

Outline for Presentation on Records Management at the
Support Services Review - Trends and Highlights

[redacted]
Wednesday, 14 September 1966 at 10:15

This is a real pleasure to be here this morning. I formed a good habit of coming to [redacted] a long time ago - as a matter of fact it was 15 years ago this month when I made my first visit and since then it has been my pleasure to be intimately associated with [redacted] the personnel here - this certainly has been one of the highlights of my career in CIA.

The subject of our discussion, Records Management or Paperwork Management is probably the most unromantic one in the world. It has little glamour and practically no sophistication.

It is a topic which rarely produces a good story - but I do have one which is appropriate for today.

"A dedicated CIA man died and having been a model career person he went directly to heaven - no purgatory for this fellow. When he met St. Peter he was told to go to the Logistics Supply Room to get his Harp - his Halo - his Wings and his Royal Robes. The BSO was a most efficient man - A Career Logistics type who had completed training in OTR under [redacted] There was no waiting in line; correct sizes were in stock and this model CIA Career man was outfitted promptly. When he returned to see St. Peter for his assignment he told him how elated he was at the efficiency at the BSO. He said "I didn't even have to fill out a requisition or sign a receipt - this is amazing - but tell me, said the CIA man, what was going ^{on} outside your office? [redacted]

[redacted]

Today, we are concerned about how fast we can get information - High speed computers are obsolete almost before they are completely installed - printing presses grind out paper faster and gaster. These are the days of glamour gadgets and costly hardware.

Despite the lack of sophistication in paperwork, top management officials in Government and Industry are greatly concerned about the increasing cost of creating and keeping tremendous volumes of paper required in today's modern economy. Here, for instance is what J. Paul Getty, the world's richest man said recently on this subject - "To my mind one of the really serious wrongs in American business today is the penchant for wallowing in welters of paperwork - Some companies have literally hundreds of people keeping records on each other and passing office memorandums back and forth. Some times there seems to be more memo writers, filers and readers than productive workers. The cost of this over administration is staggering not only in salaries paid ~~to~~ paper shufflers but ⁱⁿ ~~not~~ the general slow down effect it has on all operations.

C-H-A-R-T "Why **Should** You Be Interested in Records Management"?

My primary objective this morning is to prompt you to greater concern about Records Management and to show you how Records Management techniques can help you make your operating procedures more effective and more efficient.

Records have received a lot of attention since 1949 when the Hoover Commission first dealt with this subject -- interest in records management increased as a result of the second Hoover Commission report in 1955. These reports focused attention for the first time on the need for positive

action to reduce the Four Billion Dollar Annual Cost of Federal Paperwork -
So - Here we have a real Highlight in Government Efficiency.

Since the Hoover Commission ~~are~~ positive action has been taken through the medium of paperwork management techniques and the use of these techniques have brought about substantial economies in office management to the Federal agencies and to such large industrial concerns as Ford Motor Company - Union Carbide - Lever Brothers - Westinghouse and Others.

Recently the Congress and the President have expressed great concern about the high cost of paperwork. Congressman Olsen of Montana held extensive hearings last year to determine why Federal Agencies require business concerns to submit so many costly reports. He describes these requirements as the

Federal Paperwork Jungle. *CONGRESSMAN NIX OF Pa., who is now carrying on from Cong. Olsen said recently we spend 7 Billion per yr.*

President Johnson requested the cabinet members to improve paperwork in their departments. Here is what he told the cabinet in December 1963 --

"Cut out excessive paperwork, it breeds overstaffing". In February 1965 the President declared a moratorium on the purchase of filing cabinets. The Moratorium has been very successful and it has been extended indefinitely. Again - on April 20, the President asked all Department Heads to see that "every Government employee think hard about cost reduction". x

The cost of Creating records is high - \$16,726 every time a four drawer safe is filled with paper. *In the DDS area* This means one hundred and twelve million,

two hundred and twenty-five thousand, eight hundred and forty-nine dollars plus

another In addition - 2 million one hundred and one thousand, 759 dollars to store and service these records every year. This outlay of over 114 million dollars from our budget is certainly a high price to pay for paper but not a highlight of the DDS program that we should be proud to have.

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As a tax payer, do you realize that you are paying at least \$100 of your tax money every year for this paperwork? Do you want to continue to do this or would you rather help to improve efficiency in your office and save yourself some Money?

The volume of paper in the DDS Area has been increasing for several years as you can see from this chart -; even though we had a slight decrease -- about 6%-in FY 1966 ^{over FY 1965} our volume is ^{still} too high --it is eleven cubic feet [] while this is better than ^{the} our agency average of about 18 feet per employee it doesn't look too good in comparison to ⁵ 2.6 feet for the ? Federal Government and 3 feet for Industry.

