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3 Dec 80

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Coordination	Justify	

**REMARKS**

The attached will be retained in O/C/Ops files. No additional copies are to be made.

**DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions**

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C/Ops

5041-102

**OPTIONAL FORM 41 (Rev. 7-76)**  
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 FPMR (41 CFR) 101-11.206

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**ROUTING AND TRANSMITTAL SLIP** Date 3 Dec 80

<b>TO: (Name, office symbol, room number, building, Agency/Post)</b>	<b>Initials</b>	<b>Date</b>
1. sent to all field bureaus except AT, <input type="checkbox"/> is bad		
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Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
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Coordination	Justify	

**REMARKS**

The attached copy of the Executive Summary of the IG Report may be shown to all Staff employees but as soon as everyone who wants to read it has done so, please destroy.

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C/Ops	<b>Phone No.</b>

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☆ U. S. GPO: 1978-0-261-647 3354

**OPTIONAL FORM 41 (Rev. 7-76)**  
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OPERATIONS GROUP FILE

*Mem - IG Inspection*

26 November 1980

MEMORANDUM FOR: ✓ Chief, Operations Group  
Chief, Production Group  
Chief, Analysis Group  
Chief, Executive and Planning Staff  
Chief, Administrative Staff

FROM:

[Redacted]

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Deputy Director, Foreign Broadcast Information Service

SUBJECT:

IG Report on FBIS

Attached is a copy of the Executive Summary of the IG Report on FBIS, based on an inspection conducted in the summer of 1979. I have deleted portions that criticize personnel. This copy may be shown to employees who wish to read it. Readers should keep in mind that the report, only recently received by FBIS, is based on data gathered more than a year ago, and that recommendations are not automatically implemented. FBIS is responding to the recommendations.

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Attachment:  
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## Executive Summary

### I. Background

#### A. Mission

The principal functions of FBIS are to:

- Conduct, as a service of common concern, the monitoring of foreign radio, television and press broadcasts and foreign publications, and the dissemination [in English] of the collected information to United States Government components.

- Provide translation support to CIA components and, when appropriate, to other U.S. Government agencies.

- Analyze the content, volume, and audience targeting of Communist broadcast and published media for indications of Communist objectives, intentions, and problems, and report regularly the results of this analysis.

- Collect, collate, and publish technical and programming information on the world's broadcasting stations.

The functions of FBIS derive primarily from paragraphs 8 and 9 of NSCID No. 2, revised 17 February 1972.

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DCID No. 2/4, effective 18 May 1976, restates FBIS' tasks essentially as defined in NSCID No. 2. The basic Headquarters Regulation on FBIS

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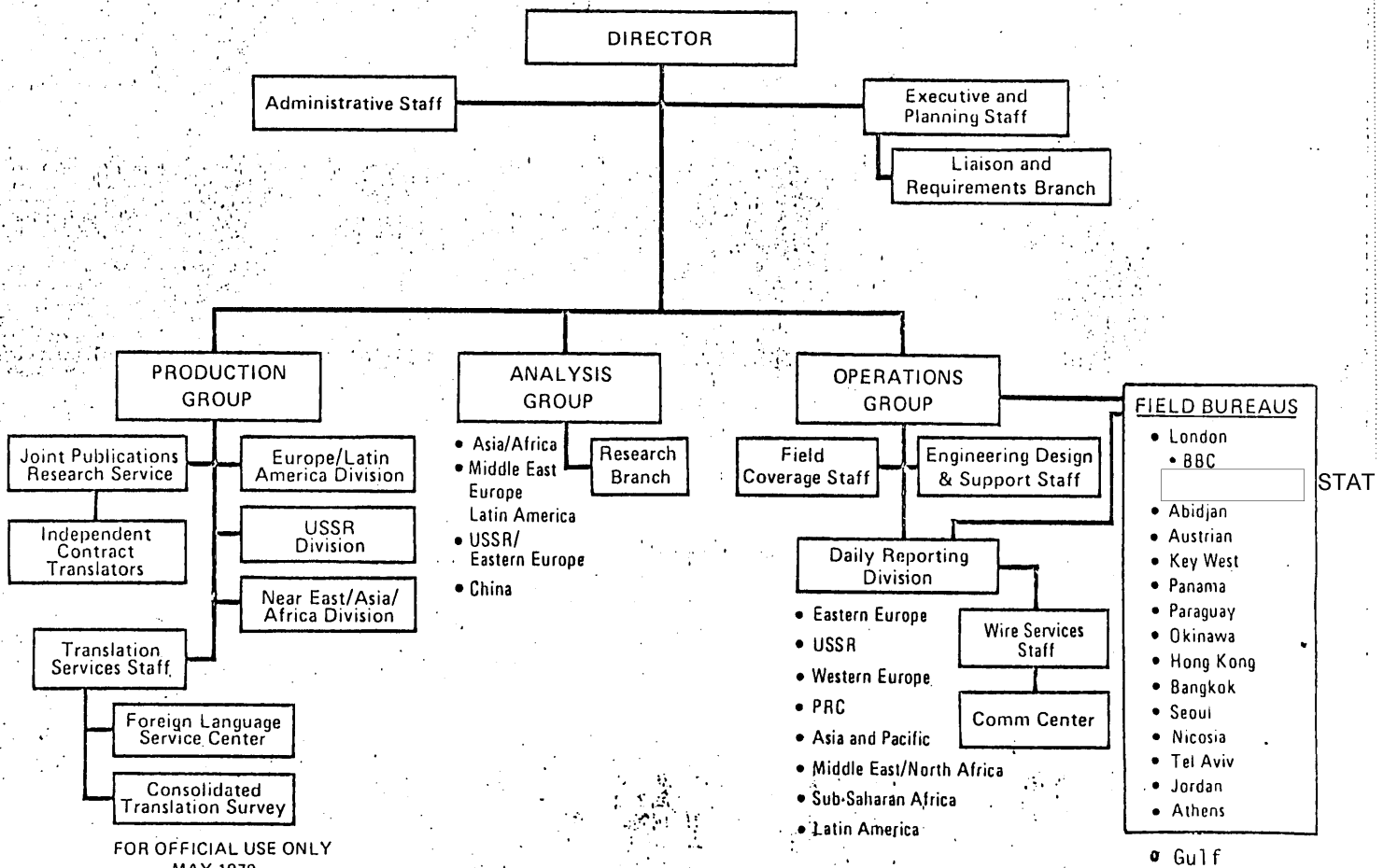
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B. History, Organization, Budget and Product

U.S. Government (USG) monitoring of foreign broadcasts commenced in 1941 when FBIS was established as a part of the Federal Communications Commission. During World War II, FBIS developed a collaborative relationship with its British counterpart in the British Broadcasting Corporation (BBC) which endures to date. After World War II, the monitoring function was transferred to the Central Intelligence Group (CIG), CIA's predecessor organization. At that time, another World War II unit, the U.S. Army's Military Documents Center, which translated captured enemy material, was also merged with CIG. Later, under CIA, these two components--as the Foreign Broadcast Information Service and the Foreign Documents Division (FDD)--plus the overt Contacts Division formed CIA's Office of Operations in the Directorate of Intelligence (DI). In 1963, FDD became part of the Central Reference Service, now the Office of Central Reference. In 1967, FBIS and FDD were merged in an effort to ensure increased efficiency and speed by consolidating the

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## Foreign Broadcast Information Service



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exploitation of oral and published news media and by performing overseas work that could be done at lower cost by foreign nationals with a consequent saving in staff positions at home. When the DI was reorganized in early 1976, FBIS was transferred, as part of a trade of components, to the Directorate of Science and Technology (DS&T), its current location. Today FBIS is a separate element of the DS&T and the FBIS Director reports directly to the Deputy Director for Science and Technology (DDS&T) and participates regularly in DS&T staff meetings.

