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Remarks Attached, FYI, is DIA Statement for 23 July SSCI hearing on IC Personnel (DCI/DDCI received advance copies).

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Executive Secretary

22 Jul 86

Date

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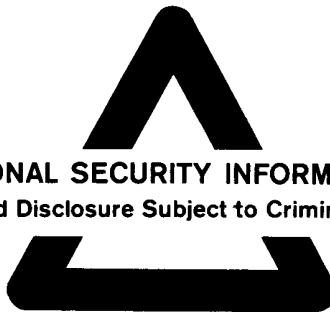
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**DISSEMINATION CONTROL ABBREVIATIONS**

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<b>NOCONTRACT-</b>	<b>Not Releasable to Contractors or Contractor/Consultants</b>
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**STATEMENT BY THE EXECUTIVE  
DIRECTOR, DIA, BEFORE THE SENATE  
SELECT COMMITTEE ON INTELLIGENCE  
REVIEW OF INTELLIGENCE COMMUNITY PERSONNEL**

**23 JULY 1986**

(U) Thank you, Mr. Chairman and members of the Committee, for the opportunity to appear before you today to discuss the Defense Intelligence Agency's manpower and personnel goals and strategies to meet the challenges described in the DCI's National Intelligence Strategy.

(U) As the Agency nears its 25th anniversary this October, it is important to reflect on who we are and where we have been over these two and a half decades. It is interesting to note that of the 2.1 million officers and enlisted personnel on active duty today, probably less than 4 percent can ever remember a time when DIA was not providing intelligence support for their plans and operations.

(U) The basic mission of DIA is to satisfy the foreign military intelligence requirements of the Secretary of Defense, Joint Chiefs of Staff and major components and field commanders of the Department of

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Defense. This basic tasking has never changed; however the ways in which we execute our mission, the caliber of personnel who make up the organization known as DIA, the concepts under which we operate, and the tools and technologies at our disposal have undergone tremendous changes over the years. It is through the day in, day out execution of our mission that the Agency fulfills its role as a force multiplier for the commanders in the field. The new DIA of today is radically different in focus, attitude, and ability from that of the 1960s and 1970s. The DIA of tomorrow will be different from that of today. It is the ability to change and adapt to new challenges and circumstances that is the strength of any organization. Our motto for the 25th Anniversary of DIA -- Committed to Excellence in Defense of the Nation -- was not lightly chosen.

(U) As the members of this Committee are aware, it is a goal of General Perroots, as well as mine, to continually improve the effectiveness and responsiveness of Defense Intelligence to all consumers and to seek efficiencies and economies in the utilization of intelligence resources. DIA's role in Defense intelligence management is equally as important as its substantive intelligence production responsibilities.

(S) The early years of DIA were difficult ones for both the Agency and the nation with intelligence requirements and national policies changing rapidly. By 1965, when the last component of the newly established DIA was in place -- the Defense Attache System -- DIA, and

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the Intelligence Community as a whole, faced an incredibly expanded target structure, intercontinental missiles, SAMs, U-2 and [redacted]

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[redacted] and a growing U.S. involvement in Southeast Asia.

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(S) In FY 1968, at its height of the U.S. presence in Vietnam, DIA's authorized [redacted] The following year the Executive Branch and the Congress began a scaling back of the size of the Department of Defense which would last over a decade. DIA was not spared. In the next 12 chaotic years DIA lost almost 2,400 billets, or 35 percent of its workforce. The attache system alone was reduced by over 800 billets.

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(C) For over a decade DIA's managers faced the constant question of what and how much to eliminate while still meeting mission essential requirements -- standing watch over the Soviet Union/Warsaw Pact, treaty monitoring, technology developments, etc. -- meanwhile finding still further billets to divert to essential new requirements. Every conceivable method was used to absorb the elimination of one out of every three of our personnel, from dropping families of products to wholesale reductions in support operations and services. Finally the Agency found itself one-deep or none-deep in numerous areas not exclusively confined to intelligence analysis. The 1970s were simply an unmitigated disaster for military intelligence in general, and for DIA in particular.