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C-H-A-R-T What Is Records Administration?

Basically it is a management improvement technique. It is a specialized profession concerned with paperwork practices and problems. It is not however concerned with bits and pieces of paper and limited to filing or destruction. Instead, we pay attention to the entire life cycle of paper from Creation to Cremation.

Creation - Forms, Reports, Correspondence

Use - Equipment, Systems, Supplies

Disposition - Inventories, Schedules, Archives and Records Center

Records Management is emerging as a recognized profession and now there are 3 professional societies. ARMA - AREA - SAA - Industry depends on the professional records management to solve paperwork problems..(Wall Street Journal, February 1965)

C-H-A-R-T-WHY Do We Need Records Management?

First - To Save Manpower - I estimate we require [] to file and keep ^{our} agency paper. If we eliminate unneeded paper we can find what we want in our files easier, quicker and with less manpower.

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More Companies Turn To Experts to Clear Files, Store Records

WST * * * 2/23/65
American Cyanamid Cuts Costs With New System; Federal Rules Add to Paperwork Bulk

By GEORGE MELLOAN

Staff Reporter of THE WALL STREET JOURNAL

NEW YORK—A few years ago investigations by Federal agencies forced Pan American World Airways to save all its records, instead of periodically destroying them. In four years the contents of Pan Am's files doubled and if all the papers it was saving had been piled in a single stack they might have scraped the wings of a jet flying at 25,000 feet.

With the investigations ended, the airline now has climbed out of its paper fogbank. But the speed and immensity of its file build-up illustrates why more and more companies are relying heavily on the file-clearing expertise of specialists called records managers or archivists.

With business booming, American office workers are generating letters, vouchers, order forms, bills of lading and hundreds of other documents at a record rate—enough to fill an estimator 30 million file drawers a year. At the same time, many companies are moving into new office buildings where space is more expensive and where an excess of filing cabinets spoils the aesthetic effect office designers labored hard to achieve.

It's the records control specialist's job to see to it that outdated papers are tossed away, important ones kept on hand and papers that are neither useless nor important kept in some spot where they can be stored cheaply and gotten to if need be. At the same time, he strives to see to it that all information stored by the company, even in personal files, can be quickly obtained.

Postwar Development

Systematic records management and disposal is largely a post-World War II development. Many companies have adopted it only in recent years. The National Records Management Council (NRMC), a non-profit research and advisory agency based in New York City, estimates that the number of specialists in the field, judging from membership in three professional associations, has more than doubled in the past decade.

Several firms, including Bekins Van & Storage Co. in Los Angeles, offer corporations a records storage service while many large firms have set up their own well-organized archives. Among them is the Bell System, which once estimated all its file cabinets together would make a row 50 miles long. NRMC says it has helped 400 major companies set up records control facilities in recent years.

"It would be rare to find any company doing in excess of \$100 million in business annually that has not done something in this field," says Christopher A. Cameron, president of Leahy Archives, Inc., and Leahy & Co., a two-pronged Manhattan-based enterprise which stores records and helps companies set up controls to keep files from ballooning.

Leahy's four records storage centers — in New York City, Whitehouse, N.J., Elk Grove Village, Ill., and Miami, Fla.—resemble high-stack libraries except that the stacks contain file boxes instead of books. Leahy has 150 clients, 60 more than five years ago, including Pan Am, Florida Power & Light Co., Metro-Goldwyn-Mayer, Inc., and Singer Manufacturing Co. Records on file in its Whitehouse center range from bank trust account ledgers dating back to 1852 up to such current materials as copies of payroll checks, which usually are tossed out after two years.

Storage Schedules

Leahy archivists, working with the client, assign each type of record a "retention schedule" which sets a limit on how long it will be kept in storage. A very few, including most trust ledgers, are kept permanently. Some, such as extra copies of outgoing correspondence, are tossed out after six months. At Leahy storage centers workers see to it that disposal schedules are followed and also fish things out of their stacks to answer client inquiries. A large company, with 4,000 cubic feet of records, normally would pay between \$4,800 and \$5,500 a year for Leahy's storage and file management services, Mr. Cameron says.

To decide how long companies should keep each type of document, Leahy consultants use a number of guidelines. Some have been developed through research in various industries on such subjects as the elements of risk, say, in throwing out an employee's personnel records 10 years after he has left the company. But the most important guides are supplied by Federal and state governments in lists of rules on retention of records.

