964, the Management Training Faculty of OTR divided its classes into teams of 6 or 7, and asked them to "decide as a team what major managerial problems are preventing the Agency (as you know it) from being fully effective." The objective was to learn if the teaching was related to management problems as perceived by the students.

The sample is small, and answers may reflect classroom discussions. Nevertheless, a certain pattern appeared which may be significant. This exercise evoked much interest and serious thought from the students at all levels. In general, they tended to see the problems as situated above their own level.

The chart on the next page does not give actual responses, but groups the team answers in general categories. The numbers show the times that teams made responses fitting into each category.

II. In answer to the question posed by the Deputy Director for Support, these student responses may or may not have a relationship to the effectiveness of Agency managers generally, but they do suggest areas of weakness, many of which have been documented by students through the narration of actual cases.

OTR supervision and management courses can help individuals to become better supervisors and managers, we have reason to believe. But training cannot provide sure-fire correction of weaknesses. The attitude of the trainee's boss is a critical factor; what is learned in class cannot be applied on the job if the boss is uninformed or unable to set an example. Students at all levels tell the instructors: "I wish my boss would take this course."

OTR courses obviously cannot provide students with answers to broad Agency problems in the areas of formal organization and personnel management. But one of the reasons we favor the Managerial Grid approach is that it offers hope of finding solutions to managerial problems which are beyond an individual's capacity to solve.

-2-

III. Chart of Team responses according to level:

	GS 5-10 7 teams	GS 11-14 8 teams	GS-13 4 teams	GS 15-18 4 teams
COMMUNICATION: (vertical; lateral; between individuals; between components)	5	4	1	2
PERSONNEL MANAGEMENT: a. career service; career development	1	3	2	1
b. personnel policies and procedures (assignment, fitness reports, promotion, etc.	4	7	4	3
ORGANIZATION: a. bureaucratic ills (over-compartmented; warfare between units; inflexibility; resist change, etc.	3	6	2	8
b. formal organization and procedures (overlapping; planning; coordinating, etc.)	6	7	6	2
SUPERVISORS & MANAGERS: (reluctance to delegate, face conflict, make decisions; leadership; power struggles; lack of management skills, etc.	8	5	2	2

ATTACHMENT II

MANAGEMENT TRAINING WITH THE "MANAGERIAL GRID"

1. The "Managerial Grid" approach to management training is favored by the Management Training Faculty of OTR for the following reasons:

    a. It aims at improving the effectiveness of an entire organization, rather than selected individuals;

    b. It incorporates the best of recent research on management practices and effective teaching methods;

    c. It gets the students more interested and involved than any other method known to us;

    d. It presents specific answers to such problems as how to handle conflict;

    e. The later phases of the Grid program include evaluation of results, and focus on actual problems and solutions within the students' organization;

    f. With some preparation, it can be taught by OTR instructors or even by Agency officials to their subordinates.

2. A forthcoming issue of the Harvard Business Review will contain a description by Professor Blake of his application of this approach to a large industrial plant, with an evaluation of the results by two Harvard professors. The changes that took place in the organization are impressive; they include not only more favorable attitudes and work behavior, but such measurable items as increased profit and reduction in number of employees.
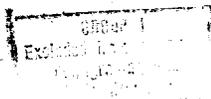
ATTACHMENT III

PROPOSAL FOR A PILOT PROJECT IN MANAGEMENT AND ORGANIZATION DEVELOPMENT SUBMITTED BY LEADERSHIP DEVELOPMENT ASSOCIATES, INC.

I. INTRODUCTION

This proposal outlines a total program in management and organization development, including group training sessions (Phase I - Managerial Grid) and continuing team and organization development activities conducted in "family groups." (Groups comprised of a supervisor and his immediate subordinates and engaged in developing team and organization skills, as well as increased personal effectiveness.)

This latter step is referred to as Phase II.

II. OBJECTIVES

The basic purpose of this effort is to expose one operating unit to a total program in management and organization development. The specific goals include:

a. Increasing the managerial skills of all supervisors and managers in the pilot unit with heavy emphasis on decision making, problem solving, and leadership capabilities.

b. Improving the capacity and competency of operating staff teams to function with optimum effectiveness.

c. Analyzing organizational effectiveness within the unit, identifying precedents and traditions which stand in the way of effective action and executing plans for improved performance, individually and organizationally.

d. Paving the way for improved interdepartmental relations between the unit participating in the pilot study and other units. (Actual intergroup activities, however, will not be a part of this initial program, but will begin to emerge in later stages of it.)

e. Evaluating the effectiveness of this total organization improvement approach to determine its applicability in other units of the Agency.
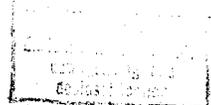
III. THE PROGRAM PLAN

a. Selection of the Pilot Unit.