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(C) The poor state of the General Defense Intelligence Program and DIA was recognized and acknowledged by this very Committee in the Spring of 1979 during the preliminary hearings on the FY 1980 President's Budget. The SSCI took a leading role in recognizing that the nation was paying too steep a price for the false intelligence economies of the 1970s, and that the General Defense Intelligence Program and DIA needed manpower augmentations, not further reductions. The Congressionally-authorized manpower increases of the early 1980s (FY 1980-1985) were designed to address deficiencies and shortfalls produced by having a skeletal staff in many geographic and functional areas, and similar manpower shortages in the intelligence processing and support side of the Agency.

(S) At first, we requested, and the Congress authorized, manpower increases primarily to augment basic military intelligence analysis with the principal focus on areas of high threat -- USSR/Warsaw Pact and the PRC -- or of increasing strategic and political significance -- the Middle East, Latin America and Africa South of the Sahara.

(U) Additional personnel were authorized not only to restore and enhance basic data analysis, conduct long-range, indepth analysis, and provide current intelligence and support to the JCS, but also to enable DIA to undertake new and important missions. For example, some limited manpower was also authorized to augment the Defense Attache System to accommodate manning requirements of newly opened Defense Attache Offices in countries in which there had been no Defense representation.

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(S) The gradual re-building of analytical strength in DIA from FY 1980-1985 was imposed on a stringently reduced support and processing organization. To absorb the drastic manpower reductions of the 1970s, support activities had first been reduced to minimum levels in order to attempt to preserve DIA's core of intelligence analysis professionals. Not until FY 1983 did Agency support, processing, and management functions begin to realize marginal manpower gains to cope with the drastic rise in workload resulting from an increased analytical base. Without augmentations in these areas, improvements such as those in ADP technology, and photo processing for new collection systems designed to enhance data analysis and maximize workforce productivity, would have been wasted or underutilized due to a lack of available trained personnel.

(S/NF) In the mid-1980s manpower was requested in order to undertake a number of new initiatives and expansions of ongoing activities into new mission areas. Principal among these was the implementation of the DoD HUMINT Plan. Manpower was authorized beginning in FY 1984 to undertake the effort within DoD for the centralized planning, management, control and coordination of DoD HUMINT activities.

[REDACTED] as well as denied areas, and provide related crisis and contingency support.

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These manpower increases were carefully calculated and planned to include the impact of offsetting reductions due to the phasing out of older, less productive systems.

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(S/NF) Recently DIA has also been required to enhance intelligence analysis on numerous new high priority areas such as Soviet initiatives in space systems and issues related to technology transfer. For technology transfer alone, existing manpower resources were simply unable to cope with the tremendous upsurge in requirements. Similarly, DIA was tasked with new and expanded activities for counterintelligence functions. For example, DIA now provides multidisciplinary counterintelligence support to the U & S Commands, a function requiring manpower intensive evaluations of the CI threat to field installations, operations and individuals, and recommendations to counter that threat.

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function which became increasingly critical with the upsurge in terrorist operations targeted against Americans overseas in recent years.

(S/NF) Our current resource requests focus on providing intelligence analysis and support in many areas as the dynamic world environment requires the provision of improved products to a broadened array of consumers. Thus,

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in our recent manpower requests, for Fiscal Years 1986 and 1987, resources were included to intensify research and analysis on Third World countries, especially those in the Middle East, Southwest Asia, Africa, and Latin America. Similarly, progress in Soviet weapons programs, most significantly mobile strategic systems, are forcing DIA to apply additional manpower resources and to develop innovative analytical techniques to monitor and evaluate these new systems. New areas which will consume considerable man-years of effort include low-intensity conflict analysis, such as terrorism and insurgency, narcotics, arms transfer, and nuclear and biological and chemical warfare issues.

(U) While I have highlighted the principal new and expanded areas of endeavor DIA has undertaken in the past few years requiring additional manpower, I would like to emphasize that to accomplish the many new responsibilities, adjust to shifting intelligence priorities, and accommodate increases in data volume since 1979, all levels of DIA management have constantly examined the allocation of scarce manpower resources. The objective of these self-examinations has always been to minimize requirements for new personnel while positioning the Agency to meet the requirements of tomorrow.