The organization of FBIS is shown on the chart facing this page. FBIS' principal components are the Office of the Director and the three functional groups. The Operations Group collects information overseas from foreign radio and television broadcasts and articles of immediate interest appearing in foreign publications and disseminates the product abroad and in Washington through its wire services and its Daily Report publications. The Production Group in Washington does special translations and selects less time-sensitive articles from foreign newspapers and journals for translation and publication by the Joint Publications Research Service (JPRS). The Analysis Group analyzes Communist radio and television broadcasts and publishes

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its findings in Trends in Communist Media and special reports. The mission, staffing, budget and performance of the groups, including the field bureaus, are detailed in the separate sections of this report.



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C. Between Inspections

The last full inspection of FBIS took place in 1968. An eight-day abbreviated survey was conducted in the Headquarters area in 1976 and at two domestic installations in 1977, primarily to ensure compliance with the laws and regulations governing Agency activities. While these inspections found that FBIS was a productive, low-cost, and well managed Agency component, the reports contained a number of recommendations on a variety of topics. Our inspection established that the changes which were suggested then have been implemented and that there were no hold-over problems we needed to address.

We did, however, encounter some objections to an IG recommendation in 1968 that FBIS stop all editing of texts that originate in English. Editors tell us that this often leads to awkward and in some cases misleading phraseology. We therefore suggest that FBIS use its good judgment in processing such texts.

The 11 years which have elapsed since the 1968 inspection have been momentous ones for FBIS. One major change resulting from the reorganizations of the Directorate of Intelligence and the Directorate of Science and Technology in late 1976 was the transfer of FBIS to the DS&T. Since

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FBIS had comprised a large part of the DI and the then DDI had drawn from it the resources to staff and maintain newly established DI components, FBIS anticipated that the DS&T, with its larger resources, would feel little need to intrude upon it for manpower and funds and would be better able to support its desire to automate portions of its work and assist in developing more technically advanced collection systems. The change did benefit FBIS in that it was no longer looked upon as the resource cornucopia for its parent component and it was pleased that the DS&T left it alone to manage its own affairs. However, FBIS believes that it has derived few of the anticipated technical benefits from its association with the DS&T, and the DS&T's focus on higher priority programs has resulted, in FBIS' view, in a less than ideal understanding of FBIS and its problems. Moreover, the change has attenuated FBIS ties with the rest of the Agency and has lessened some of the close relationships which formerly prevailed between FBIS officers and DI (later NFAC) analysts. Even so, on balance, almost all senior FBIS officers believe the shift from the DI to the DS&T has been helpful from a resources standpoint.

International events since 1968 and expanding and changing collection requirements have also impacted signifi-

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cantly on the FBIS overseas bureau structure and have required the constant attention of FBIS management; indeed, FBIS' overseas operations have been its major preoccupation. The following events, which are not all inclusive, illustrate some of the problems with which FBIS has had to cope.

- The Caribbean Bureau in Puerto Rico, which opened in 1965, closed in 1973 after proving unable to fulfill its expectations. This bureau has become known in FBIS as an expensive mistake.

- New collection requirements on the Southern Cone of Latin American necessitated the opening of a new bureau at Asuncion, Paraguay in 1973.

- FBIS' large Cyprus-based Mediterranean Bureau (Medbureau), which provided centralized coverage of the Middle East, was overrun by the Turkish invasion of Cyprus in 1974. This impelled FBIS to diversify its overseas operations (which included moving many of its foreign national monitors) into smaller units capable of providing some redundant coverage. In the case of the Mediterranean, the Medbureau collection tasks were assumed by TDY units at Athens, Beirut, and Tel Aviv. In 1975, events in Lebanon required forced closure of

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the facility there and permanent bureaus were established in Amman, Nicosia, and Tel Aviv. FBIS continues to maintain a TDY team at Athens, having been unable to date to obtain permission for a permanent facility.

- The Saigon Bureau was closed in 1975 when Saigon was overrun and coverage of Southeast Asia was assumed by the Bangkok Bureau, which had been established as a contingency back-up unit.

- The Hokkaido unit was also closed in 1975 and the Tokyo Bureau in 1976. Collection was diverted to the Okinawa Bureau and the newly formed Hong Kong and Seoul Bureaus.

- In 1976, the Kaduna, Nigeria Bureau was closed at the request of the Nigerian Government and FBIS coverage of West Africa was only resumed in 1979 when the Abidjan, Ivory Coast Bureau, was formed.

- The small unit in Cologne, Germany, which is subordinated to the London Bureau, was closed in 1973 and reactivated in 1979.

- During 1978 and 1979, intensified requirements for coverage of South Africa, Central Asia, Afghanistan, and Iran precipitated extensive efforts by FBIS to open new bureaus to cover these areas. After a number

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of abortive attempts detailed in the section of this report dealing with the Operations Group, the new Gulf Bureau on Bahrain was established in mid-1979.

- Reductions in the number of FBIS staff positions overseas coupled with the constantly increasing number of bureaus, required the conversion of staff administrative and engineering slots to foreign national positions.

- FBIS communications were updated through tie-ins to the Agency and Defense Department's satellite systems.

During the 11-year interval between major inspections, FBIS also gave attention to its Headquarters components. Among the problems it attempted to address were:

- integrating the former Foreign Documents Division (which is now FBIS' Production Group) into the rest of FBIS, improving career opportunities for linguists, and obtaining greater productivity from sub-components without additional personnel resources,

- improving the Joint Publications Research Service (JPRS) products,

- automating the Daily Report (the FBIS vehicle for publishing the information collected by the overseas bureaus),

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- ensuring that equal career opportunities were available to all employees and that there were more open communications between FBIS management and its personnel,

- handling new compliance, grievance, Freedom of Information Act (FOIA) and Privacy Act requirements.

How FBIS has coped with these and other challenges abroad and at home is treated in the various sections of this report.

## II. Effectiveness

During our inspection of FBIS, we found it to be a unique U.S. Government "service of common concern" which provides foreign, open source information effectively, rapidly, and in quantity to U.S. Government (USG) policy-makers, analysts and researchers, as well as to non-government subscribers and even some foreign governments. FBIS' products are indispensable to a number of its Intelligence Community (IC) customers and of considerable utility to many others.

FBIS output is large. Printed and typescript production in an average month is approximately 30,000 pages, in addition to thousands of biographic, economic, and technical abstract cards. The 16 field bureaus and units wire-file to

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FBIS Headquarters about 231,000 publishable words a day; of these, approximately 40,000 are disseminated by the Wire Services Staff and about 137,000 are published in the Daily Report (DR). The field bureaus also provide directly many services to a host of "lateral consumers"--mostly U.S. diplomatic and military installations--around the world, as well as to U.S. delegations to SALT, MBFR, and other negotiations. Ad hoc arrangements are also made to service the President and other high U.S. officials during visits abroad, as well as U.S. negotiators at international conferences. Most of the FBIS product is unclassified. The July 1979 "Bibliography" of FBIS publications lists 56 regular issuances, ranging in periodicity from daily to quarterly, with considerable in-between variations. About six percent of the total printed and typescript output consists of classified translations for Agency components.

FBIS is justifiably proud of its ability to meet the increasingly numerous Community requirements on a timely basis and to manage its affairs economically. Even in these days of troublesome inflation, it remains a cost-effective bargain.

