

86-9172

21 July 86

MEMORANDUM FOR: Executive Director

FROM:

[Redacted Name]

Chairman, Executive Development Task Force

SUBJECT: Recommendations for Improved Executive Development

You convened the Executive Development Task Force in October, 1985, to review the process by which the Agency prepares its officers for leadership positions. The purpose for so doing was to identify any shortfalls that might exist and to outline some actions which would improve the present system. This memorandum responds to that charge.

Summary

Executive development is the sum, at any one time, of everything that an employee has experienced while climbing the career ladder, some of which has happened by design, and some by accident. The Agency, for reasons outlined in the main text, traditionally has trod lightly on the design end of such development. Viewing ourselves as well-managed and well-led, we tend to be complacent about things like executive development. As a result, we haven't focused much on what we, as an organization, want out of the process.

Thus, it should be no surprise that the Task Force, in its review of our developmental efforts, came to the conclusion that we really don't have an executive development "program." In the absence of any organizational objectives for such development, we have instead adopted--or defaulted to--a haphazard approach to the problem. What we do proffer in this regard is devoid of meaningful management participation and, as a result, is of uneven quality.

Against this backdrop, the Task Force identified a course of action which would both involve line management and bring some order and purposefulness to the development process. It is designed to: 1) ensure that our junior officers have ample opportunity to equip themselves not only with the appropriate management skills, but also with some sense of what the Agency's management philosophy is and what is expected of them as managers; 2) offer a means of personal development through recognition of one's managerial strengths and weaknesses; and 3) foster the development of broader perspectives--a more "corporate" view of our profession, if you will--among managers at the GS-15 and SIS level. As is the case with all such developmental activities, success is totally dependent on the extent

to which Agency management, from the top down, personally embraces the concept and actively engages itself individually in the process.

The six steps we propose involve:

- 1 -- A complete overhaul of management training, a process already underway. This will involve establishment of a core course of training consisting of two or three short, dynamic courses designed to: a) teach basic management skills applicable across the Agency, impart Agency management philosophy, and provide a grasp of how the Agency works and how to get a job done in our environment; b) hone interpersonal skills; and c) address specific directorate-related management training needs. Active line managers would carry a large share of the presentational load. As an adjunct to these courses, we also recommend establishment of an elective program, patterned after the SIS elective program, which would provide 1-2 day sessions on key Agency functions, issues, and relationships for managers below the GS-15 level.
- 2 -- Establishment of a pilot personal assessment program to test the feasibility of better focusing our efforts to give employees the opportunity to learn their managerial strengths and weaknesses and to provide them a means to follow up on assessment results if they so wish.
- 3 -- The opening up of OTE's Executive Elective Series of presentations to selected GS-15s. This would extend to that group most likely to rise to the senior executive ranks--many of whom are already holding down SIS positions--the opportunity to participate in an important segment of executive-level perspective building.
- 4 -- Establishment of a program by which on an annual basis the Deputy Directors would select a group of 12-15 officers to receive, as a group, specific external and internal training over a 2-3 year period in amounts not exceeding 3-5 weeks over the course of each year. While such training would be open to all officers, this would permit us to ensure some tailored exposure to outside developments for selected officers without intruding noticeably into the work routine, while at the same time strengthening cross-directorate ties.
- 5 -- Undertaking annual 1 1/2 day retreats allowing the Deputy Directors, as a group, to discuss with cross-directorate gatherings of SIS-4s, issues, where we are going as an Agency, etc. This would go far toward dispelling parochialism at the office/division level and the

perception of it from there looking up, and would contribute to the establishment of organizational identity and perspective.

- 6 -- Establishment of an Office Director-level Standing Group which, on behalf of the Deputies, would constantly review the executive development process, particularly steps 1-4 above, to ensure relevance.

Background and Purpose

Above and beyond our normal desire to try to improve things, interest in this undertaking was spurred by the realization that we are faced with a shrinking pool of experienced officers from which to draw to fill our executive ranks. [REDACTED]

[REDACTED] This at a time when an inordinately high number of our present executive corps is now eligible for retirement, as well as a sizeable percentage of the feeder group for the executive ranks--the GS-14 and 15 cadre. Also, we have experienced some high-quality efforts which have convinced some normally skeptical people that well focussed high-quality training really can help us do our work better.