(U) Since the end of FY 1979 there have been hundreds of changes in DIA's billet structure ranging from slight adjustments to discrete position specialty requirements to limited billet, section, branch, and division realignments. Each was undertaken by line management and internal Agency

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resource managers with the objective of some qualitative or quantitative improvement, however slight, to the overall structure and organization of DIA.

(U) I should also note that our rebuilding efforts haven't been limited to billets alone. To meet the new challenges of the 1990s and beyond, it was and is clear that our approach to human resource management, if it is to be successful, could not be configured solely on past practices and accomplishments. We must consider the environmental demands of a different tomorrow, focusing not only on optimum workforce size, but on personnel quality factors necessary for building a highly skilled manpower base. There is no doubt that tomorrow we will be required to do more, do it better, and do it faster than ever imagined previously.

(S) In the area of overall collection management and HUMINT management and operations, we have concluded that additional manpower is needed. Technically sophisticated foreign weapon systems are being developed and placed in the field, a situation which translates directly into more complex collection requirements, and the need for more coordination and collaboration among SIGINT, HUMINT, Imagery and MASINT requirements and collection operations managers.

(S) During the 1980s, manpower for DIA collection management, other than HUMINT, remained essentially constant. The "tyranny of the present" represents a constant pressure on available manpower and there are too few resources remaining to anticipate, plan, and program for the changes in the collection environment, technology, U.S. security interest areas, wartime support planning, and utility evaluations of proposed new systems.

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(S) The DoD HUMINT system, both overt and clandestine, requires a spectrum of capabilities from those personnel assigned to this duty. They must have recent military operational or management experience, foreign language and area expertise, security reliability, and the dedication and flexibility to devote one-third of their career to HUMINT assignments. These are difficult criteria and DIA HUMINT management and military and civilian personnel operations professionals are working closely to acquire and nurture these types of individuals.

[REDACTED]

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it has the highest potential return on invested resources. The investment cost in manpower, especially support to collection ratio, is very high. The development of a strong integrated DoD HUMINT management and operations system will take time, as it should. The price of haste is a potential "incident" -- a circumstance which intelligence professionals cannot deliberately foster.

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(C) In the area of counterintelligence and security, while our counterintelligence support capability has grown in recent years, manning of the more traditional security functions has not kept pace. The FY 1987 President's Budget includes the first significant increases in security manpower since the drawdown of the 1970s. DIA is not only responsible for its own internal security posture, but also provides DoD-wide support for compartmented security policy and procedures other than NSA material. DIA controls the numbers of compartmented accesses authorized, and approves and inspects storage facilities for compartmented material. The number of storage facilities and people cleared for compartmented material has increased exponentially since 1980. DIA manpower serving that population

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has not. We know we must do a better job in this area and additional manpower is key to success.

(C) As we move forward into the 1990s, there will continue to be a need for additional manpower to satisfy the increasing demands for finished intelligence products as well as to cope with the impacts of emerging technologies on the analytical and dissemination processes. This small growth requirement should level off in the near future as analytical proficiency in and exploitation of new technologies increase and new facilities, communications techniques, and information management systems are placed into operation.

(U) The Agency's commitment to accomplishing the plans outlined in the DCI's national intelligence strategy is reflected in our own personnel policies and plans for the future. In addition to the continuous goal of maintaining an effective, economical balance between workforce size and mission essential requirements, there are two other major human resource challenges being confronted by DIA.

(U) First, the workforce needed to respond to the intelligence demands of tomorrow is changing and will be more technically oriented. Where once individuals with broad academic backgrounds and limited prior work experience could be successfully assimilated into the intelligence disciplines, we must now aggressively pursue and acquire personnel with actual mission related experience, specialized academic credentials, and high skill levels. Our recruitment program has become more vigorous and will continue to broaden to exploit new sources of quality personnel.

