

8 April 1971

MEMORANDUM FOR: Chief, Planning, Programming & Budgeting Staff, NPIC
SUBJECT : The NPIC Management Information System (MIS)

1. I am aware that a decision concerning the future of the MIS may be close at hand. Before any decision is reached, I would once again like to present briefly my opinions on some of the major aspects of the question and to comment upon some of the prevalent fallacies concerning and criticisms directed toward the MIS in order to put them into proper perspective.

2. First and foremost is the fact that the MIS is used -- certainly to varying degrees and in varying ways by different NPIC components and tenants, but a number of reports are disseminated regularly and a number of ad hoc reports requests filled each month. It should be noted that every component has had and still does have the option to discontinue receipt of any or all regular reports; obviously, there is no pressure to request ad hoc reports. Nevertheless, every major building component, including tenants, receives at least one MIS report regularly. In order to satisfy my own curiosity, over the last few months I have kept book on the ad hoc report requests. Their number and variety were surprising to me, as were the requesters in certain cases. For example, special reports have been requested by components which declare that they have no need for the MIS. In addition, data supposedly readily available (until you actually need them) from "other systems" are regularly requested. This was illustrated pointedly by the ad hoc requests received when, at a SITSUM a few months ago, the Executive Director directed that the Group and Staff chiefs keep an eye on their overtime expenditures. To illustrate current MIS output and usage, I have appended three attachments: A - MIS "Standard" Reports Distribution (Distributed Regularly); B - MIS "Option" Reports Distribution (Distributed Regularly); and C - Requests for Special MIS Retrievals (Ad Hoc Distribution) for the Period October 1970 thru February 1971.

3. The simple fact is that the MIS must have some value, because it is used rather widely. This fact should, I think, be coupled with the expressed opinion of the NPIC components, although time and tide do cause slight shifts, often inexplicably, in their conclusions. About a year and one-half ago, a PPB Staff member assessed the MIS and wrote a report; this report, including its conclusions and recommendations, was endorsed by all the NPIC Group and Staff chiefs (and the then Executive Director). Today, I think I would be correct in saying that

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both TEG and PSG would not want to see the MIS discontinued (although modified perhaps). I would presume that TSG and SS might vote for discontinuance. In fact, it has been proposed a number of times in the past that TSG be dropped from the MIS, purportedly because the Group represents only overhead (I must confess that the rationale for ignoring overhead escapes me). Obviously, such a proposal, at least based upon the reason given, is unsound since APSD/TSG is directly involved in the production process and cannot be considered as overhead. In the case of PPBS, as you are aware, the MIS is needed and used heavily in many ways. The most obvious examples are the SITSUMs, the five-year plan, and specific data collections (e.g.; in assessing the efficacy of the MTST/SC reports production system and the impact of [redacted] however, many of the most important uses of the MIS -- those bearing on major recommendations and decisions -- never see the light of day, at least as far as the casual observer is concerned. All of this adds up to be a hearty endorsement of the centralized, automated MIS concept.

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4. Another point often made in the building about the MIS bothers me because it reveals a certain serious -- I hope not invincible -- lack of understanding of management information systems in general and ours in particular. That is, because some relatively senior manager does not make direct use of the MIS (e.g.; receive some regular "MIS Report"), the MIS is of little or no value to him and, by implication, to others at his level. While I would not rule out some sort of "direct" use of an MIS by a senior manager (depending upon the design of the system and its inherent capacities for summarizing, exception reporting, etc.) it is a rather rare bird with any depth in the MIS field who would even consider or suggest that a senior manager should "directly" use an MIS or even receive reports based solely on MIS data. The point is that normally an MIS is one of the tools used in decision making; usually MIS-type data is analyzed, ground in with other factors -- logic, experience, and good judgment -- and the collated product is fed to the manager. I would also make the point that practically every senior manager in this building both makes much more use of and is affected more significantly by the MIS than he might be aware. So, such a "no use" statement can only make one wonder why the manager is not aware of how he or his people use the MIS or, if indeed the statement is true, wonder why he does not use it as part of his information base. In the case of a junior manager, the latter question should be asked quite pointedly.

