

Improving Analysis:

The Hard Part of Intelligence Reform

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Few intelligence officers these days question the need for intelligence reform, especially after our failures in Iraq. And, while both policy-makers and intelligence practitioners recognize the need for change, neither talks much about what the Intelligence Community actually needs to do to improve its capabilities, especially in the area of analysis. The reality is that, as in the past, introducing change in the Community has proven much easier than improving our analytical capabilities. This is a nut we have yet to crack. The 2005 “National Intelligence Strategy” developed by the Director of National Intelligence reminds us that bringing “... more depth and accuracy to intelligence analysis...” is a top Community priority. It is in this spirit that I share some thoughts below on where I think improvements are most needed, and offer a few suggestions on how we might best go about introducing such reforms.

We Can't Seem To Get It Right

For many of us, this is not the first time a commission, or some other group, has demanded change in the wake of an intelligence failure. Over the years we have had dozens of study groups and virtually every one lists improving analysis as a top priority. Despite their best intentions and excellent suggestions each new reform effort has failed to make much of a dent in the Community's performance. We insist that we know what we are doing, promise we will do better, and rearrange the deck chairs yet another time only to find in due time that the ship is taking on water again. Obviously, a commitment to reform isn't enough. Maybe the emphasis should be not so much on what we “know” is wrong, but more on what we need to do differently this time to finally get it right.

Why Is It So Hard to Improve the Quality of Analysis? Our inability to scale innovations and new approaches so that they become the Community's mainstream analytical practices clearly is one reason. Limited research and development efforts, particularly by CIA, have gone on for years, but because these efforts received little support from front line analytical offices, and were under-funded, they have had little lasting impact on analysis in the Community as a whole. A few early adopters and the occasional maverick benefited from this work, but because acceptance was voluntary, the vast majority of analysts didn't. Unless we can migrate new methods and techniques from the labs into our front-line analytical offices, and insist that analysts adopt them, we are setting ourselves up for yet another failure. It's high time we recognized that a good idea does not guarantee its broader acceptance among analysts.

Frankly, today's reform efforts look the same, sound the same, and in many cases are the same. We still allow analysts to decide which new practices and techniques they want to adopt, and put more emphasis on structural changes than efforts to raise the competence of the analytical workforce. It's not clear to me why anyone would believe that this familiar formula will achieve any better results this time around.

I suppose that some may argue that although we have made a few mistakes, fixing our current problem only requires a tune-up, and insist I shouldn't be so pessimistic. Yet, history suggests that even such modest goals are not easily achieved. Worse, my experience with past reform efforts warns me that just another tune-up won't work. Doing essentially what we have been doing, only better, doesn't ring true to me. That type of response didn't work in the 20th century. What makes us think it will be up to the challenges of the 21st?

I, for one, think it makes no sense at all. Our past failures argue for nothing less than a major overhaul—a complete rethinking of the existing analytical paradigm. We've tried patching the system. That hasn't worked, at least partly because the current paradigm has strongly resisted—and with considerable success I might add—any and all efforts at reform. Half measures will likely follow the pattern of previous attempts at reform: Intelligence failure, commission to study the failure, promises to do better, and then after a few years another intelligence failure. If we really want to improve the quality of our analysis, we can't stay on this same old merry-go-round.

Examining the Fundamental Organizing Principles of Analysis. Any rethinking of analysis should start with an examination of what we do now. As I see it, the practice of analysis really hasn't changed all that much from when I started out forty years ago. We work as sole practitioners on separate, individual accounts with little or no interference from supervisors, and without much input from colleagues. Each analyst, on the basis of his or her personality, prior experiences, and an assessment of one's strengths and weaknesses, is free to determine "good" analytical practice. Indeed, the system regards such individuality and idiosyncratic behavior highly, and supports these traits as essential ingredients in "good" analysis.

Ditto for how we organize and operate our analytical offices. For as long as I can remember, the sole practitioner model has determined how we go about doing things. If an organization has five analysts to work an intelligence problem, we break the subject into five parts. If it has forty-five analysts, we divide the problem into forty-five pieces. Equally important, we leave the details of how to analyze each problem in the hands of the individual analysts. Although we might give some accounts more attention, or deem others especially important, the overall problem still ends up being studied in five or forty-five separate pieces.