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(U) The second major human resource challenge being faced by the Agency goes hand-in-hand with changing recruitment practices. The Agency is actively working towards establishing a more attractive working environment attuned to the unique needs of individuals comprising the DIA workforce of today and tomorrow. To date, the acquisition and retention of quality personnel has not been a major problem for DIA. Over the last 10 years, the Agency's average attrition rate has been considerably less than the norm for the Federal government. Again, while we recognize that even though retention of quality personnel has been excellent, it may not remain so in the future as competition for specialized and scarce expertise increases in both the private and public sectors. With that in mind, we have initiated an enhanced personnel management and development program for the 1990s. Our goal was -- and is -- to ensure that DIA has a well-trained and educated, highly motivated, loyal workforce proud of its contributions to the security of the United States. We realize that we not only need to attract and retain but also to "nurture" the type of analyst needed to meet the challenges of the 1990s and beyond.

(U) The Intelligence Authorization Act for FY 1982, PL 97-89, did much to bring the Defense Intelligence Agency into alignment with our colleague agencies -- CIA and NSA. Under provisions of PL 97-89, the Defense Intelligence Senior Executive Service (DISES) was established. Although the DISES is patterned after the Senior Executive Service, it is unique in that it recognizes not only leadership capabilities but also the substantive intelligence expertise valued so highly in the community.

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(U) We have developed over 40 career ladder programs to identify progressive knowledges and skills needed to advance in a particular occupation to include all intelligence and intelligence support positions throughout DIA. To complement these career ladders and to better evaluate job performance, a new performance appraisal system is being implemented. The new system is based on performance areas and competencies; i.e., personal attributes, which have been derived from a cross section of the workforce. By the beginning of 1987 the new appraisal system will be in place for all civilian employees.

(U) As added emphasis is placed on knowledges and skill development for progression in the career ladders, emphasis is also being placed on training and education. For example, a Career Programs Selection Board (CPSB) of senior management officials was established last year to oversee all long-term civilian career development and training opportunities, such as rotational assignments and full-time study. Our Defense Intelligence College has also been expanding the numbers and kinds of educational programs to enhance the quality of intelligence personnel for not only DIA but the total Community. New graduate concentrations, weekend course programs, and new mobile training courses are being developed for an increasing number of intelligence professionals throughout the Community.

(U) DIA's success in quality personnel training and education results from a collaborative effort among training administrators, intelligence

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managers, and the Intelligence Community to assess existing and future training and education requirements and to deliver programs that match those requirements. In response to intelligence management initiatives, the Office of Training, tasked to direct and manage DIA's internal training programs, and the Defense Intelligence College, tasked with the education and training of military and civilian personnel for command, staff, and policymaking positions in the DoD, national, and international intelligence structures, have initiated new and innovative programs in the areas of Joint Space Intelligence/Operations; management training for intermediate and senior intelligence personnel; counterterrorism analysis; strategic deception awareness; and, HUMINT collection.

(U) Both the College and Office of Training have been proactive in dealing with advancing technology in intelligence systems, participating in the planning and programming stages of new systems so as to have curriculum materials and courses available when new systems reach operational capability. An ongoing evaluation process controls the quality of our training and education efforts. All courses are subject to annual review, keeping content and focus current and ensuring professional training requirements are met.

(U) In addition, the College is placing greater emphasis on intelligence research and scholarship. In 1986 the College hosted conferences, round tables, and symposia on Terrorism, Low Intensity Conflict, and the Horn of Africa. To meet total force requirements, weekend courses on National Intelligence, Human Intelligence, Reconnaissance and Technical Information Collection, and Scientific and Technical Intelligence, to name a few, are offered.

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(U) Military career development opportunities have also been emphasized over the last few years. Two years ago, we started a military career enhancement program where key personnel from all branches of the Armed Forces discuss assignments, career incentives, and educational opportunities. DIA sponsors its own program to select the Enlisted Military Member of the Quarter and Year, has initiated an Outstanding Junior Officer of the Year Program, and actively participates in the Stripes for Exceptional Performance Program.

(U) Another area of major importance to DoD and DIA is crisis and mobilization planning and DIA subscribes fully to the mandate that it is the role of all DoD components to deter war but if deterrence fails, we must fight to win. DIA has undertaken a major review of the status of efforts in these areas within the Agency. Improved crisis and mobilization planning is recognized as one of the strongest methods of deterrence and it is for this reason that several new activities and programs have been initiated.