The Interstate Commerce Commission alone has 258 separate retention regulations for railroads, airlines and other carriers to follow. For instance, records of a damage claim must be

Please Turn to Page 14, Column 1

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Continued From Page One

retained at least four years after the settlement. Heavily regulated companies tend to have fat files. The average major airline will likely have 10,000 cubic feet of files, enough to fill about 1,700 four-drawer file cabinets, compared with around 2,000 cubic feet for a large non-regulated company, Leahy's Mr. Cameron says.

When it enters a company that has not had its files cleaned for some time, Leahy often finds it can throw away about half the records without serious danger of losing something important. Such a housecleaning, coupled with new retention schedules and other changes, cut American Cyanamid Co.'s annual record-keeping costs by some \$85,000 a few years ago. Rental of space occupied by each office file cabinet, plus amortization of the cabinet's initial cost, was costing Cyanamid \$3.72 a year. Files in storage were costing \$2.76 annually per cabinet to keep. Leahy tossed out 54% of the storage records and destroyed or transferred to storage 26% of the office records.

Studies show that it costs about \$140 a year to maintain a four-drawer file cabinet, including file clerk salaries as well as space costs and cabinet amortization. One management consultant has estimated that of each 100 pieces of paper filed in the average well-run office only 20 will ever be called back for reference.

Leahy is specializing increasingly in helping companies retain records of the best thoughts of employes who are paid throughout their careers mainly to think. Often the memos, notes and other personal papers of scientists, lawyers and other professionals are lost to the company when the man retires or leaves, Mr. Cameron says. Leahy specialists currently are working with the research arm of a major oil company to try to draw important findings out of personal records and incorporate them into a central system which any researcher, tackling a problem, can draw upon. The same approach is being tried with several large law offices.

This information is often valuable even before a man leaves, since employes in some firms are known to labor hard on problems that lie solved in another employe's files, Mr.

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Second - To Save Space - At the rate we are expanding in Rosslyn, I

believe office space is still at a premium. The DDS Components require
[] sq. ft. for office use and almost [] of this is for records
storage.

Third - To Control Growth - We create about 200 million pieces of paper
every year; this is at the rate of about 2000 pieces per minute. We collect
a lot too- 18 million pieces in 1965.

Fourth - To Protect Essential Records - those we cannot afford because ^{to lose}
of enemy action or through natural disaster. Pentagon Fire

Fifth - To Comply with the Law - Federal Records Act.

Sixth - To Save Money - We save \$16,726 every time we avoid creating one
safe full of records, We save \$473 everytime we eliminate one safe full of
records from our offices.

Seventh - To improve our over-all efficiency.

CHART - AUTHORITY = Who is Responsible for Records Management

The 81st Congress enabled PL 754, The Federal Records Act. This was
a result of the first Hoover Commission proposal.

The Administrator of GSA has Government-wide responsibility - issues
regulations and standards; operates 16 Federal Records Centers and the
National Archives.

Heads of Agencies- All Departments and Agencies are required to have a
Records Management Program.

Our Authority - [] the Director (General Counsel Opinion);
Deputy Directors; CIA Records Officer; Component Records Officers.

CIA Records Officer - Guides, standards, advice, coordination.

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Now lets look at each Records Management element and see how the *se* techniques they ~~provide~~ help to improve efficiency.

CHART - FORMS MANAGEMENT

Our forms create a lot of paper - 50 million pieces last year.

Forms Management is a continuous cost reduction program. We are concerned with Good Design; the right size for filing and to fit typewriters and other office machines; the elimination of obsolete forms; getting rid of "bootleg" forms and the efficient processing of forms and their related procedures.

Here is an illustration on proper design - Domestic Travel Order, Form 540b

Last year our printing bill ~~for forms~~ was \$285,866. This is a substantial amount of money but this represents only the apparent cost. The true costs are in processing. Filling them out; distributing copies; filing and reference operations. Both Government and Industry consider that the costs of processing forms is 20 times printing costs. So last year our true costs for Forms were almost 6 million dollars.

The real savings in Forms Management, therefore comes from improved operating procedures. Here is a good illustration.

The important principle illustrated here is that the problem was identified by a top line official who did something about it. Also, this illustrates how professional records managemsscan save time and money.

I could enumerate many similar instances -

Form 490 - Records Center Service Request - \$8640. year.

Forms 53 and 53a - CS Information Report - \$73,000 year.

Forms 1742 abd 1742a - combined (7 parts each) now

1 - seven part form - Check Box style - \$12589 year.

The Cumulative savings from our Agency Forms Management Program - \$759,000.