Given that we lack Community standards of excellence for intelligence analysis, it is not surprising that sole practitioners decide for themselves what's important and what's not. It doesn't matter whether those practitioners are newly assigned to the job or have considerable experience and expertise. Analysts establish their own personal rules for analysis, and need not share these rules in any detail with their fellow analysts or supervisors either before or after they complete a project. They consider such information proprietary. Moreover, little or no incentive exists to foster openness, or to give colleagues with less experience a helping hand. Any assistance offered is purely voluntary. In fact, the organizational incentives that do exist promote a competitive atmosphere, not teamwork.

Moreover, some analysts consider interference from a peer unhelpful, and completely unacceptable from an outsider.

Anatomy of an Overhaul

As hard as I might try, I can't find a way to improve analysis using our existing sole practitioner model. I'm forced to conclude that such a model, far from facilitating improvement, is its chief obstacle. Rather than being a solid foundation for growth, I find that the sole practitioner model discourages the wide-scale adoption of new analytical skills and techniques; is ill suited for all but the simplest analytical problems; and is incapable of efficiently and effectively exploiting the massive, unstructured data the Community routinely collects and stores. Some may find this view harsh or excessive, maybe even over the top, but I stand by it. The logic behind my argument is based on the answers to a series of questions.

The first question is quite basic.

Do we need to improve the quality of analysis in the Community?

I believe the answer to this question is clearly "yes."

This leads to a second question.

How does one go about achieving such improvement?

Here I think there is much less consensus. Some call for more and better collection. Others lobby for spending more money and hiring more people. And, of course, the favorite scheme by far is restructuring the Community, including various arrangements for who controls the money. All of these ideas have merit. Indeed, at one time or another each has been tried. Problem is, none of them have succeeded in improving the quality of analysis very much. None of them focus on the analytical competence of our people, and on how we can improve it. But I believe analytical competence is key.

Next, if you conclude, as I have, that improving analysis does indeed require raising analytical competence, then....

How do we go about doing that?

Since past reform efforts did not address this issue in any detailed way, we probably don't have a consensus in this area either. My initial assessment suggests that we should emphasize three areas: rebuilding our ability to perform directed and basic research, utilizing large, unstructured data sets far better, and addressing increasingly more complex questions -- ones that exceed the capability of current intelligence methods to answer. In other words, our most pressing problems across the Community are low analytical skill

levels, our inability to utilize but a tiny fraction of what we collect, and our consistent failure to answer the questions of greatest importance to our consumers.

And finally...

Can the existing analytical paradigm—a community of sole practitioners—increase the Community’s analytical competence?

I believe the historical record suggests that the answer to this question is probably no, or at least so far, the paradigm has failed to increase it. It’s not just that sole practitioners don’t do a very good job at improving analytical competence; they appear responsible for blocking it.

Let me tell you why.

Analytical Skill Building. When you look closely, you will find that learning analysis and improving analytical skills get surprisingly little attention in the sole practitioner model. Most offices and agencies consider time away from the direct practice of analysis, as time spent not “working.” Learning how to analyze more effectively, if it is acknowledged at all, is either done on an analyst’s own time, or is wedged into short periods away from regular analytical duties. Moreover, when analysts return from formal training, it is not unusual for them to find that their newly acquired skills clash with the practices of the office, and they receive little encouragement to try something new or experimental. Time pressures, not the soundness of the methodology takes precedence.

Not surprisingly, most analysts end up allocating little time to honing their “craft of analysis.” Even those who recognize the need for growing their expertise most commonly view this as a need to improve their area or subject knowledge, not their analytical techniques. Creating and maintaining a culture of analytical learning is far from being an easy task for any organization, even one fully committed to reform. But, acquiring new knowledge—both analytical skills and subject expertise—and incorporating them into the analyst’s daily routine, seems to be to be a requisite for real, sustainable improvement.

Complex Questions. Fact is most analytical questions of interest to policy-makers are beyond the capability of any sole practitioner to answer alone, no matter how competent they may be. Analytical brilliance alone cannot overcome the constraints of time, the demands for multiple discipline expertise, and the need for complex data retrieval skills. When we suggest that it can, we are asking more from our analysts than they can ever deliver.