Higher attrition rates may not be a temporary phenomena. Given the present potential for government service becoming a considerably less attractive career choice for bright young individuals, the somewhat gloomy long-term forecasts concerning our continued ability to compete with private industry for the best and brightest from the shrinking pool of eligible workers projected for the 1990s, and the greatly increased competition in the Washington area for the kinds of people we seek, we may be entering an era where higher attrition is the norm. In this scenario, and barring any major change in our retention capability, a smaller number of top-flight officers would be staying the course long enough to endow themselves with the background, experience, and personal qualities sought for executive positions.*

Thus, now is a propitious time to explore ways to adjust our developmental process in ways which are both compatible with our management style and geared to equip the incoming generation of Agency executives with the best skills and the widest perspectives possible.

* Early on in our deliberations, we asked each of the Deputies and the Executive Director what criteria they used in selecting office directors. This was an attempt to get some handle on senior management's views regarding executive qualities. Their responses are at Tab A.

Executive Development in the Agency Today

Traditionally, executive development in CIA has been subject to directorate "local option." Thus, the time and attention and the philosophy of such development differs widely across the Agency. Unlike our colleagues in private industry, we have never embraced the concept of a structured, corporate approach to executive development. Our few attempts to mandate such schemes--the Senior Officer Development Program being the most recent--have failed miserably. Such is not compatible with our culture; centralized development runs counter to our decentralized system of management.

The Agency has instead adopted a laissez-faire attitude toward executive development. Management training--a necessary underpinning of executive development--is voluntary and, in our mission-oriented environment, job assignments are made principally on the basis of getting the current job done, with developmental goals running a distant second on the objectives list. With the possible exception of the DS&T, which employs a form of succession planning, the Agency leans more toward letting the managerial cream rise to the top of its own volition. Thus, development--both classroom and experiential--depends more on the passing of time than on the initiative of Agency management. To the degree that it does occur, it results more from chance than from design, more from an individual's initiative than from a broad management plan.*

To our credit, this approach has worked quite well. We certainly have to be ranked overall as among the best managed organizations in the Federal Government. Our obvious success in this regard stems in large part from our hiring process, which screens out all but the highest caliber people and, at least until recently, from the fact that we have enjoyed a relatively stable work force. People have tended to make a career in the Agency, affording us the luxury of a good-sized pool of experienced officers from which to draw our executives. This has helped to make us complacent regarding executive development. This complacency is buttressed by the fact that we often define leadership in terms of substantive mastering of subject, so to the extent our system produces this, we find that we have succeeded.

* One-third of our SIS cadre have not had any training inside or outside the Agency in management or supervision, or anything that even remotely could be called broadening or developmental. This includes such things as the mid-career course, war colleges, Congressional programs, etc. The SIS elective program may put a dent in this statistic.

The Problem

Given our changing population and the experience levels of that population, the Task Force believes that the current process of executive development, while not "broken," may not serve us as successfully in the future as it has in the past. In any event, it is a rare system that can't be improved, and the Task Force perceives that our current approach would benefit significantly from a dose of order and purposefulness, actual or perceived problems notwithstanding.

We focused our attention on four facets of executive development where we believe there is considerable room for fine tuning: management training; personal assessment; perspective development; and executive-to-executive communications.

Although the Task Force believes strongly that interdirectorate assignments are important to any serious executive development program, we did not take on the question of experience/assignments for practical as well as substantive reasons. Traditionally, formal proposals promoting the concept of developmental assignments have arrived stillborn in the Agency. However, the Agency informally is moving slowly in the direction of increased cross-fertilization. It is becoming more prominent between the DO and DI, and has existed for a long time--but on a smaller scale--between DS&T and these two directorates. At present, the DA is more a recipient of such transfers than a supplier. Though driven principally by operational exigencies rather than by developmental goals, such assignments accomplish the desired end. We see any attempt to force the process faster than management desires--or will tolerate--as being counterproductive.

Management training in the Agency--where officers rising through the ranks should become imbued with the basic values of the Agency, hone their basic administrative/managerial skills, and learn how the Agency as a corporate entity works--needs a major overhaul. The program we have in place is ill-defined and poorly understood throughout the Agency, there is overlap and redundancy within and between the courses, and there is an overall lack of intellectual challenge in the classroom. OTE has struggled to keep up with the explosion of interest in management training in the Agency, but has done so in an unfocused way, without guidance from the organization on what is needed, and without itself having a clear understanding of what relevant management training in CIA is. We have little or no participation by practicing line managers in our courses to better connect management theory to management practice in CIA and, until recently, we have done little to relate this type of training to the specific problems found in the Directorates. Finally, we have given little attention to providing management training to our overseas employees.