There are, however, factors--some external to FBIS and some deriving from its leadership and management--which

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impact adversely on FBIS' ability to maintain, expand and improve its services. These include:

- Its separation from the rest of CIA. Historically, FBIS has been not only physically located at a distance from CIA Headquarters, it has been separated psychologically as well. FBIS employees tend to see their work with open sources as sharply differentiating them from those in the Agency who deal with classified data.

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is left to "do its own thing." The effects on FBIS and the Agency of this isolation are found in this inspection report. While FBIS management has been aware of this separateness problem and has taken a number of steps to bridge the gap, greater intercourse--more natural and closer relationships--between FBIS and its

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parent directorate and the rest of the Agency (especially NFAC) is needed.

- The overt association of FBIS with CIA. Because of FBIS' open affiliation with CIA, foreign governments have refused to permit the establishment of new bureaus on their territory. Additionally, because of concern that an overt CIA presence will complicate U.S. relations with host governments or out of reluctance to expand the U.S. official presence in their areas of responsibility, U.S. Ambassadors have often slowed down or frustrated FBIS efforts to create new FBIS facilities to meet new Intelligence Community requirements.

- Lean staffing. The fact that FBIS is a service of common concern to the U.S. Government, not just to the Agency, has an impact upon FBIS staffing that may not be fully perceived. FBIS is constantly responding to an increasing number of requirements and requests from such USG entities as the Department of Fisheries and the Congress, as well as from Intelligence Community components, with a staff which has over the years been reduced considerably. Each requirement or request for information takes time to service. The reductions in staff positions in FBIS have strained its ability to

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expand overseas and meet the constantly increasing requirements and requests being levied upon it from within the Intelligence Community as well as from without. At some point--some knowledgeable FBIS officers say it is already at hand--FBIS will not be able to continue to accept new demands without shedding some on-going activities. In short, like others, it cannot forever do more with less. Something has to give.

- BBC problem. The BBC monitoring service provides a substantial portion of the FBIS radio-monitored product. Possible funding cuts and reductions in levels of BBC effort being considered by the U.K. government could impact severely on FBIS and require the development of alternative collection mechanisms at considerable cost.

- The unattractive nature of overseas service. The very real personal danger in serving abroad with FBIS, an acknowledged CIA component, is a source of concern to many FBIS employees, as is the dislocation or loss of income to working couples who cannot both be accommodated in FBIS bureaus overseas. The rising costs in U.S. dollar terms of living abroad is another

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dampening factor. Overseas service is clearly not as attractive to FBIS employees as it once was and this has led FBIS to adopt a directed assignment policy for editors at grade levels GS-13 and below which is vigorously enforced and somewhat controversial among employees.

- Rising costs of overseas operations. FBIS, as well as other USG and U.S. commercial organizations must grapple with costs which have grown dramatically in recent years. In some areas FBIS foreign national employees' salaries exceed that of their bureau chief.

- Funding problems. Agency budgetary constraints have resulted in the postponement of FBIS' efforts to automate the operations of its major production component, the Daily Report, a highly desirable objective for the reasons we note in our report on the DR. Funding difficulties have also caused the deferment of other projects designed to modernize and improve FBIS operations.

- Difficulty in recruiting linguists. FBIS has had difficulty in recruiting for its Production Group certain categories of linguists with skills adequate to meet its needs and those of the Directorate of Operations. Among the more pressing requirements are

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linguists skilled in Arabic, Farsi, and some of the East European languages, and Russian, Chinese, and Japanese linguists with scientific and technical backgrounds. FBIS has commenced sending its own recruitment teams to seek out suitable candidates. It needs to do more of this if Agency and Community needs are to be met.

A. Effectiveness of Management

We have previously recorded our finding that FBIS is an important and in some respects an indispensable service of common concern to the USG and that it has been managed in a way which makes it a cost-effective bargain even in these days of high inflation. We have also summarized some of the problems, especially overseas, with which FBIS management has had to deal in recent years and with which it has generally coped well. Much of the credit for this must go to the Director of FBIS, who at the time of the inspection, had held his position for six years, as well as to the number of capable, often highly talented officers, many of whom were recruited or developed under his aegis, who staff various FBIS components. Despite this highly positive note, we also must record that we found a variety of problems in FBIS, including some of long standing, which need resolu-

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tion. These are detailed in the various component and bureau reports which comprise this report.

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We also assessed leadership and management skills at lower levels during our inspection of the field bureaus and the various FBIS Headquarters components.

We found that field bureau chiefs exhibited commendable leadership of their staffs and that both U.S. and foreign national employees responded in kind. Bureau chief management skills varied, however. The basic work of the bureaus --the monitoring, editing and transmission of the product-- and their liaison relationships were very well handled and, for the most part, U.S. staff and foreign national personnel were properly and thoughtfully managed. The record on the administrative side, especially concerning financial matters, was uneven. The problems encountered often were a reflection of inadequate (or no) training at FBIS Headquarters or lack of interest on the bureau chief's part.

At FBIS Headquarters we found that while the Director of FBIS had personally adopted a consensual managerial style in dealing with major FBIS problems, he had also decentralized the day-to-day management of the staffs, groups,

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and their sub-components, the sole exception being the Operations Group which in practical terms was run by a triumvirate consisting of the Director and Deputy Director of FBIS and the group chief. The inspection disclosed that staff and group chiefs devoted much of their time to policy and resource management concerns and to participation in one or more of the numerous FBIS committees studying various projects and problems, and that their sub-components were often left to operate essentially on their own. Curiously, the same situation prevailed downward from level to level, leaving us with the conclusion that FBIS had many levels of managers but few supervisors.

With respect to the various senior Headquarters components, we found excellent leadership and managerial ability at the senior staff levels, including the Executive Planning, Budget and Finance, and Liaison and Requirements chiefs. The interim chief of the Administrative Staff had made a commendable start toward solving many of the problems with which his staff was confronted.

Among the major Headquarters groups the record was mixed.

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Branch chiefs and lower level supervisors varied greatly in their leadership and managerial capabilities. Many were excellent, talented, productive officers, while some others, especially in the Production Group, were supervisors in name only and had been placed in their positions as rewards for long and capable service as linguists rather than for their ability to oversee the work of others.

B. Effectiveness of Components and Operations

1. Office of the Director

The Office of the Director of FBIS (D/FBIS) includes the Director, Deputy Director (both retiring in January 1980) and their secretaries, an Executive and Planning Staff, and the Administrative Staff. In addition to his

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executive and administrative staffs, the D/FBIS relies heavily on his Management Committee of senior officers to study and recommend courses of action on a host of major and minor policy issues. He also uses such managerial tools as the Career Panels, the FBIS Advisory Team (FAT), newsletters, and periodic field trips for inputs into his decisions on operational and personnel matters. [REDACTED]

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D/FBIS has been forward leaning in some areas. He has achieved, for example, an especially commendable equal opportunity record.

The Executive and Planning Staff (E&PS) serves as a broker for the Director and other top managers in preparing for their meetings, servicing their needs, including budget and other planning, and screening inputs to them. We found the staff as a whole to be highly competent. We believe, however, that the Liaison and Requirements (L&R) section of E&PS needs to take on a strengthened evaluative function, and we believe that the L&R Branch needs additional officers to enable it to conduct more regular, formal reviews and in-depth evaluations of the FBIS product, similar to those conducted by the DO and NFAC.

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Our interviews with members of the lean Administrative Staff left us impressed with the many hard-working people supporting Headquarters personnel and the overseas bureaus.