(U) The ability to stabilize existing manpower of the Agency during crisis or wartime conditions was the primary factor which led the Agency to request the Services to exempt from recall to active duty all military retirees employed as civilians by DIA. Successful completion of this action has resulted in the assurance that over 300 well trained and experienced personnel will remain at their stations during crisis or mobilization conditions.

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(U) Efforts have been taken to improve the mobilization manpower planning for the Agency. The result has been a tightened set of augmentation requirements that will insure adequate manpower, both military and civilian, to fulfill DIA's wartime mission. One of the major problems facing the Agency concerns the ability to find qualified personnel to fill civilian positions created during crisis or wartime conditions. DIA has a new and innovative program that will assist in this area. In April 1986, the Agency established the DIA Retired Civilian Reserve (RCR) Program. Recent civilian Agency retirees are canvassed as to their willingness to return to work should a national emergency be declared. Those retirees volunteering for the program are assigned to specific mobilization positions and will be offered training on an annual basis. The creation of this program insures that DIA will be able to call on an experienced cadre of individuals to assist in the wartime efforts of the Agency.

(U) One of the major contributions to an enhanced personnel system to meet unique Intelligence Community situations ~~is~~ the provisions authorized in the Intelligence Authorization Act of FY 85, PL 98-618. It provides broadened personnel authorities to the Secretary of Defense for DIA. Primarily, it gave DIA the much needed exemption from the Classification Act making it comparable to CIA and NSA. We are currently adopting limited pay-setting flexibilities to attract and retain critical skills such as engineers, scientists, and ADP specialists.

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(U) With respect to the need for additional personnel-related legislation at this time, we feel the Agency must acquire more operational experience with those authorities already granted by the Congress prior to initiating further requests in this area. Once we have two or three years' experience and have conducted an evaluation, indicators of the need for minor adjustments may surface. We will then call this to the attention of the Department, DCI, and the Congress.

(U) What we need in DIA, and the intelligence business as a whole, is to somehow reverse the trend of the past decade of denigrating the competence and dedication of the civil servant. Public service is one of the highest callings in the nation and requires committed personnel willing to perform their duties with modest compensation and recognition as the most they can hope for as rewards. In the intelligence functions, public recognition for success is not compatible with the security of the nation or the protection of sources and methods. Pay, as we all know, is not generally regarded as a long-term motivator.

(U) Thus, we are left with concentrating on the quality of worklife -- job satisfaction if you will. These areas can be enhanced by providing career opportunities, rotational assignments, improved physical facilities, educational and training assignments, and internal recognition and awards programs. Much progress has been made in these areas in recent years, but none of us can ever be complacent. Service in the Intelligence Community must always be a career, not a job. The old ways of people

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management, where individuals were quickly cast into a narrow career field and pointed <sup>to</sup> the top are obsolete. The young worker today is the product of a mobile society, is looking to make a meaningful contribution to his employer and nation, and wants to experience new challenges often. Management must recognize these needs and encourage their development.

(U) Improving the quality of worklife will become more pertinent to the survival of an effective DIA. As I have indicated, we are involved in a number of programs to improve career opportunities within DIA and improve communications to ensure effective performance evaluations are in place and working. Rounding out this work environment is providing an attractive and stimulating work station capable of providing state-of-the-art tools to accomplish assigned tasks and responsibilities.

(U) Additionally, although recent legislation has brought DIA's personnel system in closer alignment with CIA and NSA, there are still varying legislation statutes among DIA, CIA, and NSA. I believe that we should continue to work towards legislative consistency among the intelligence components, creating a more positive effect throughout the community. Consolidation of civilian intelligence personnel systems within the DoD would permit greater movement and career development opportunities across the community, enhancing our ability to "sell" intelligence as a challenging and rewarding career.

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(U) In closing, I would like to summarize the challenges that DIA is preparing to face in the foreseeable future. To begin, greater emphasis will be placed on technology. The number of professionals and scientists and their influence within DIA and the community will increase. To be competitive, we have already begun exploring new approaches to compensation work schedules, time sharing strategies, and restructured job responsibilities.

(U) I, and General Perroots, look forward to working with the Committee and its staff in conducting the review of Intelligence Community personnel.

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