5. The "no use" statement is often backed up by certain criticisms of the MIS. Principally these criticisms translate into untimeliness, inaccuracy, exclusion of important information, and inflexibility. I would be less than candid if I did not point out that for the most part these are not system problems but management and people problems. As a very practical fact, the MIS can be made just about as "fast" as we want it or would need it. Secondly, for all intents and purposes,

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the system can be made as accurate as we desire merely by insisting and verifying that the data recorded is accurate. This is a function of such a desire being conveyed to line management, and line management carrying out its responsibilities. Any system is designed to include and exclude certain information, and some would like to see other data in the MIS. It should be pointed out in this context, however, that the full capacity of the MIS is not now being utilized, to a great extent because of reasons analogous to those cited with respect to accuracy. A good example of this is products reporting into the MIS; the truth of the matter is that it is bad (inaccurate, not useful, etc.) because no one insists that it be put in and put in properly. Also, it is naive and of little value for our purposes to attack the MIS on the basis of what is not contained in it. As is any other information system, the MIS is meant to be used in conjunction with certain other systems. As for flexibility, this argument can always be invoked against any system; the MIS is reasonably flexible and it can be made more flexible. In fact, with little effort, reports much more valuable than those currently being produced could be produced for line managers.

6. Three other often-cited MIS problems deal with overall system costs, the manhour costs and annoyance to employees in filling out time sheets, and the "policeman" concept. The overall costs of the MIS are, in the first place, minimal (less than one percent of the budget at most) for a tool which does and can make an even more valuable contribution and, in the second place, quite overstated, in my opinion. Other systems do exist in the building; the MIS could and should take over some, not all, of these functions. If the MIS were discontinued, however, many more systems would spring up so that the total cost to the Center would increase; this would be accompanied by a degradation in the quality, uniformity, and availability of the information. The plain fact is that we do receive value for our money and that we could (and should) receive even more. The time sheet troubles are also vastly overstated, both with respect to the actual minutes it takes to fill out a time sheet (many employees do not fill out their own) and to the annoyance factor; in any case, a chore which takes an employee less than five minutes a day should not be overemphasized. The policeman argument is nonsense; the real policeman is (or should be) the employee's supervisor, and the MIS role in this respect is negligible. The MIS can be a tangible help to the supervisor, however, in understanding and performing his job.

7. To summarize briefly the main points:

- a. The MIS has value and is used.
- b. Center management predominantly recognizes the need for and endorses a centralized, automated MIS.
- c. Confusion may exist about the role of the MIS, as to what it should do, as to what it now does, as to what it could do, and as to how it relates to other management systems now operating or being planned.

d. The alleged shortcoming of the MIS -- little or no value, inaccurate, untimely, inflexible, lack of information, high costs, and annoyance to employees -- are for the most part enormously exaggerated and in great part the direct result of management inaction.

e. The inherent capacity of the MIS far exceeds its current utilization.

Obviously, what I am attempting to do is wipe out some of the myths surrounding the MIS so that we can get on with whatever course of action is required. Particularly, in this area we should deal in facts, because it is an important issue. It takes time and effort to gather these facts, and normally you won't get them, in sufficient detail, by interviewing a few senior managers. Historically, the MIS has been subjected to quick patchwork solutions to its problems, real and imagined. This approach has been one of the main problems with the MIS; either it must stop or the entire MIS ship will go under the waves, which I would hate to see happen. On the other hand, I do not want to give the impression that the MIS does not have serious problems and does not need improvement -- it certainly does. In fact, if we looked below the surface I believe two things would be apparent: 1) while the MIS concept is generally endorsed, many are about ready to give up on the current MIS and 2) a good deal of enthusiasm could be generated for a new, second generation, if you will, MIS. I am not ready to give up on the present MIS because it has worth, and at the same time, I would not be adverse to looking toward a better system sometime in the future, after we make the current one work.

8. It is my recommendation that we move now to elicit from the Executive Director the charge for PPBS to revitalize the MIS. This means that the full capability of the MIS will be looked at and, where feasible, improved. Among these improvements will be redefinition of activity codes to make them meaningful and unequivocal, along with the elimination of unnecessary activity codes and the addition of new ones where needed. The heretofore rarely used MIS capability to collect and store data on NPIC products (reports, briefing boards, etc.) will be implemented. This should eliminate the keeping of such records by various systems now in use throughout the Center. I also propose that we look at the reporting components and either eliminate or consolidate their input where feasible and advantageous. I propose that we look into the number and types of projects on the books to see where improvements can be made in project establishment and reporting. I propose that new guidelines and regulations on the input of data and maintenance of the MIS data files be instituted to insure that the above is accomplished. I propose that eventually more responsibility be shifted to each component so that the data within the MIS is accurate and timely.

[Redacted Signature]

Chief
Plans & Programs Division, PPBS

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SUBJECT: The NPIC Management Information System (MIS)

Attachments: a/s

Distribution:

- 1 - NPIC/PPBS
- 1 - NPIC/PPBS/PPD

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