

12 MAR 1981

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : A Proposal for National Intelligence Managers of
Substantive Intelligence Accounts for the DCI

1. In a separate paper I suggested some changes intended to improve the estimative process, particularly in the strategic area. However, the existence of this estimative function presupposes incomplete or inadequate raw intelligence and analysis. Our primary goal should be to acquire the highest possible quality of raw intelligence, and to quickly accomplish meaningful, useful analysis. Only then should we resort to the estimative process. My own experience leads me to believe that this is not an unrealistic goal and, despite obvious asymmetries in ease of collection, is closer to the Soviet approach to the intelligence business. In order to achieve this goal, however, there is a need for a centralized management approach with individualized responsibility for, or ownership of, all elements of substantive intelligence areas (e.g., all collection and analysis related to Soviet strategic forces). This need derives from the existing fragmented approach to intelligence which is a reflection of our strong functional organization. This paper, therefore, proposes a change in the top level management of this Agency and the Director's Intelligence Community staffs in order to provide the DCI/DDCI with the support necessary to assure accountability for results in substantive intelligence areas. I believe this change would result in improved intelligence collection and analysis, and in turn provide a better basis for the estimative process, when it is needed.

2. A premise of this proposal is that the CIA's powerful functional organization has outstripped the potential ability of any DCI and DDCI to effectively guide the CIA toward the solution of our most critical national intelligence problems. The CIA's current situation can be characterized as budget driven versus goal oriented, as rewarding activity versus rewarding results. Most importantly, there is no effective means for constructive evaluation of overall results, of progress toward solution of major intelligence problems. There is a need to strike a better balance between the administrative and substantive involvement of the functional line managers. The Executive Committee and Goals Program provided a valuable forum for the DCI/DDCI and his principal CIA line managers; however, their substantive involvement to date has been minimal. Certainly none of the existing coordinating, guiding, or evaluating staffs which overlay the basic line organization, provide the DCI with adequate management support to assure effective execution of this Agency's primary responsibilities. Although they nominally support the DCI, these staffs in general lack adequate bureaucratic clout relative to managers of the functional line organization.

3. Beyond this inherent limitation, each element of this large staff overlay has its own special characteristics, mostly weaknesses:

National Intelligence Council/National Intelligence Officers

- o They are divorced from the realities of collection activities in DDO, DDS&T, and other agencies by their organizational subordination to D/NFA and their limited individual experience in intelligence collection.

- o They are divorced from the intelligence community through their subordination to D/NFA. Other agencies view the NIO's as representing CIA/NFAC and not the DCI in his central role. This was evidenced early on by the creation of departmental NIOs and continues for the most part in the attitudes of departmental representatives in the estimate/major paper coordinating process.
- o They are divorced from the line analytical organization in NFAC despite their role in trying to steer NFAC's new research and production plan. This situation results from the inherent competition between staff and line functions, as well as particular personnel choices in the NIO and AG groups.
- o They are being staffed in such a way as to create a cadre of "professional estimators "but with people with narrow intelligence backgrounds. This approach suffers from a lack of understanding of the vital need for relevant intelligence experience as a prerequisite to the estimative process. The lack of such experience poses a fundamental limit on the quality of the estimative product. This staffing policy also causes a morale problem by creating a barrier to the natural and reasonable growth of broad based career officers within NFAC and other directorates.

Collection Tasking Staff

This group has grown well beyond its originally intended function of guiding and coordinating the more mechanical aspects of collection tasking. Instead it has attempted to guide overall strategies (e.g., SIGINT Committee and COMIREX) and guide more subtle efforts within CIA and NSA which it does not understand or appreciate. In these cases the staff is an ineffective middleman.

- o There is understandable reluctance to provide information on sensitive operations to this large group with its high personnel turnover. This factor makes many of their overall strategies questionable, if not irrelevant.
- o This group is divorced from the analytical/estimative effort and must create collection strategies based on indirect substantive guidance. Subtle strategies are beyond their capability by virtue of lack of access and limited staff experience/ability.

EXCOM Staff

- o This small staff has been responsive and effective in providing the DCI/DDCI with independent views and/or background information to support their leadership of EXCOM meetings, the Goals Program, Inspector General report follow-up, and other ad hoc tasks.

Comptroller

The budgetary mechanism is not a substitute for intelligence problem oriented interdirectorate planning. Unfortunately, most planning remains budget initiated and centered. An "effective"

Comptroller can reinforce this situation at the expense of the DCI/DDCI's role in establishing policy and guidance for integrated long-range planning.