The program will be conducted within a pilot unit, characteristics of which are described below:

1. The unit should include [   ] people to provide an opportunity to study not only small group development and effectiveness, but also the impact of the program on a reasonably large unit.

25X1

-2-

2. The unit should be fairly autonomous, i.e. under the supervision of a manager or director who has reasonably clear-cut responsibility for a specific segment of Agency activities. Although the unit may be either a "line" or support unit, it should be one whose activities have a direct bearing on the performance of other units and on the total organization.

3. The effort should occur in a unit where the top manager of that unit is committed to management development and organization improvement.

b. Program Outline

The total program will include the following elements:

1. Briefing of staff and trainers

2. Training of trainers

3. Phase I (The five-day Managerial Grid laboratory seminar)

4. Formation of an evaluation committee to establish criteria to be used for measuring the effectiveness of the total program.

5. Organization analysis. (Recent techniques of organization analysis will provide for a great deal of feedback in identifying both attitudes and performance characteristics of individuals and teams within the pilot unit. Some of the specific elements which will be evaluated and analyzed in depth include: planning techniques, communications, decision-making processes, and organization climate. This diagnostic effort will form, in part, the basis for Phase II development and training activities.

6. Phase II (On-the-job management and team training)

The pilot unit will be comprised of a variety of staff groups, task forces, committees, etc. engaged in striving toward the goals of the unit. Phase II will provide training for individuals who are called upon to work in specific groups to accomplish their individual and organizational goals. In most instances these groups will be comprised of a supervisor and his immediate subordinates. However, in some cases special task groups, or committees, may also be exposed to Phase II development. Specific elements of Phase II include:

(a) Analysis and improvement of personal, managerial skills

(b) Analysis of team, or group, effectiveness in problem-solving, decision-making and action programs.

-3-

(c) Planning for improved managerial and group effectiveness

(d) Clarification of functions, roles, and relationships

(e) Development of team goals and the establishment of clearer standards and expectations where required, and improved controls and coordination, as needed.

(f) The establishment (or clarification) of individual performance goals and review processes for improving the effectiveness of both individuals and the total team.

(All of the above items are suggested focal issues. These may vary somewhat depending upon the needs of the specific team and the organizational purpose which is involved.)

7. Periodic review sessions with top staff.

One of the basic purposes of the program is to provide an opportunity to study and evaluate the effectiveness of management training and organizational development approaches on an operating unit. Therefore, it is suggested that top Agency staff meet with the head of the pilot unit, members of the training organization and members of the consulting team to evaluate progress and to provide support where needed for continuing improvement. _____ strongly urges   25X1
that this continuing feedback with top management be maintained through-   25X1
out the program with the key people involved meeting at least once every three months to review program performance.

8. Monitoring, Consultation, Planning and Feedback

Throughout the program continuing monitoring services will be provided
by _____ so as to work closely with the opera-
ting staff of the pilot unit and with training and other support groups   25X1
that will be involved in the total organization improvement effort.

IV. PROGRAM COSTS   25X1

The following costs may vary depending upon the number of participants, the amount of training conducted by Agency staff, and other similar variables. However, the key elements in the total cost include (based on a pilot group of [   ] managers):   25X1

1. Briefing of staff and trainers

2. Training of trainers (this involves attendance of one person from the Agency at a trainer development program conducted by Dr. _____→ Follow up training of staff on the site of training activities is also included: 25X1

25X1
25X1

-4-

3. Phase I (The five-day Managerial Grid Laboratory Seminar as previously conducted)   25X1
                                                                                   25X1

(Note: This figure includes the cost of all materials which go into making up the notebook, as well as wall charts and newsprint materials. Books, notebooks and other special materials are not included--see below.)

4. Phase I additional materials. Books, notebooks, and miscellaneous materials.   25X1

5. Evaluation Committee

      staff members will participate with Agency training staff and Agency management in designing an evaluation program and administering that program over a 12 to 18 month period.)