Like our present approach to management training, there is little order to the personal assessment process--learning one's own strengths and weaknesses through tests, exercises, etc.--as it relates to executive development. It occurs in dribs and drabs in a variety of courses focused on other matters, and is a principal focus of one or two others. This is not to say that there isn't some high-quality work in this regard going on--there is. But presently, depending on what courses you attend during your career, you can arrive at the executive threshold either never having gone through such an assessment or, at the other extreme, having gone through it multiple times and in varying qualitative degrees. We also offer no organized way (not formal, just organized) for our employees to follow up on the results of personal assessment if they so wish.

Broadening of perspectives is a vital aspect of executive development. Its development was the principal objective in establishing the roster of external training opportunities we enjoy today. Interestingly, it is only recently that we have begun to focus inwardly as well to ensure that those on the way up the career ladder are exposed to a more diverse set of Agency issues than they would normally be privy to in their respective assignments. The present program of brief electives OTE offers our SIS cadre is an important step in the perspective building business. So also is the experimental seminar program run by the Executive Director, wherein a group of officers selected by each of the Deputies gathers once a month over the course of a year for a couple of hours to discuss with individual line managers the Agency's response to recent/current management challenges. The weakest link in this package is the external training program. It is not well-understood by management and needs a better airing than is presently provided. If we intend to do anything along the lines of providing individuals the opportunity to follow up on the results of personal assessment, or of providing incentive for mid-level management to get more involved in guiding the selection of courses for individuals, we must provide clearer insights as to the content and utility of external offerings than are presently available.

Over and above developing smarter, more broadly-based officers, a key objective of most executive development programs is the establishment of an organizational identity and perspective. While a certain amount of this can be acquired through assignments and the classroom it should also be communicated from the top down. Probably because we have never really accepted executive development as an organizational task, we have not focused much energy on projecting the concept that a management team runs our Agency. Directorate managers at the SIS-3 and 4 levels have little direct contact with Deputies other than their own, and therefore have rather circumscribed knowledge of what is currently preoccupying top management or of its views of where the Agency needs to be moving. This executive-to-executive communications gap, if not somehow

reduced, will tend to diminish any efforts we might make elsewhere to broaden our officers' perspectives.

Resolving These Problems

As you can see from the above, executive development in the Agency presently is haphazard, ad hoc, and of uneven quality. On the other hand, the wherewithal for establishing a more meaningful program is at hand. What we need to do is bring some order to the process, fine tune it qualitatively, and add a dose of purposefulness from the management side. Toward this end, we offer the following six-part proposal. We believe it is in keeping with the values and traditions of the Agency, that it brings senior management into the action in a reasonable way, and that it contains an element of individualized attention--all items contained in the original charge to the Task Force.

Part 1. We should replace the present OTE management training program with a core course of training for our managers and supervisors.* This core program, which must be taken by all new first-line managers in CIA, should consist of two or three short (2-3 days) elements which have a logical progression, are dynamic and intellectually challenging, can run as frequently as required, and which can be taken overseas as often as necessary. We perceive that these offerings should contain:

- a) A segment on basic management skills and rules of the road applicable across the Agency, the Agency's basic management philosophy (mission and people-oriented), and some idea of how the Agency works and how to get a job done in this environment;
- b) A segment on interpersonal skills;
- c) Segments tailored to specific directorate-related management training needs.

We believe that a reasonable way to make the first cut at these presentations would be to reduce dramatically the menu of management courses presently offered by OTE by taking the best parts of each and condensing them into the above--in effect, a zero-based review of what is now offered. Personal assessment should not be part of this package, nor should Looking Glass or POCM-type courses, which are normally considered as follow-ups to assessment. OTE should present its core course concept to a group of senior Agency managers, even to the extent of putting them through dry runs, to ensure the quality of the content and presentation. As an adjunct

* In fact, this process has already started at OTE.

to the core courses, we also recommend establishment of an elective program, patterned after the SIS elective program, which would provide 1-2 day sessions on key Agency functions, issues, and relationships for managers below the GS-15 level.