DCI Substantive Committees (e.g., STIC, WSSIC, etc.)

- o As a body these committees remain weak and have sapped the NIO role, since they are a holdover from the pre-NIO structure and therefore represent a redundant interagency forum. Their tasking of NFAC and other community analytical resources constitutes an unnecessary burden. Although they do allow an alternative forum, such "escape valves" for dissent perpetuate an inadequate community representation in the NIC forum.

Various Special Groups, Committees in Support of Sensitive Collection

- o These groups, while sometimes effective, are basically ad hoc and weaken centralized management in areas where risk/gain are often extremely high. They are manned by individuals who are already wearing double or triple hats organizationally. Their existence derives from the need for high security against a backdrop of DCI committees, tasking staffs, and other bodies that are so large as to threaten that security.

Special Assistants for...

- o Their effectiveness has been a mixed bag, with best results where their function is of narrow scope or short duration. Their existence further supports the thesis that many recent DCIs have groped for a

mechanism to manage substantive topics of particular interest across CIA directorates or between agencies.

Senior Review Board

- o In the strategic intelligence area, this is a non-resource because of particular staff qualifications.
- o Organizationally they are captive to NFAC and therefore not likely to give an independent view. If they should do so, they are dependent on D/NFAC to provide follow through.
- o They cannot effectively influence working level supporting analysis and research.

4. In summary, much of the large staff overlay to the basic CIA and intelligence community organization has 1) an inherent basic weakness, 2) specific individual weaknesses, 3) represents a large body of middlemen who weaken centralized management and 4) complicate tight security. On the other hand, this overlay was created by a number of DCIs based on a clear perception of the need for interdirectorate and interagency direction on particular topics.

5. The alternative management approach proposed here is intended to provide high quality support to the DCI/DDCI in executing their role within CIA and centrally, but constructively, for the Community. This proposal is simply to create a small group of national intelligence managers whose role would be to manage complete substantive accounts for the DCI and disband or streamline many of the staff elements discussed here. The existence of a small number of intelligence

goal oriented managers reporting to the DCI/DDCI would, I believe, create a matrix management scheme capable of restoring the needed balance between substance and administration, between line functions and intelligence problem solutions.

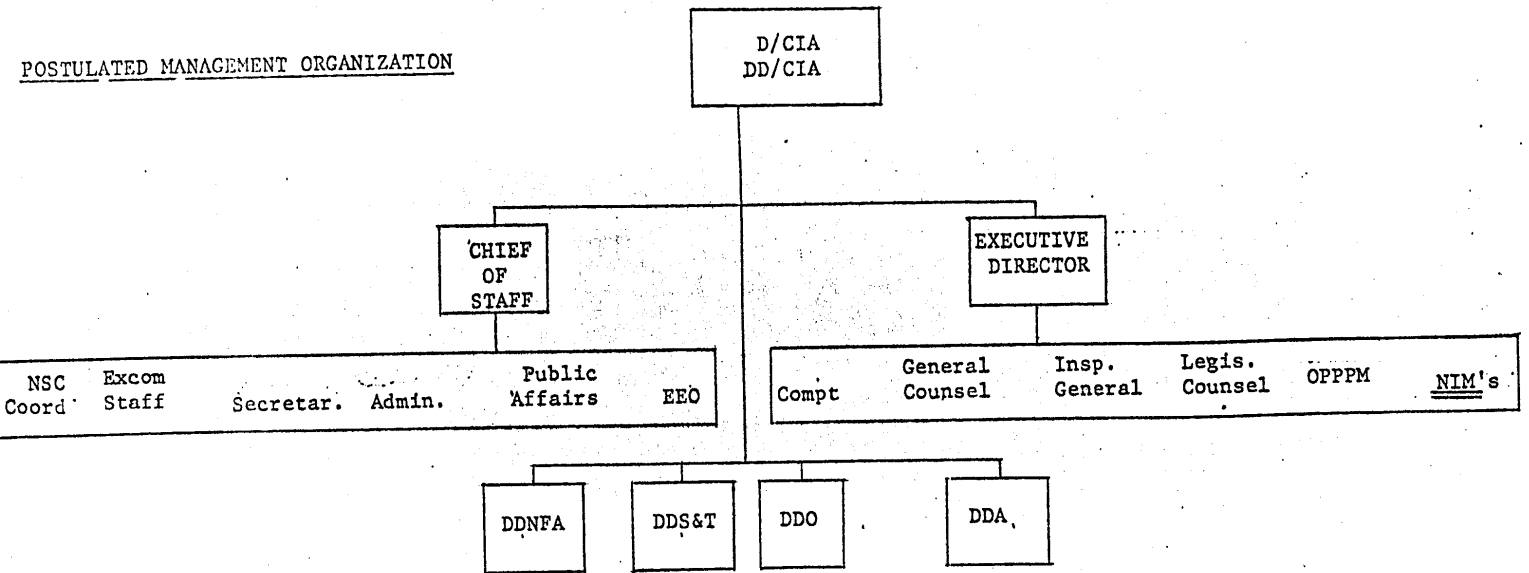
6. This proposal is a direct consequence of my experience over the last six years in a role for which Mr. Colby as DCI created a National Intelligence Officer for Special Activities (NIO/SA). This experience was both enjoyable and highly rewarding in that our pilot efforts were generally viewed as productive and effective. Our success was, I believe, in a large part attributable to the basic need for someone to constructively champion particularly important topics in the name of the DCI across directorates within CIA and between agencies in the Community. Our charge was to improve collection in a few critical areas relative to the Soviet Union. While the other NIO's evolved into a relatively narrow role as production coordinators, the NIO/SA's special interests and contributions naturally expanded into the analytical/estimative area. So in effect, our role evolved into something very similar to the role proposed here for the national intelligence managers. In fact, the NIO/SA was renamed the Special Assistant for Strategic Intelligence. Our scope of interest for the DCI was broad, our viewpoint was independent of the line organization, and our staff was small: the NIO, his assistant, and a secretary.