- *Time Constraints.* True, our best analysts eventually can come up with a good answer for almost any question policy-makers might throw at them. But, “good” takes time. In most instances, even adequate answers take years, not months to complete. In some cases, depending on the importance and difficulty of the question, such a delay might be acceptable, but I can’t think of many. The world doesn’t stop while we look for answers,

and policy-makers don't become more patient. They want answers right now, not excuses. Since we hate to admit that we don't know, we feel compelled to say something. Too often this means answers that are either too general, or too narrow to be of any use and, almost always, these answers are incomplete. Sometimes, when we are really in a bind, we resort to answering a different question than the one that was asked. Little wonder that consumers complain bitterly and often about the lack of "intelligence" that they receive.

- *Human Limitations.* Even if we could give our analysts more time, the questions posed to them typically require more training and expertise than they possess. Few questions can be answered by current intelligence methods, and rarely are focused on a single subject such as politics, economics, or military affairs. Often it is all three, and sometimes other highly technical disciplines such as medicine, linguistics, engineering, and law are required as well. Although many of our sole practitioners are trained in more than one discipline, few if any, have the breadth of knowledge to successfully tackle the complex challenges we face as a nation alone.

Accordingly, we assign a core of analysts, all with the same specialty (politics, economics, military affairs, etc.) to examine a complex question independently, all from their own perspective. This hasn't worked well either. We again end up with answers that are either too narrow in scope or ones so broadly cast that they prove less than useful. Far worse many of the individual answers duplicate exactly the findings made by others. Forty-five Iraq WMD specialists working the same problem independently simply do not give you as good an answer to the state of Saddam's WMD programs as you would receive from the same number of people organized into a team; one composed of regional specialists, country analysts, Iraq WMD experts, economists, nuclear scientists, microbiologists, chemists, terrorism experts, and a medical doctor or two working together on that same complex question.

- *Data Retrieval Challenges.* Finally, there is the issue of retrieval. The answers to many, if not most questions routinely asked by policy-makers, are already in our databases. The problem is, we can't find them, and not just because we don't have the right search software. Our databases were never designed with analysis in mind. Trying to make them into something they aren't, hasn't worked well, and many, like myself, believe they never will. The most we can hope for is that they can serve as a source of material for building new analytical databases designed specifically to assist analysts solve real world intelligence problems.

Worse still, we have made our sole practitioners, each with their own account, individually responsible for retrieving the information they need. We don't provide anyone to help them. It makes no sense to expect analysts to wring information out of databases that even an army of technical specialists can't always exploit successfully. Most often, analysts end up using only a tiny fraction of the available information--the most easily observed pieces--that flood in daily. Virtually every analytical study completed over the past thirty years could easily have been improved substantially if it weren't for the way

we store data. Until we face up to the magnitude of this problem, I don't see how we can improve analysis very much.

In Sum. I find the enormity of what needs fixing to improve intelligence analysis staggering to contemplate, and the task largely impervious to traditional management practices. Discarding old and comfortable ways in favor of new and untried alternatives is never a popular course. The sole practitioner model and current intelligence methodologies are so entrenched in our thinking, that the chances any reform effort will succeed given this and other challenges, seem no better than an individual winning the lottery. While policy-makers and practitioners alike seek better intelligence production, few appear to understand how difficult this will be to accomplish, or how one ought to go about achieving a successful outcome. Up until now, reform has meant the recognition of the need for improvement, along with rhetorical support for such an effort. What's been missing is a blueprint laying out what needs fixing and the concrete steps that will be required to achieve a successful outcome. I don't have any illusions that a road map will be a panacea, or mine will somehow sweep away all the obstacles. It won't, but, if we truly seek to improve analysis, I think it is a good place to start.

The Road Map - A Twelve-Step Program

- *Step One - Admit That We Have a Problem*

Certainly, no one sets out to do poor quality work. But admitting that we have a problem ought not to be a difficult step to take given our recent experiences. I'm afraid, however, that too many aren't convinced yet that a problem exists, and they are still making excuses for our poor performance.

My conversations with other professionals suggest that this reluctance to admit that our analysis isn't very good is where much of the problem starts. Even our obvious failings are too often written off as "perfect storms," blamed on politicians, or thought of as ones that can be easily remedied. Each time there is a problem, we take the position that our analytical practices and procedures are essentially sound. We are not to blame. Only minor tune-ups are ever needed. This despite the enormous evidence to the contrary. Our repeated failures to improve analysis make holding such a position indefensible.

- *Step Two - Believe a Solution is Possible*

I think we can all agree that the objective of analytical reform should be the improvement of analysis. Some act as if this is not a reasonable goal. We must reject such a notion. We can improve. We must.