## 2. Operations Group and Field Installations

The Operations Group is responsible for the activities of 13 overseas field bureaus, two small field units located in Cologne, West Germany and Athens, Greece, and one domestic bureau at Key West, Florida. It also manages the Daily Reporting Division (DRD), which supervises the two primary Headquarters vehicles for disseminating the field bureaus' product--the Wire Service and the Daily Report--and prepares editors for overseas service. Two staffs, the Field Coverage Staff and the Engineering Design and Support Staff, facilitate field operations. Ops Group employs some

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the existing situation, in which the Daily Reporting Division is unable to publish all of the material its editors select from the copy monitored by the field is disturbing and detracts from overall FBIS effectiveness.

The Daily Report problems are basically threefold: (1) inadequate staffing in terms of numbers and experience; (2) antiquated and inadequate methods of preparing the Daily Report for publication; and (3) the need for an automated field bureau and Daily Report production process.

The first two problems could and should have been solved by management long ago. It seems obvious that if it is worthwhile to have a world-wide monitoring and translating service, it is worth ensuring that the material collected is, at the very least, typed in a timely manner and disseminated promptly in the volume desired to Community customers. One suggestion we believe worth exploring is that newly recruited Agency clericals awaiting clearance be used to type the unclassified Daily Report material.

The Chief, Operations Group was instrumental in gaining approval for a study of the Daily Report done in mid-1979 by representatives of the Columbia Graduate School of Journalism. The resulting Trump/Conn study focused on alternatives to the present method of producing the Daily Report,

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on editing and publishing aspects including the rapid turnover of editorial personnel, and on the need for modernization of the editing and publishing process. Given the fact that FBIS lost about 25 percent of its total editorial complement in 1978, we heartily endorse the Trump/Conn recommendation that the problems affecting the Daily Report be addressed promptly.

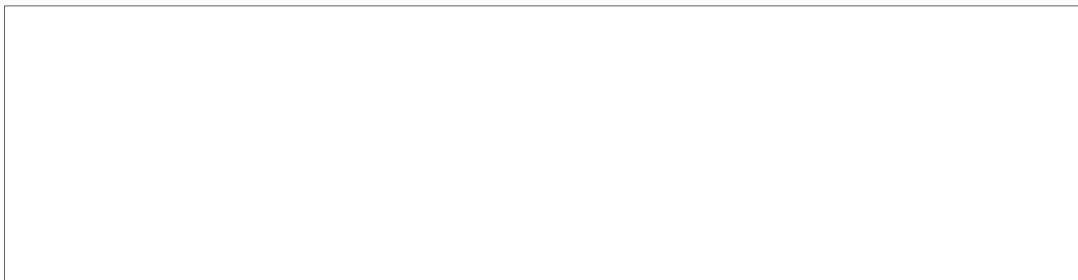
The third problem--Daily Report automation--was tried in 1975, but was overly ambitious and failed. No substitute system has been implemented, although FBIS asked for additional resources for DR automation in both its 1978 and 1979 budget submissions. We are persuaded that automation would go far toward resolving many of the editorial, typing, and communications problems which have existed for so long. It would also bring FBIS into line with the 60 percent of U.S. newspapers which have automated their newsrooms. We further believe that FBIS management might have done more to press its case for automation. For example, had it included automation in its FY 1979 budget as an unfunded requirement, FBIS might have had reason to retain some or all of the  it lost to the DS&T for another component's needs and to reprogram the money for a start on automation.

Overseas, our inspectors found that field bureau leadership and morale are generally good, and that bureau

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operations are effective. Staff dedication is high, and in most bureaus, monitors are skilled and professional. There are some problems, however. Almost all bureaus, for example, express a need for regular feedback on their production efforts to help them see if they are on the mark. Editors note a lack of consistency in editorial procedures. Training programs, especially in supervision and financial management for new bureau chiefs and in foreign culture and language for editorial officers posted overseas, need to be improved.



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We do applaud the 90-day TDY training program for new editors at the Okinawa and Panama Bureaus. Despite minor problems, the program provides a good test of aptitude and excellent training. We believe it would be beneficial if this program could be expanded so that all new editors could be accommodated either at Okinawa, Panama, some other bureau or, as some bureau chiefs propose, through some form of simulated bureau operations at Headquarters.

In Latin America, we found that radio coverage of Central America is spotty at best. There is a particular

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gap in coverage of El Salvador, Honduras, and Guatemala, all trouble spots. A remoting system that can be used in Chile needs to be expedited. Key West Bureau would like to lease housing for its employees on the U.S. naval base but FBIS approaches to the Base Commander and the Navy Department have been fruitless. An approach by a higher level of the Agency to the Department of the Navy appears warranted.

We found no serious problems in East Asia, although editors at Okinawa Bureau believe that they must work night shifts too frequently. Bureau management problems concern mainly the administration of foreign nationals.

In Africa, we found that Abidjan Bureau's coverage was not of great interest either to the U.S. Embassy there or to many NFAC analysts at CIA Headquarters; in our opinion, this subject needs examination. FBIS opened the Ivory Coast Bureau mainly to fulfill its part of a long-standing agreement with the BBC to share African coverage and because of an opportunity at hand to replace the former Nigeria Bureau. Other prior needs for coverage in South Africa and Southwest Asia were frustrated, however, and coverage needs in Central America received inadequate attention.

We found that reception surveys have not always been conducted before new bureaus are authorized and established.

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In Bahrain, where FBIS appears to have moved quickly under high-level pressure from the Community to set up the Gulf Bureau, FBIS relied mainly on the results of reception testing in nearby Qatar. Generally speaking, other bureaus involved in Middle East coverage--Jordan, Tel Aviv, and Nicosia bureaus--are performing effectively and have good mutual back-up arrangements.

We noted, during our survey, that while FBIS has been looking into adequate back-up facilities for BBC coverage of Soviet, East European, some Middle East and African radio broadcasts, nothing has yet been brought into implementation. The Austrian Bureau, which currently shares some BBC East European coverage, has a troublesome problem--the high dollar cost of the foreign staff at the Austrian Bureau (because of the decline of the dollar in relation to the Austrian schilling)--which may soon compel FBIS to consider whether and how to replace bureau monitors as they retire.

For many of the reasons above, among others, we believe that FBIS needs to accelerate the development of remotely installed collection facilities. Although potentially feasible within the state of the art, remote automated monitoring by satellite would entail technical modification

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so far deemed too expensive and of too low priority to program in the near future.

We found the relationship between the FBIS bureaus and [redacted] to be uniformly good and, according to senior FBIS employees, considerably improved over that which existed five years ago.

In general, FBIS can take comfort in the fact that its bureaus maintain good, if not always close, relationships with U.S. Missions overseas. Our reports note, however, that a problem area exists in the administration of foreign employees. This subject is discussed in greater detail later in this summary and in a special section concerning management of foreign nationals.

It is a credit to FBIS that the relationships of its field bureaus with host governments are of a high order. We found this to be true world-wide. FBIS relations with the U.K.(BBC) [redacted] monitoring services are outlined in our report on the London Bureau. Although not without problems, [redacted] relationships are productive, particularly that with the BBC which is closer and of far greater significance for the FBIS total product. The relationship with BBC is a solid one, based on mutual need and shared cost, and we consider it in the

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Agency's interest to continue and encourage this close cooperation. The relationship, nevertheless, is vulnerable to such vagaries as British labor demands or U.K. budgetary cutbacks. We therefore believe that FBIS management must decide soon how it will pick up coverage now provided by the BBC should it be disrupted or terminated because of strikes, funding problems, or other BBC difficulties.

Despite its problem areas, we found that the Ops Group field bureaus and units are effectively collecting and disseminating a product important to customers. The problems of the Daily Report at Headquarters, however, detract from overall effectiveness, and need management attention, particularly as long as this publication represents FBIS to much of the Intelligence Community and to the world outside.