It is absolutely critical that line management not only work with OTE on the content of these courses, but that active line managers bear a reasonable share of the presentational load. The courses are brief to accommodate this aspect, which is a sine qua non to the credibility of the program.

Part 2. We ought to focus our personal assessment process more sharply, offering it in one place only rather than in a variety of courses. Toward that end, the Task Force recommends that the Agency establish a pilot assessment program offering a 2-day agenda incorporating whatever tests and exercises are necessary to provide insights into participants' managerial strengths and weaknesses with an eye toward filling gaps via training and experience. The program would have four principal parts: testing of the individual; assessment of the responses by manager/assessors; feedback to participants and management; advice on how to fill gaps as requested. Care must be taken to ensure that this program is in no way construed as part of a selection process or as impacting on promotability. Again, it is essential that we engage quality personnel to conduct this program, be they staff or cleared contractors.

The Agency experimented with assessment "centers" in the late 1970s. Two factors seemed to have combined to kill the undertaking: the effort was conducted at the office level, which is too low to allow efficient utilization of resources; and management was unwilling to provide the personnel necessary to make the effort tick. The Agency-level program we are proposing is responsive to the first problem. Regarding the investment of people time, an assessment program with non-management people serving as assessors simply is not worth the effort. Time off-line can be minimized, but it cannot be eliminated. It is a price that must be paid if we are at all serious about development. It is for this reason that we recommend a pilot program, which should give us a true measure of the manpower costs.

The assessment program, if institutionalized, should be voluntary, although we believe management should apply reasonable pressure to reluctant officers who are of fairly high potential. The Task Force is also concerned that the assessment be done early enough in one's career to foreclose wasting it on officers so set in their ways that growth or change is impossible. Because the grade levels at which one first assumes supervisory/managerial responsibilities varies across the Agency, the Directorates should make their own determination as to when the appropriate time is for a given employee. In viewing this as part of an executive

development process, however, we suggest focusing on the GS-12 to GS-14 levels, allowing occasional retakes as one progresses through the ranks for review purposes. Because the assessment program is expensive in terms of management time, some selection criteria must be applied to ensure that those destined for higher-level management positions have first crack at the program. Like the management core course of training, the assessment process should be designed so it can be taken overseas.

Tab B, which is based on data from Development Divisions International--a Pittsburgh based organization well known in the area of personnel assessment--gives a brief summary of what we have in mind.

Part 3. Management training and personal assessment are basic elements of executive development and by their nature are mostly inward looking. Part 3 focuses on the larger environment in which we work and is geared to ensure that a larger number of our more senior officers--GS-15 thru SIS-4--are exposed to developments and issues outside their specific areas of expertise.

The Task Force believes that the Executive Elective Series and the external training program sponsored by OTE are important elements of this perspective building process. We have two recommendations regarding these programs:

- A. Open up the Elective Series to GS-15s selected by the Deputies. We have lots of officers at this grade holding down SIS-level jobs who will likely be in that situation long enough to glean some real profit from an early start on the elective series.
- B. That management use the Elective Series and external training opportunities as the basis for devising some personal development for GS-15 through SIS-3 officers. Specifically, we recommend that each Deputy Director and the E Career Service annually select three officers to participate in a 2-3 year program which would involve acquiring up to 3-5 weeks of training--broken up into reasonable chunks--each year. The purpose of this is to ensure exposure to outside developments without intruding noticeably into the work routine, while at the same time strengthening ties across directorate lines at the senior level. Each group of 12-15 would transit the program as a team. The selected courses the group would attend could range from 1-2 day electives to 1-2 week external offerings. These courses would be open to all, except for the 12-15 slots occasionally required to accommodate the group. External programs would have to be brought to the Agency

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if necessary. Three things are required to set this in motion: 1) a thorough review and assessment by OTE of what is available in external training and its developmental value and overall quality; 2) selection from this by the Deputies of a 3-year menu for the first group; 3) selection of candidates. This process will provide upper management the wherewithal to determine what it needs for people and enroll them.

Part 4. The Task Force recommends initiation of an occasional 1 1/2 day off-site retreat where the Deputies roll up their sleeves and discuss issues, where we're going, etc., as a group with our SIS-4s. This would go far toward dispelling parochialism at the office/division level and the perception of it from there looking up, and contribute to the establishment of organizational identity and perspective. With [redacted] SIS-4s, this would probably take two sessions to involve everyone, and the process should be repeated annually. The sessions should be informal and ought to involve a combination of what each cross-directorate group wants to talk about and what the Deputies want to convey. Little organization would be required to accomplish this.