6. Organization Analysis   25X1

      staff will analyze data collected through the medium or the organization culture assessment and through reporting sessions in Phase I Seminars and assist in the tabulation and interpretation of this data, as well as feeding it back to management.

7. Phase II --   25X1

This includes a briefing of the Pilot unit top management staff who will be conducting Phase II meetings and sessions, briefing of the training and support staff, and a complete set of materials for all sessions. (Note: This includes approximately 60 pages of copyrighted session outlines, which have been pretested in other Managerial situations, but which will be redesigned in cooperation with Agency staff to fit the Agency's needs and problems.)

8. Periodic Review Sessions with top staff   25X1

At least 4 times during the Pilot Program (12 to 18 months),   staff   25X1
members will meet with top Agency staff to feed back the results of both
Phase I and Phase II activities, to assist in the interpretation of organi-   25X1
zation data and to aid in planning for future programming.

Total _____

As part of this total effort,   staff members will monitor, consult,   25X1
plan and feed back data to trainers, support staff, pilot unit management
and top management personnel.   staff members will be present and assist

-5-

In the conduct of the first two Phase I sessions and at initial Phase II sessions for top management of the Pilot Unit for no less than three weeks. (2 Phase I sessions and Phase II sessions) In addition [____] staff will   25X1
monitor all the total program and will be physically present at sessions no less than one day per month--on the average--during the first twelve months of the program's operation. During visitations [____] staff members   25X1
will be available to the Agency training and management staff to assist in the design of supportive training activities and to provide consulta-
tion in related areas. The resources of [_____]   25X1
will be available to the Agency training staff by phone and personal con- sultation in [_____] whenever desired to assist in the development of case materials, training design, evaluation procedures, related training and development plans and activities.

*Note: These are direct costs and do not include out-of-pocket expenses for travel, meals and lodging, which may result directly from the activities listed above. It should also be noted that many of the costs shown above are non-recurring expenses which will not be present in future programs, and if at the end of a brief trial period it is decided by Agency management that more people should be exposed to the Managerial Grid Phase I Program, this can be done at a cost of approximately [____] per person, including books and all materials. Thus, future Phase I can be accomplished with a relatively small increase in the total budget.

Next 2 Page(s) In Document Exempt

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DTR 1903

OFFICE OF THE DIRECTOR

In reply refer to
Action Memorandum No. ___A-412___

Date ___21 August 1964___

TO   : Deputy Director/Support

ATT   : Director of Training

SUBJECT   : Management Training

REFERENCE:

1. The recent supervisors' reorientation periods have evoked considerable questions as to management training. I therefore believe it is incumbent upon us to work out a program for management training with specific courses, internal or external, recommended at various levels; for example, one for section chiefs, one for branch chiefs, one for division chiefs, etc. Further, I believe we should have a basic supervisors' course for all individuals when they first enter into a supervisory position, and I would include as a mandatory requirement that this be for new employees being brought into supervisory positions.

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Lyman B. Kirkpatrick
Executive Director

SUSPENSE DATE:

Group 1
Excluded from automatic downgrading and declassification

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DD/S 64-4455

1821

17 AUG 1964

MEMORANDUM FOR: Director of Training

SUBJECT   : Management Training

REFERENCE   : Memo dtd 28 Feb 64 to DD/S fr C/TR/IS/MT, subj:
                     "Review of Agency Management Training"

1. I have read your memorandum of 28 February 1964 carefully and find the essence very interesting.

2. I should like to develop something in a format which we can forward to the Deputy Director of Central Intelligence, possibly with information copies to the other Deputy Directors, which would put into sharp focus certain important points about our management training. The following are the kinds of questions that I should like to see presented succinctly:

a. What is the scope and magnitude of CIA's managerial job including the approximate levels and numbers of managers who exercise authority that has an appreciable effect upon Agency operations?

b. What is known concerning the effectiveness of our managers and, if sufficiently known, what are their areas of weakness which can be corrected by training?

c. What should be our objectives in management training in our type of intelligence organization?

d. Can a program be devised which will materially improve our management process?

Without getting into too much history, your staffing problem, etc., I think that this is the kind of information top management should have and focus upon. I think that this information can be depicted in such a way as to pinpoint those components which apparently have little or no interest in management training.

3. Would you please see what you can do along these lines sometime in the near future.

25X1

L. K. White
Deputy Director
for Support