NOTIFYING FIELD PERSONNEL REGARDING CIA RETIREMENT AND DISABILITY SYSTEM

BEFORE

AFTER

1. Five dispatches were prepared on the flex-
ewriter.
2. Each of the five dispatches were prepared in
feminine, masculine or the personal "you" de-
pending on the person it was addressed to.
3. Four of the dispatches were 2 pages in length.
4. Each dispatch consisted of Original and 9
copies (this meant adding 6 letterex sheets to
the Dispatch form)
5. Each dispatch was individually signed by D/OP
or his designee.
6. Usual mechanics of the Dispatch was used:
dispatch No., releasing officers signatures,
and etc.
7. Time spent on each dispatch was 35 - 45 minutes.

1. Five preprinted memorandums.
2. All memorandums printed in the personal
form of "you".
3. All five memorandums were re-worked and
re-worded to fit on one page.
4. All five were made up in Original and 3
copies (pre-collated with carbon)
5. Signature was preprinted
on Form.
6. Taken out of the realm of the Dispatches,
forms can be sent O/S by merely listing on
the Pouch Manifest.
7. Time spent on each form about 4 minutes to
enter name, a deadline date and log on
Pouch Manifest.

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SAVINGS: Time - 31-41 minutes per form

Filing & Paper - ~~6 sheets of paper on the 1 page Dispatches~~
16 sheets of paper on the 2 page Dispatches

Routing - for signature of D/OP, and releasing officers on each form

Equipment - Flexewriter, and 15 paper tapes

C-H-A-R-T REPORTS MANAGEMENT
 Reports

The objectives of ~~forms~~ management are the same as for forms --better procedures and less paper.

Last year our administrative reports created 12 million pieces of paper and cost about 30 million dollars. But I regret to report that we have done very little in this area--primarily because we don't have the professional talent for the program. We did one survey which produced \$25,000 in savings and this proved the potential benefits we can get from an active reports management program.

It is so easy to get reports these days -- especially those prepared by ADP methods. Computers can grind out reports at the rate of 100 cubic feet per day as contrasted to about an inch a day by a real good typist. So this is an area requiring attention but the operating offices will have to carry it on a "do it Yourself" basis. And I am glad that Logistics, Commo and Training are active in reports management. Here is something OTR did recently that is significant--by changing the routing of reports of external training they eliminated 3 pieces of paper for every report submitted--this seemingly minor procedural change eliminates the filing and keeping of 22 thousand pieces of paper every year; the equivalent of 1 1/2 safes and saves \$25,089 every year. Here is something each one of you can ^{do} everyday Ask yourself these questions after reading each report you receive.

Does this report really help me in the management of my office?

Can I act on the basis of the facts it contains or does it leave unanswered questions in my mind?

Does it pertain to something a subordinate could handle just as well?

Is it presented in the clearest and best possible form?

Could I grasp the situation more quickly if it were presented in graphs or plain conversation?

Does it offer solutions, not just spell out problems?

Here we are concerned with a most important phase of our everyday work. Communications -- This is where we can make a good impression or a bad one - by what we say-- how we say it and when we say it-- This attitude- this response to letters from the general public or replies to intra agency, memorandums, dispatches or cables is reflected in the quality of our written communications. Good public relations and a favorable public image depend on the written word to a great extent.

President Johnson has asked Mr. Macy, Chairman of the CSC to head up a Government wide program to improve the quality of communications to the general public. is the Chairman of the CIA Committee. Based on a few instances that come to my attention recently I believe we need to examine our correspondence practices. (Cite case if time permits which illustrate unusual time lag in reply).

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We are concerned with the volume of paper created from correspondnece - 8 million pieces; the cost of correspondance is also worth noting - 12 million dollars annually ~~and this is for letters and memos--~~; cables and dispatches add another 18 million pieces of paper a year. Don't you think we need to do something to stem this paperwork tide?

Some progress has been made by such short cuts as using Letterex to eliminate the assembling of paper and carbons. Form letters are used to real good advantage too--by Security, Logistics and Personnel. Greater use can be made of form letters and they will help to reduce costs from \$3.60 for an individually prepared memo or letter to about 30 cents. ~~Here are some~~ ~~a Form Letter is~~ ~~is appropriate if~~ ~~standards for use of a form letters~~

We are getting excellent results throughout the Agency from the Speedletter - Logistics, Commo, Security, Contacts, FBIS and NPIC are some of the principal users. Here is how it works. (Describe, showing the form and telling how to get supplies). Lets use it more frequently - particularly for informal communications. NPIC Division Chiefs write in longhand using Speedletter.