7. The proposed national intelligence managers would provide the following specific support to the DCI in each of their substantive areas: 1) assist the DCI/DDCI in defining goals and priorities with principal intelligence consumers, 2) assess and evaluate national intelligence research and production within NFAC and

the community in relation to these consumers' goals and priorities. This would specifically include responsibility for assuring that the viewpoints of other agencies are adequately represented in estimates or other major products, 3) evaluate the effectiveness of collection elements in providing timely, relevant data for the analytical process. Based on uncertainties in finished intelligence: 4) define analytical and collection gaps with particular attention to guidance of CIA activities, and 5) create an intelligence community-level strategy for tasking existing analytical and collection resources and supporting the development of new capabilities, with particular emphasis on CIA activities, 6) provide specific recommendations for DCI/DDCI level guidance in executing this strategy.

8. The proposed group of managers could probably be supported by one assistant and one secretary each, and by the DCI Administrative Staff. They would require no group head. While nominally subordinated to an Executive Director, they would have direct access to the DCI/DDCI as needed to fulfill their responsibilities. They would, for example, attend relevant meetings of the EXCOM (Fig 1), etc. An option for implementing this proposal would be to start out in one critical area, such as Soviet strategic capabilities, e.g., a Special Assistant for Strategic Intelligence. If the national intelligence managers were to be established to support the DCI, then some of the present DCI staff structure could be eliminated or streamlined. This is particular true of those staff elements who act as middlemen between collectors and analysts, often confusing and discouraging direct interaction. The National Tasking Staff,

POSTULATED MANAGEMENT ORGANIZATION



SAMPLE EXCOM COMPOSITION FOR
SUBSTANTIVE INTEL PROBLEM

<u>Chairman</u>	DCI or DDCI		
<u>Full Members*</u>	and/or)	<u>Alternates</u>	(plus) <u>Optional</u>
DDO		ADDO	C/SE etc. ad hoc
DDS&T		ADDS&T	D/ODE etc." "
DDNFA		ADDNFA	D/OSWR etc." "
DDA		ADDA	-- " "
Exec. Director		Comptroller	-- " "
<u>NIM for subject</u>		<u>ANIM</u>	

Staff Support

EXCOM STAFF

*Attendance limited by topic and/or security at DCI/DDCI discretion

for example could probably be eliminated and necessary mechanical aspects of the COMIREX and SIGINT Committees returned to collection organizations. The NIC could be streamlined by limiting its role to providing the drafting function through the Analysis Group and managing the mechanical aspects of the estimate/major paper production process through the NIO's. Most current NIO's should not be considered candidates for the proposed positions because of the the greatly changed role. In fact, there might be an advantage in first streamlining the NIC, then creating the new positions with a different name, such as National Intelligence Managers.



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