### 3. Production Group

The Production Group (Prod Group) at FBIS Headquarters translates, publishes and disseminates as a service of common concern selected material of interest to the U.S. Intelligence Community from foreign publications including press media. Prod Group also maintains an index of information on unclassified foreign translations available government-wide and performs special foreign language services of a classified or unclassified nature for other components of

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CIA and the Community. The Group's staff linguists screen foreign publications and select material for translation in response to requirements from the Intelligence Community. Most of the material selected is farmed out to independent contractors for translation under the auspices of the Joint Publications Research Service (JPRS), an off-premises component of the Production Group, and then disseminated in unclassified or "Official Use Only" JPRS publications.

On balance, we judge the Production Group to be doing an effective job. We are concerned, however, that it may be spread thin in trying to be all things to all people, and believe it could benefit significantly from a strengthened FBIS requirements and evaluation process.

The key supervisory personnel in Production Group are the program officers, who are the lowest managerial level and, in our opinion, very uneven in quality. Above them, Production Group managers at branch and division level seem almost totally preoccupied with managing resources and reporting accomplishments and appear very little involved with what their branches and divisions are actually doing or how they are doing it. Although many Prod Group members were confident of their mission and their product, many others--especially younger officers--questioned their own utility and expressed a need for greater guidance and feedback.

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We are concerned that unless management takes a more active role in both the quality of the product and the quality of supervision in Production Group, FBIS will lose many of its bright and well-educated younger officers--and the Agency much of its good language talent. We have therefore recommended that FBIS take steps to introduce a stronger mechanism for conducting regular reviews and evaluation of the Production Group's requirements and products, as well as steps to bring about stronger leadership and direction from Production Group branch and division managers.

4. Analysis Group

The Analysis Group (AG) reads and interprets the media of Communist countries and publishes the weekly book, Trends in Communist Media, which analyzes reactions to international events and U.S. policy moves as registered in Soviet, Chinese, Asian, East European and other major Communist media. It also prepares and publishes studies in greater depth on Communist trends or reactions based on media analysis, and has the primary responsibility in CIA for compiling world-wide reactions to such events as the fall of Skylab. It also provides collection guidance to FBIS field bureaus and participates in the allocation of FBIS coverage resources.

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A scholarly atmosphere is found within Analysis Group, with highly qualified analysts--many at the doctorate level--preparing high quality intelligence.

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AG's procedural or conceptual problem involves the claim by some in FBIS that AG operates with a Cold War mentality. It has firm requirements for certain material from Communist media, including the full texts of speeches by key Communist leaders and full texts of articles and

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editorials from party journals or other official media. These requirements are called "mandatory texting" and are the cause of much controversy within FBIS. Some editors, both in Headquarters and in the field, feel that too much of the Daily Report is taken up with this material and that it edges out other items of current interest, especially material from the non-communist world. Whether or not, as many editors and foreign documents officers claim, mandatory texting is a legacy of the Cold War, it places a heavy burden on some field bureaus and Headquarters components and is an issue which FBIS management should continually reexamine as part of the entire requirements/resources/evaluation process. As an ancillary problem, we note that a considerable amount of FBIS manpower (both in Headquarters and at London and Okinawa bureaus) is tied up in the preparation of the Soviet and Chinese commentary lists appearing as a statistical appendix to the Trends.

### III. Employee Attitudes and Problems

As might be expected, we found that employee attitudes and morale vary widely in FBIS, with employees in the field tending to be more positive. We assess morale in the bureaus as good in spite of the decreased attractiveness noted earlier of serving overseas, not the least of which is

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ters, our assessment is that morale is fair, but we found enough instances of poor morale to conclude that the subject still needs management attention. Leadership, or rather uneven quality of leadership, and the need for more effective feedback, are contributing factors, in our opinion. We

[Redacted]

Overseas employee comments about schooling, health care, and housing indicated few problems of a significant nature. Most employees seemed relatively happy in all three areas. There were the usual complaints about rising costs--particularly those related to housing.

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V. Consumer Usage

U.S. embassies and U.S. military commands overseas almost uniformly praised the FBIS laterally-disseminated teletype material they receive. Some termed it "vital" while many others considered it "useful." There were a few exceptions, primarily in Okinawa and Abidjan, where interest was minimal. Reaction to the Daily Report books pouched abroad was uneven, and no overseas customers we interviewed found JPRS publications useful.

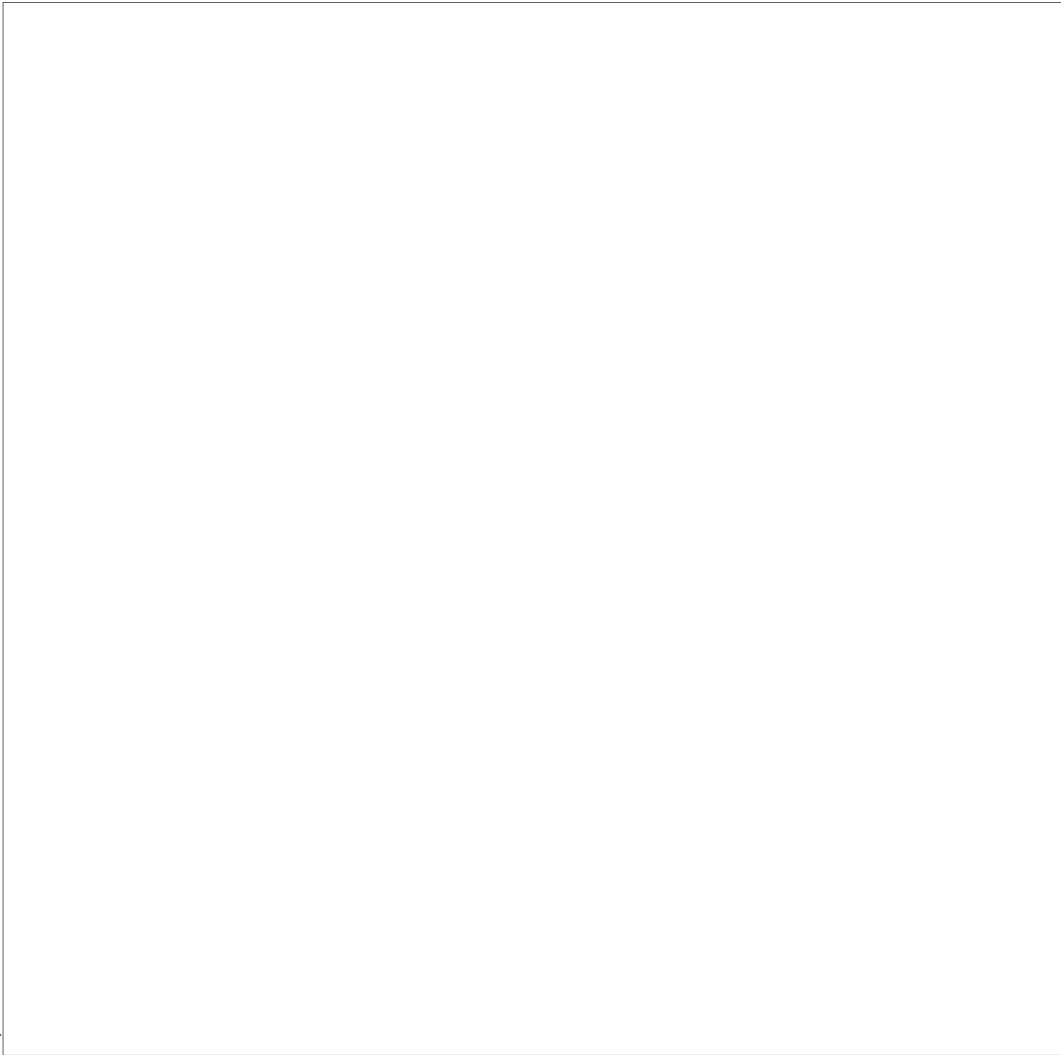
During our inspection, we circulated under the auspices of the Collection Tasking Staff questionnaires concerning FBIS products to various members of the Washington Intelligence Community. We found that the Daily Report books were regarded as unique, useful, and accurate, if somewhat drab, publications. Customers who have a need for the most up-to-date information are avid customers of FBIS wire traffic and are deeply appreciative of the service it

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provides. The Analysis Group publication, Trends in Communist Media, is well received by Washington analysts-- both civilian and military--involved in Soviet, East European, and Asian Communist affairs. The Trends also received some favorable comment from the field, especially in East Asia.