The best advice however is to delegate authority to the proper level to prepare and sign correspondence. Example
C-H-A-R-T - VITAL RECORDS - What are they:

Current, not inactive records, which we cannot afford to lose by enemy action or natural disaster. The key to our program is the Vital Records Deposit Schedule. Here is a typical one - (Describe).

We have an active program. It is tested periodically - Our Vital Records Deposit Schedules are revised periodically. Our repository is built to resist normal bomb damage and it is equipped with the required security disaster and natural/detection devices.

Our program is judged to be the best in the Federal Government
CHART - FILING SYSTEMS These concern the orderly arrangement of papers by uniform systems so they can be ~~XXXXXX~~ found by anyone in the office. Not just the file clerk. Management is not interested in files as such --but management is very much concerned about information that can be obtained from files. (Cite General Counsel and SAVVA)

Here are some Basic Filing Systems -

Subject - administrative and operational; issued a Handbook - Show it.

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File on last digit - Contacts Services - Office of Security In Field Offices.

Alphabetical - personal name - Soundex - Biographic register.

An appropriate filing and indexing system is the key to the success of any office operation - it is certainly essential to the proper functioning of any ADP operation.

CHART - FILING EQUIPMENT

The ^{DDS} Agency investment in filing equipment is approximately 1,100,000 million dollars; this includes everything from the conventional file cabinet to the most complex motorized shelf file unit. Filing equipment costs continue to increase - in 1951 when I came to the Agency, a four drawer insulated safe cost \$238 - today we pay ⁴³⁸ ~~\$25~~.

To help reduce equipment costs we have -

Standardized on Cabinets and Safes = 6 types now instead of 17 in 1951 - result in lower procurement costs and better supply.

Introduced Specialty Space Saving Equipment - Shelf filing for instance - Saves about 40% as compared to cabinets and safes; saves about 65% in cost and saves time by speeding up filing and finding time at 25%.

We now have 89 shelf file installations throughout the Agency. There are 20 in the DDS Area; Commo, Security, Logistics, Medical, DDS Registry.

Recently we have introduced 2 new specialty pieces of equipment - Conserva-File V and FULL SPACE (Show charts and pictures).

Moratorium - Results - More safes and Cabinets turned in than issued in 1965.

Our Surplus - \$56,467

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

There are recognized professional standards to guide us, however - these concern legal - historical and administrative values. Another guide is rate of reference - if we refer to a file less than once per file drawer per month, it should not be kept in office space - send it to the Records Center.

The Records Control Schedule is the key to managing records disposition - (Describe how it is used).

GRAPHS - Increase - Decrease (Agency and DDS)

Reasons for Growth - Copying Machines - 39 million pieces of paper in one year - paper alone cost 205 thousand dollars. Ford Motor Co. experience.

Computer - Parallel Systems

Less Professional Records Management Time.

Results - I think the Agency has done remarkably well when we consider that there are no published standards for the disposal of intelligence records. Practically all Federal Agencies can use what are called "General Schedules" published by GSA. ^{WE CANNOT USE THESE -} Despite the lack of guide lines we have removed 372,422 cubic feet (46,553 safes) from office spaces by destruction or retirement.

We are particularly proud of our position on Permanent Records. In 1954 we were keeping about 24% permanently - now we keep only 5.2%. Government-wide the percent today is 24.1 compared to 26.3 in 1954.

CHART - RECORDS CENTER

This is where we keep our inactive and permanent records. While we have your records we supply reference service. 24 hours a day, 365 days a year. (Extend Invitation to Visit the Records Center).

The Building cost [redacted] it has all security and other protective devices needed.

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Since the Records Center has been in operation Agency offices have sent 181,422 cubic feet there (this is equivalent to 22,677 file cabinets) - but we destroyed 92,271 cubic feet of these in accordance with the provisions of Records Control Schedules and we have 89,151 cubic feet today. [redacted]

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CHART - ARCHIVES AND RECORDS CENTER ACTIVITY

Now about the future of the Center - About 82% filled. New GSA Center

[redacted]

Before concluding I would like to summarize by saying paperwork is Expensive - 16726 to create one safe full of records. \$114 Million for DDS paper.

Requires a lot of Space - 40,000 sq. ft for DDS Paper

Require a Lot of Manpower - [redacted] people just to file and keep in the DDS

[redacted]

Required by Law - Federal Records Act

Required by Regulation - [redacted]

Gets Results - Pays Dividends - Cumulative savings of over \$15 Million

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 record becomes essential where these accidents occur. Records are essential in all large organizations because men change posts and forget - but the record is only a memory aid - The big decisions are made by men meeting face to face who trust each other- and not on paper"

Remember people & paper decide which has precedence.