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MEMORANDUM FOR: Director of Central Intelligence

FROM : Management Advisory Group (MAG)

SUBJECT : "Feedback" as a Mechanism for the

Evaluation of Agency Performance

1. MAG recently completed a limited review of the various formal and informal mechanisms used by consumers to provide the Agency with feedback on the usefulness of Agency intelligence reporting. During this review, we identified certain problems and possible solutions which we believe have a direct bearing on your current interest in feedback as a mechanism for the evaluation of Agency performance. These problem areas and possible solutions are summarized in this memorandum.

- 2. We believe current feedback mechanisms are deficient in the following respects:
 - a. There is a need for more formal, direct, and specific feedback from ultimate consumers to the collectors and producers of finished and actionable intelligence. Some informal feedback exists, but it is deficient in that it does not necessarily represent the views of the ultimate consumer nor does it lend itself to formal analysis.
 - b. Inadequate use is being made of available feedback data, particularly Publications Source Survey (PSS) data, in assessing the actual and relative effectiveness of the various collection methods and programs directed against the same geographic or functional targets.
 - c. There is a need for greater participation by consumers in the forward planning of collection activities, particularly in the human collection area, as a means of improving requirements and tasking (one form of feedback) while concurrently developing a better understanding, on the part of consumers, of the limitations of the various collection methods.

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- d. Increased use should be made of <u>feedback for the identification of marginal collection programs and efforts.</u>
- 3. While we believe that your current efforts in the establishment of the National Intelligence Officer (NIO) program and management by objectives (MBO) may alleviate some of these problems, there are other courses of action which may contribute not only to the solution of these problems but also to your desire to establish mechanisms for the evaluation of Agency performance. Specifically, we believe the following options are worthy of your consideration:
 - a. The PSS program should be established on a community-wide basis. The PSS presently provides Agency collectors with an assessment of the usefulness of their intelligence reporting; and, at least within the DDO, it is used as one indication of the actual and relative effectiveness of particular collection programs. If compiled on a community basis, this data could also serve as a measure of the effectiveness of Agency collection programs vis-a-vis the rest of the community.
 - b. A program similar to the PSS should be established for actionable reporting, particularly such reporting by the DDO. At present, less than 7 percent of DDO reporting is used in the most important finished intelligence publications; and, by informal estimates, the amount of DDO reporting which is directed towards actionable items rather than national intelligence needs is something near 50 percent and increasing. It is essential, then, that specific, direct feedback on the usefulness of this reporting be made by the recipients of this reporting. Just as the PSS assesses the contribution made by a report to the finished intelligence product, this proposed program would assess the contribution made by a report to the action finally taken.
 - c. The concept of the NIO structure should be expanded to cover actionable reporting as well as finished intelligence. While the concept of actionable reporting has particular application to the DDO, equivalent reporting occurs in the SIGINT and reconnaissance areas as well.

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- d. NIO's and analysts should participate, personally and directly, in the planning and evaluation of collection projects, including human collection projects. In this manner, we believe more specific and relevant requirements and tasking will result as well as better understanding of the limitations of the various collection methods.
- e. Feedback in the form of PSS data, feedback from NIO's, and MBO should all be used in a concerted effort to identify marginal collection efforts and programs. As a result of this effort, we would anticipate the designation of certain countries and targets against which collection efforts will be discontinued, and the identification of considerable community-level requirements and tasking which are no longer valid.
- 4. If you desire, we would welcome the opportunity to meet with you, or appropriate staff officers, to discuss this memorandum in greater detail.