VI. Compliance



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Our recent survey found few problems of a compliance nature and noted that FBIS management had been conscientious in its monitoring of areas where problems might arise. Most FBIS employees interviewed indicated a belief that FBIS management was highly sensitive to the subject of compliance. Although not all FBIS Headquarters employees knew the specifics of the compliance documents, most indicated that they knew enough to raise questionable matters with their supervisors. There were some employees, however, who admitted they knew nothing about compliance. Although FBIS management had circulated the compliance documents in FBIS Headquarters prior to our arrival, we found that not all employees remembered reading them, and a few confused them with the personal conduct regulation which circulates yearly.

In the field, we found that some bureaus filed copies of the compliance documents in reading folders containing

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We suggest that FBIS Headquarters managers and the field bureau chiefs put all of their pertinent compliance documents in a folder separate from other administrative matters and circulate it at fixed intervals. We further suggest that the orientation program for new employees (including clericals and graduate fellows) include a briefing on compliance and that FBIS Headquarters work out an unclassified policy guidance statement for associate editors who work on field editorial desks.

#### VII. Personnel Management

Our survey report includes two special sections, "Personnel Management" and "Management of Foreign National

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Employees," which highlight topics touched on elsewhere in our report, but which we believe merit centralized, cohesive treatment. Our findings in these reports are summarized below.

A. Personnel Management

Each of the three groups within FBIS--Operations Group, Production Group, and Analysis Group--has its own identity and idiosyncrasies. In essence, this means that FBIS has three separate entities which do not completely mesh. We believe that this structure contributes to many of FBIS' personnel management problems, especially with regard to employee evaluations and assignments.

At the time of the survey, the FBIS evaluation system for promotion and certain other personnel actions was in the process of being modified. Memberships of ranking and evaluation sub-panels were being reduced and restricted to persons two grades higher than those being ranked. Written Performance Appraisal Reports, rather than oral input by supervisors, were to be emphasized as the true guide to performance. Sub-panels were to continue to make promotion recommendations to the top level Career Panel for approval.

Within the three FBIS groups, we found that opinions varied widely about these sub-panel modifications. Some

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employees were pleased that oral inputs no longer would be as compelling with the sub-panels. Others were concerned about the emphasis on the fitness reports, claiming that supervisors would no longer be able to push for recognition for deserving employees. Still others claimed that fitness reports were frequently "dishonest" and "oblique." The latter allegation was particularly prevalent in the Production Group where some branch and program chiefs were viewed by their subordinates as poor managers and poor leaders. Suffice it to say, both the past evaluation system in FBIS and the new modification to it came in for their share of critical comment. In the interests of ensuring a better personnel evaluation process, we suggest that FBIS place more emphasis on the writing of fair and impartial fitness reports, and that these be the primary reference for sub-panel as well as Career Panel considerations. In addition, FBIS should consider developing written criteria for promotion at each grade level and consider publishing a handbook (or some other means of communication) which explains these criteria and the procedures of the new panel evaluation system.

In recent years, FBIS management has attempted to break down the barriers between the disparate groups by assigning

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middle-level managers to positions outside their parent groups. For example, the Deputy Chief of the Analysis Group is from the Operations Group and the three current division chiefs in the Production Group are from other groups. Some junior officers from Production and Analysis Groups have been assigned to the field bureaus for rotational tours and Ops Group editors occasionally serve in one of the other two groups.

As might be expected, the practice of encouraging rotational assignments at the middle management level has not met with uniform acceptance. Some linguists, for example, opt to stay in Production Group for an entire career because they enjoy their work and worry about the erosion of their language skills if they accept rotational assignments. Moreover, we heard a constant refrain that the top jobs in FBIS go to those who come up through the editorial ranks, and there appears to be some substance to this observation. On balance, however, we found that FBIS management's practice of rotational assignments at the middle management level was beneficial.

B. Management of Foreign National Employees

Most of the  foreign nationals employed by FBIS are hardworking and capable. Many have served with FBIS

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since the 1950s or longer and all but a few appear to enjoy working for FBIS. There are basically two types of FBIS foreign national employees: the "local hire" who is generally but not always a citizen of the country in which a bureau is located, and the third country national (TCN) who is neither a citizen of the United States nor of the country involved.

We are concerned that FBIS has no comprehensive policy or plan to effect greater standardization of pay, to ensure uniformity of promotion criteria, or to settle other vexing problems it encounters in managing its foreign nationals. U.S. Government policy is for agencies operating overseas to follow local pay scales and practices in establishing pay and benefits for foreign national employees. In addition, the Foreign Service Act, Section 444 as amended, calls for agencies in the same foreign post to establish uniform wage and employment practices. Although FBIS strives to follow this guidance, it has nonconforming wage scales in  stemming largely from past practices and local bureau decisions. Moreover, unique problems resulting from the evacuation and loss of its Mediterranean and Saigon bureaus have caused it to treat some problems on an individual basis. In our opinion

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FBIS needs to work toward greater conformity with embassy practices and toward a more consistent classification and pay policy for its own foreign nationals--especially its TCNs--world-wide.

FBIS' tendency to deal with foreign nationals on an ad hoc basis has had yet another effect: the failure to establish standard levels of performance for foreign national employees. In several instances, we found a reluctance to take note of or deal firmly with unsatisfactory foreign national employee performance. We believe FBIS should work toward uniform performance and promotion criteria for its alien employees and make these criteria clearly known.

Resolving problems on an individual basis has also had the result of encouraging expectations of FBIS paternalism on the part of foreign nationals. Several of those interviewed by the IG team mentioned some new benefit or favor which they felt FBIS owed them because of their long service or because employees elsewhere enjoyed the benefit. Many in FBIS believe that FBIS management has been more liberal and paternalistic in extending U.S. staff benefits to foreign national employees than is required by Agency regulations, particularly with regard to TCNs.

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Third country nationals (TCNs) present special problems for FBIS, which is virtually the only U.S. agency to use such employees. Although it is FBIS policy to hire locally monitors who can fill all of the language needs of a particular bureau, frequently qualified personnel must be recruited in third countries and moved to the bureau site. These TCNs get many of the overseas benefits of U.S. staffers and sometimes more since many also get the benefits of local hires, and pay no local taxes to boot. Because their own situations vary, some buy homes and spend their lives at the bureau site while retaining homeland ties; others lose such ties or are stateless. Their allowances and situations often vary from bureau to bureau and TCN to TCN with no logical or rational pattern.

The disparity of benefits between TCNs and locally hired employees doing substantially the same kind of work is a further cause of problems for the field bureaus. A goal of FBIS is to administer foreign nationals by applying the principle of equal pay for equal work. This goal is not being met, since TCNs invariably receive more benefits than do local hires, with predictable frictions. Although uniform pay schedules with standard rates of compensation have been studied through the years, no one within FBIS

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has successfully come to grips with the pay disparity problems.