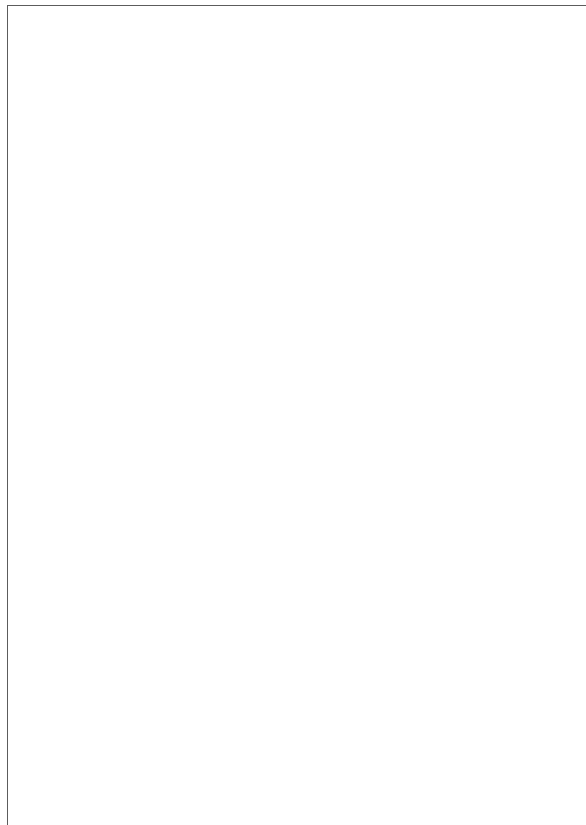
Part 5. Finally, we recommend the establishment of a standing group which, on behalf of the Deputies, would keep the executive development process--particularly parts 1-3--under constant review. We currently have no built-in mechanism for revitalizing our efforts in this regard. Executive development must be refreshed at least yearly as the issues change, and the standing group would ensure that those things most important to the Deputies are addressed. It would also keep a weather eye trained on the management training and personal assessment end of the process to ensure relevance to Directorate needs. The group, which would be chaired by the Director of Training, should consist of office-director level members selected by the Deputies. The group should be required to submit an annual appraisal of management training and executive development to the Executive Director.

The Next Step

The six steps outlined briefly above entail a lot of work. It would likely be a year before the management training program could be redesigned, something less for the assessment program. The zero-based review and assessment of external training will also be a considerable piece of work. The rest is pro forma.

The next step is approval of the concept. Then we, or some sub-groups, can start working out some kind of an implementation schedule.

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NOTE FOR: Bill

TAB A

Question: What do I look for in a potential new office director?

Answer : It depends a lot on what's been going on in the component up to now, and where we would like it to go in the future.

Example: The component that has been through a period of high stress and relatively revolutionary change may need one kind of new manager to consolidate, soothe and stabilize. Another component perceived by many of us to have "lost its way" needs imaginative new leadership and management and requires a quite different solution. An individual who is appropriate for an assignment to a given component this month, may not make much sense for that same assignment two years from now.

So the question is an extraordinarily complex one and is driven both by the capabilities of the people we have available and the objective situation we see.

Having said all this, I very often find myself asking these kinds of questions about potential future office directors, in the very rough order I would weigh them:

- Does he have an agenda of some kind? Does he tend to set goals and work towards them?
- Is he interested in yesterday or tomorrow?
- Has he had some success in dealing with like or at least analogous problems?
- Does he encourage or discourage the upward flow of ideas?
- Is he likely to inspire others to make their best efforts?
- Does he display support for honesty and integrity?
- Does he seem to reward problem-solving?
- Does he recognize that everyone in the component is important?

