CONFIDENTIAL

CHIVE/C-277-66
4 November 1966

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation With [   ] Regarding an   25X1A
Area Reorganization of OCR

1. On 3 November as [   ] and I were walking   25X1A
down the hall he broached the subject of an area re-
organization of OCR prior to the complete implementa-
tion of the CHIVE concept. As background for this
conversation it should be noted that CHIVE will have
two very significant impacts on OCR. The _first_ of
these is a reorganization along geographic lines;
the _second_ impact is the introduction of computer
processing. We agreed that of these two the first
would have the more traumatic effect.

2. This feeling has been held by others who
have been associated with the project and is a direct
result of OCR's reaction to the CHIVE design philosophy.
The response of the OCR Divisions to the Phase II
report made it apparent that although there was some
healthy criticism of the efficacy of computers in
the document handling arena, that by and large most
respondents were willing to accept automatic data
processing. Not so the organizational and procedural
concepts involved. It is readily apparent that
many people find reorganizing a challenge to their
position and an abrogation of their authority. The
results are often a loss of manpower and production
capability.

3. Recognizing that a"CHIVE OCR" is a reorganized
OCR, there seems to be two approaches that may be
considered:

CONFIDENTIAL

GROUP 1
Excluded from automatic
downgrading and
declassification

CONFIDENTIAL

a. The present CHIVE approach may be termed evolutionary, i.e., one geographic branch followed by the creation of a geographic division and so on until all 5 geographic divisions have been created. The advantage in this approach is that all of OCR is not upset at the same time. Hopefully, therefore, production is maintained while each new geographic component is settling in. The drawbacks are also clear. For example if one chooses to select out of FID those people who are responsible for processing China receipts, one will find oneself with parts of several people. The consequence is that a number of analysts, indexers, etc. have to be placed in COG to handle China receipts but the number of slots that can reasonably be deducted from FID's holdings does not correspond. The result is an over-all increase in the number of people that will have to work in OCR during the transition period. At this point and time, this is rather unfortunate since OCR like many others is under scrutiny regarding its T/O. Another problem occurs when people have to adapt to a new organizational structure and at the same time adapt to new processing procedures imposed by the use of the computer. The disruption is much more severe than that which would result if the changes were imposed in a serial fashion.

25X1A

b. The other approach contemplated by and myself would be a total reorganization now of OCR along geographic lines. This could be called the revolutionary approach. The advantage is simply that the people would be disrupted far less by the introduction of computers and associated procedures if they were already in the organizational structure

-2-

CONFIDENTIAL

suggested by CHIVE. The disadvantage is the
inevitable furor that would result from such
an all-at-once reorganization of OCR. Serious
consideration of this approach might lead one
to believe that OCR's ability to maintain
production would be seriously jeopardized.
In other words OCR's customers might find that
their service channels have gone dry and not
wishing to wait until things settle down might
look for new channels. In addition many more
people might become disenchanted and leave OCR
as a result of this kind of reorganization than
under a, above.

4. It seems apparent that either approach -
evolution or revolution - is fraught with danger.
From CHIVE's point of view, number 2 is attractive
since the task force would be relieved of the
responsibility of imposing an unattractive (politically)
reorganization on OCR. Rather the task force could
devote itself to that which it is organized and
manned to do best i.e., develop a system of informa-
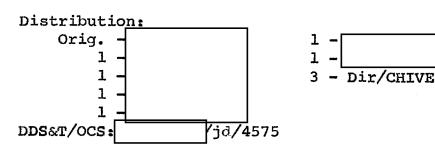tion storage and retrieval which will improve OCR's
customer service capability.

25X1A

Chief,
Systems Integration and Support Group

Distribution:
    Orig. -
       1 -
       1 -
       1 -
       1 -
DDS&T/OCS: jd/4575

1 -
1 -
3 - Dir/CHIVE

25X1A

25X1A

25X1A

-3-