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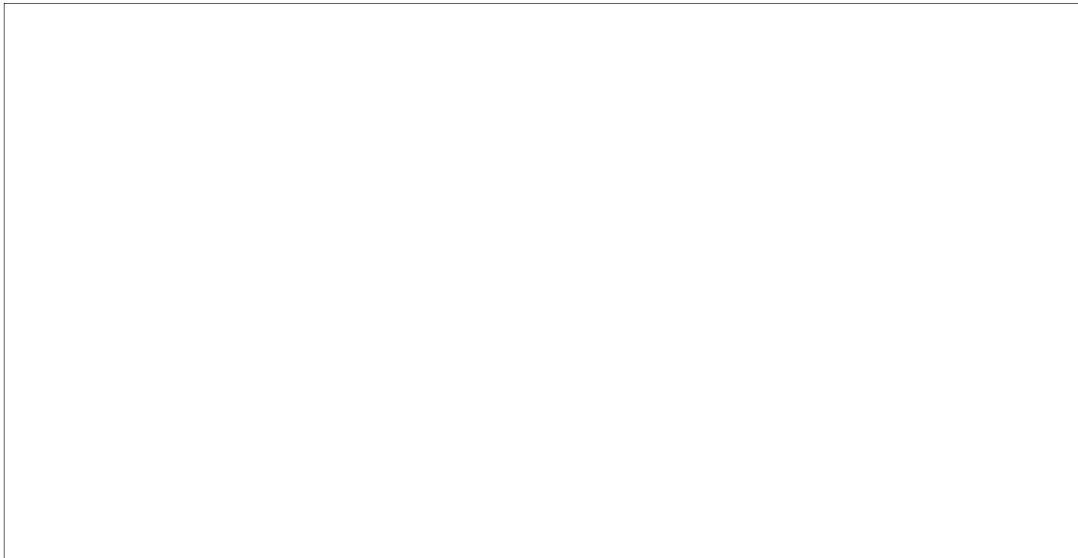
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VIII. Recommendations

Following are a number of recommendations applicable to FBIS as a whole or to a particular Headquarters component or field bureau. They are identified in brackets as to their source in the group or bureau reports. Other recommendations for action by the D/FBIS or his subordinates are contained in the individual group and bureau reports or topic papers.

We recommend that:



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Director of Central Intelligence

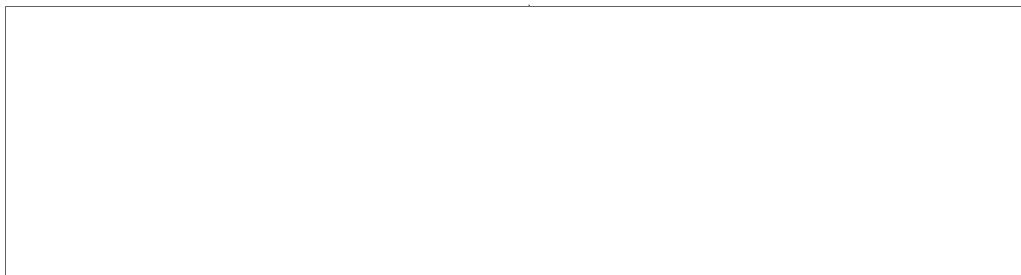
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DDS&T ACTION

C1: The DDS&T and D/FBIS continue their efforts to develop as rapidly as possible a remote automated monitoring system to provide coverage of areas of interest to the Intelligence Community which cannot be met from existing bureau sites. [See Operations Group]




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D/FBIS ACTION

Operational

D1: The D/FBIS take action to enable the Liaison and Requirements Branch to conduct regular and effective evaluations of the FBIS product including JPRS. [See Office of the Director and Production Group]

D2: The D/FBIS, as part of a regular requirements/ evaluation process, review the Analysis Group's needs for extensive "mandatory texting" and for the  commentary lists (including the role of the Tabulation Unit at the London Bureau) and resulting statistics. [See Analysis Group and London Bureau]

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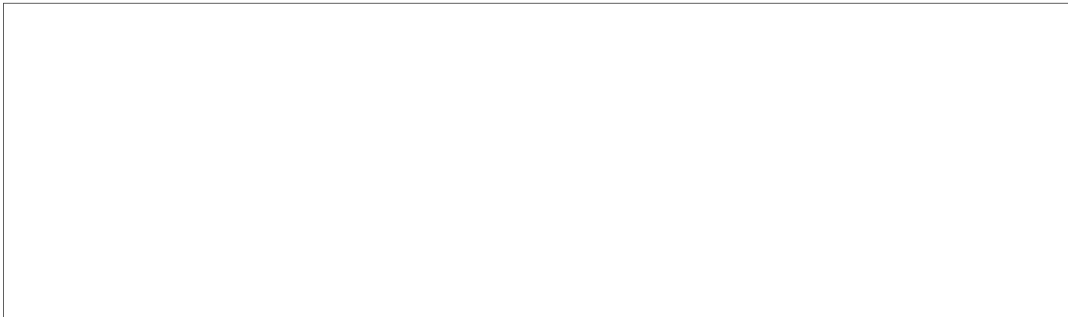
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D3: The D/FBIS develop alternative means for covering those radio broadcasts from the USSR, East Europe, Middle East and Africa now handled by the BBC. [See Operations Group]

D4: The D/FBIS establish a policy that reception surveys be conducted before new FBIS bureaus are opened. [See Nicosia Bureau and Athens Unit]

D5: The D/FBIS take steps to improve radio broadcast coverage of Central America (particularly of El Salvador, Honduras, and Guatemala) to ensure that policymaker and analyst needs are met. [See Operations Group and Panama Bureau]



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D7: The D/FBIS direct a survey of U.S. embassies in West Africa and customers in Washington to determine to what extent the Abidjan Bureau's coverage meets or exceeds their needs and adjust the bureau's requirements accordingly. [See Operations Group]

\*See Paragraph 3a of FBIS Comments (Tab A)

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D8: The D/FBIS continue to monitor closely the dollar costs of FBIS operations at the Austrian and Okinawa Bureaus--especially the costs of foreign national employees--with a view to determine if some parts of the bureau mission may be cut back or performed efficiently elsewhere. [See Austrian Bureau and Okinawa Bureau]

D9: The D/FBIS institute a system for providing regular feedback to field bureaus on the substantive and editorial quality of their reporting. [See Operations Group]



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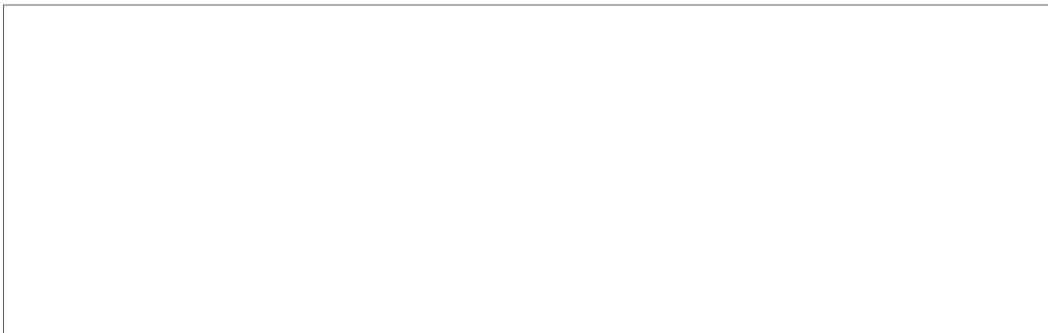
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Personnel

D11: The D/FBIS extend the directed assignment policy now in effect for FBIS employees below grade GS-14 to all officers in grades GS-14 and above eligible for overseas assignment. [See Nicosia Bureau]