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5:33 PM -- 12 December 1985

STAT
Note To:

From: Harry E. Fitzwater

In Response To: Your NOTE, dated 06 December 1985,
Executive Qualities

I have not had a chance to give this much thought so please bear with me. First, there are certain characteristics that I think are important, whether you are a leader or a manager. There is a great difference, as you well know. I think anyone can be taught to be a manager but not everyone can be a leader. As I mentioned this morning I had initially thought I would give you a prioritized list but we will see as I chug along in this maze. The following are very important characteristics:

- + Intelligence (knowledge)
- + Self assurance
- + Common sense
- + Intellectual honesty and integrity
- + Loyalty

- + Team player
- + Able to make a decision
- + Flexibility and adaptability
- 'A+ Example 'e
- + Tact
- + Know how to handle conflict
- + Charisma (doesn't hurt)
- + Don't forget to LISTEN
- + Never forget good old compasion

- + Guts and more guts

It is hard to prioitize these characteristics. I suppose

OTE REGISTRY
85-4349 A

11 December 1985

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NOTE TO:
D/OCI

SUBJECT: Executive Développement: Criteria for Selection
for an Office Director

Not in any priority order (indeed, they cannot be ordered and the ideal mix would differ for each office):

- Thorough understanding of the policy process, and how intelligence is both used and regarded by policymakers.
- Imagination, openmindedness, willingness to listen to criticism and new approaches.
- Representational skills, particularly before hostile or skeptical audiences.
- A corporate view (not bureaucratically turf conscious).
- Ability to deal with people.
- Ability to manage re sources, particularly balancing competing requirements.
- Activist approach to dealing with the rest of Intelligence Community.
- Strong substantive expertise.
- Ability to manage the analytic process, including understanding ingredients that promote quality and ability to combine and use those ingredients.
- Diverse experience, especially in policy community or other elements of intelligence community (or even CIA).
- Having experience in the trenches.

STAT

Robert M. Gates
Deputy Director for Intelligence

From DS&T

Characteristics Desirable/Necessary in an Office Director

I. Management (Personnel)

- Motivator of people.
- An innovator who can generate new ideas and permits new ideas to be generated.
- A listener. A mistake that so many people make is that they don't listen either to superiors or subordinates and that inevitably leads to trouble.
- Understanding of people.
- Is candid.
- A leader.
- Decisionmaker. (This may be the most important.)
- Commands respect. (I believe this comes automatically if all of the above are true.

II. Management (Programs)

- A planner.
- Knowledge of the budgetary process.
- Knowledge of the Directorate and the Agency.
- An ability to "think" Directorate. (This is what I expect of the membership on my Board of Directors.)
- A thorough understanding of programmatic.
- The ability to acquire and hire experts when necessary.

III. Substantive Knowledge

The individual needs to have a thorough background in a particular field and have practiced in that field for some time. I don't think anyone can ever be a good manager without having been managed at some time during his or her career. It is not necessary for the individual to have a PhD in physics in order to manage a group of physicists or be an engineer to manage an engineering office, but he should have had a good substantive background of one sort or another.

TAB BPersonal Assessment Program

Objective: Provide insights into participants' managerial strengths and weaknesses with an eye toward filling gaps via training and experience. Results of assessment would be available both to the individual being assessed and to that person's management. Under no circumstances is this data to be used for selection or promotion purposes.

Scope: Single program applicable across the Agency. Does not replace POCM (Program On Creative Management) or Looking Glass, which will be provided to officers GS-15 and above.

Sponsor: OTE

Target Population: GS-12 to 14, generally, but final determination up to directorates.

Concept: Each class runs 2 days. There are 12 students in a class, plus 1 assessor for every 2 students. Program involves pencil tests, simulations such as in-basket exercises, and feedback to the student and management. Assessors are agency managers, and each must make a one-time commitment to attend a 3-day assessor training program. Thereafter, assessors can assume a 3-day commitment each time they serve as an assessor (ideally, only twice per year), depending on the exact role they play in summarizing student responses and providing feedback.

Implementation: Option 1. Program designed and run by contractor. Design costs, including assessor training, will run \$85K--\$125K, depending on how much tailoring of off-the-shelf programs is desired. Contractor costs for actually running the program would be \$1300-1500 per candidate, plus \$10K-12K per year for facility rental. We would still be using Agency managers as assessors as this is critical to program success. If we run 300 or more through this program a year, we could get a 25-30% discount. Cost aspects of this approach would tend to dampen any desire to open this to all officers on a voluntary basis.

Option 2. Program designed by contractor and run by several full-time CIA administrators. This approach would allow us to determine the number of attendees per year based on the amount of management time we are willing to commit to the assessment process. It would require our finding about 3500 square feet of space to accommodate the program.

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