D12: The D/FBIS develop training programs to assist newly appointed bureau chiefs and their deputies in the areas of supervision and financial management and to familiarize new editors with field procedures and area background--and to provide, as required, some language training for employees and their spouses--before they depart for overseas service. [See Operations Group, Panama, Bangkok, Hong Kong and Paraguay Bureaus]



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D14: The D/FBIS consider publishing a handbook which explains promotion criteria and the procedures of the new panel evaluation system. [See Personnel Management]

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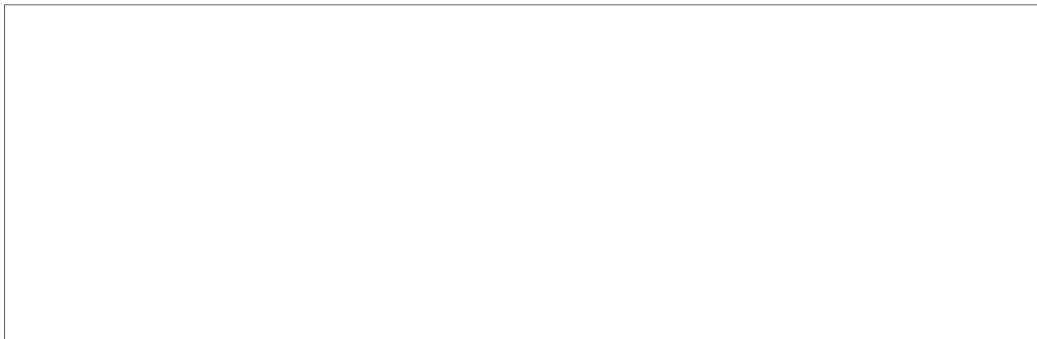
D15: The D/FBIS require the C/Production Group to strengthen the supervisory responsibilities of division and branch managers within Production Group with regard to both performance standards of personnel and the quality of their product. [See Production Group]

D16: The D/FBIS and the C/Production Group explore ways in which to encourage more effective use of and greater recognition of the unique talent and knowledge of some officers in the Production Group. [See Production Group]

Compliance

D17: The D/FBIS issue unclassified written directives defining the authority of foreign national associate editors, including policy guidance to enable them to cope with most of the selection and dissemination problems that may arise while they are exercising their responsibilities. [See Nicosia and Austrian Bureaus]

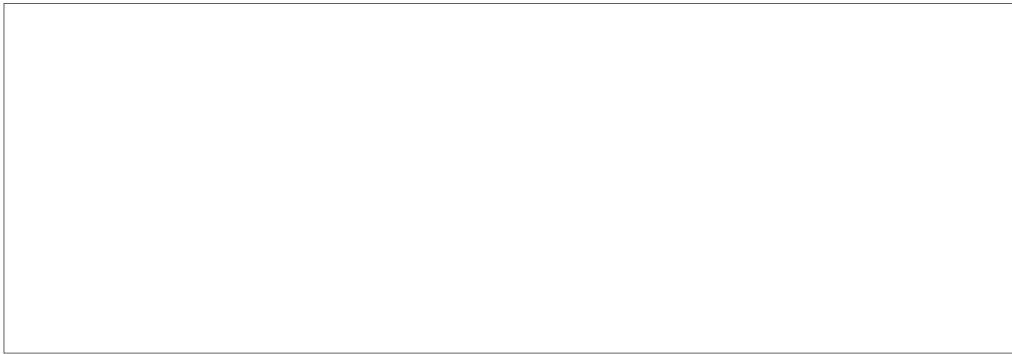
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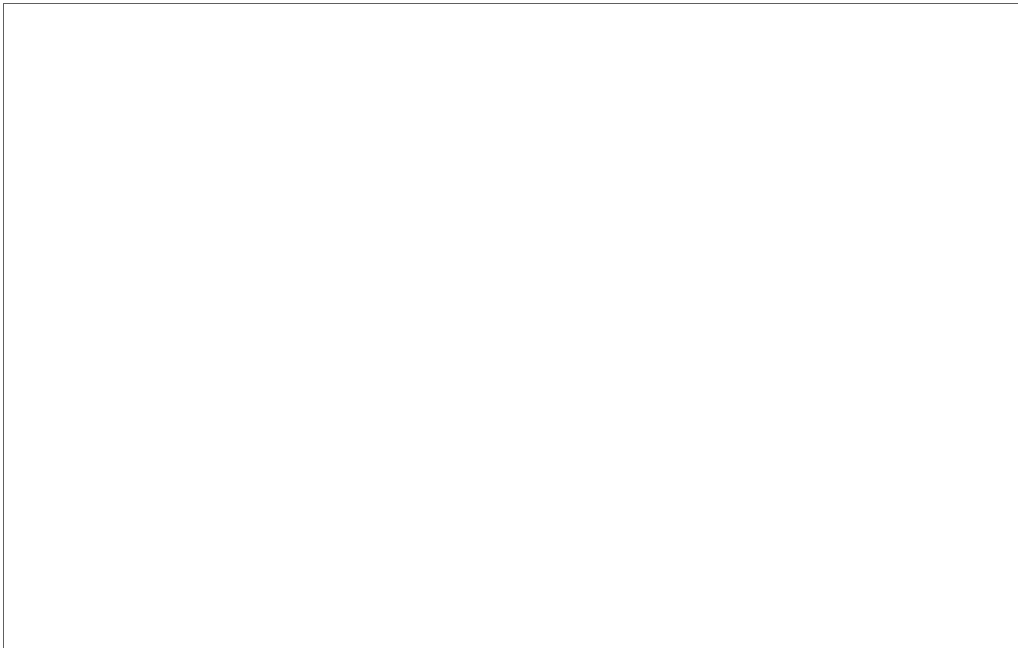
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Foreign National Employees



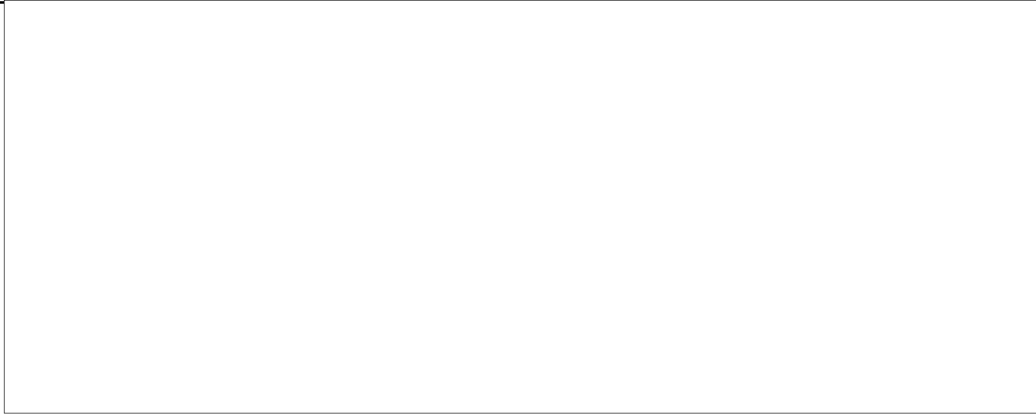
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D22: The D/FBIS expand the FBIS Foreign National Panel to include the Foreign National Coordinator and invite other appropriate Agency components to appoint representatives to the panel in order to examine the status of FBIS foreign national employees world-wide and to make appropriate recommendations for change. [See Management of Foreign National Employees]

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Other



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D24: The D/FBIS determine the propriety of sanitizing Agency regulations for dissemination as FB's and determine if more effective and efficient options are available than the duplication of effort now involved. [See Bangkok Bureau]

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