- *Step Three - Make a Decision to Follow a New Direction*

Since past reform efforts haven't helped improve analysis very much, it seems clear that we need to go in a different direction. For starters we should give analytical improvement a higher priority when it comes to our leadership's time and attention. Bottom up approaches to analytical reform haven't worked. They face too much resistance from analysts. The heavy lifting required can only come top down.

- *Step Four – Take an Inventory of What's Worked and What Hasn't*

I think you will find the first list—what hasn't worked—much longer than the list of our successes. Our ability to scale or migrate new practices and techniques to the wider analytical Community limits the amount of improvement we can expect. Unless most analysts adopt a new practice, the chances of it making a difference are remote.

- *Step Five – Compile a Comprehensive List of What's Wrong with Analysis*

I would start by asking our major customers, the policy-makers, what kind of analysis and analytical products they most need. I would follow that up by listening closely to what they have to say about the effectiveness of what we have produced in the past, especially any comments from those most critical of our work. Unfortunately, in the past we don't seem to have listened very well. I find that policy-maker needs and criticisms change little over time. Yet we keep falling short of customer expectations. It's as if we were tone deaf. Many actually think that policy-makers are pleased with our performance. Such delusions are both dead wrong, and extremely dangerous.

- *Step Six – Take Concrete Steps to Improve Analysis*

This must include a recognition that the approach to analytical reform used in the past—voluntary acceptance—doesn't work. Scaling and migrating new practices have not succeeded because ultimately they left the decision of whether or not to adopt a new practice up to our analyst sole practitioners. Few opted for change. Although requiring sole practitioners to adopt new practices and techniques will help, it does not entirely solve the problem. Analysts' ability to perform multi-discipline analytical studies, or to retrieve material from large unstructured databases must also improve.

- *Step Seven – Accept the Current Reporting Takes You Only So Far*

Current reporting, because we let it, has become an all-consuming activity. Yet, no matter how many people we assign to the task, the answers they produce have not satisfied the needs of our consumers. Fact is current reporting practices and techniques are not up to that task. Never have been. Never will be. They can provide our consumers with the news—an essential function—but rarely the answers to their most pressing concerns.

History suggests that many fewer analysts—approximately a third or less of the analytic core—can provide more than enough quality news coverage. The other two-thirds doing the same thing add little additional value. Increasing the number of current report-

ers and churning out greater numbers of reports alone do not answer all of the policy-maker's questions. We've been there. Done that. It didn't work very well. With that knowledge, staying the course any longer borders on malfeasance. Change is essential.

- *Step Eight – Address the Over Emphasis on Current Reporting*

This will require returning a substantial number of the analysts now doing current reporting to other types of analysis, such as directed, and basic research. Basic research may not be flashy, and it requires a commitment of time, but it must be nurtured, valued, and rewarded. Insightful and contextual current reporting must be based on solid long-term research and analysis. Without this base, and directed research to highlight trends, our current intelligence will be hard pressed to keep up with the content and accuracy of CNN's reporters. As a consumer of current intelligence for many years, I have seen this problem first hand.

- *Step Nine – Create a New Analytical Paradigm*

This means that we must replace the entrenched sole practitioner model of analysis with a new paradigm, one that recognizes the importance of learning new practices and skills. We will also likely have to organize and size the work force based much more on the priority and complexity of the questions being asked, rather than on arbitrary, static bureaucratic rules. In our new model, the question will come first; then we organize ourselves to answer it. It's that simple. Clinging to the old, familiar ways of doing business makes sense only if improving the quality of analysis is not one of our principle goals.

- *Step Ten – Accept that Improving Analysis Is a Never Ending Process*

Improving analysis is not a single action or an event. It is more a state of mind, an article of faith that any analysis can be improved. Moreover, it is the belief that it is the professional responsibility of every analyst to keep searching continuously for a better answer, and a culture in which improving one's analytical practices and techniques are viewed as just as important as enhancing our subject matter expertise.

- *Step Eleven – Stop Talking, Do Something About Improving Analysis.*

We can't afford to wait until the next big intelligence failure to improve the quality of our analysis. A mile-long list of commissions and studies pointed out the need for better analysis long before our failures in Iraq. Shame on us if we fail again to fix the problem.

- *Step Twelve – Make Learning How to Improve Our Top Priority*

The historical record suggests we don't know how to improve analysis. If we did, we would have done it by now. For those who will argue that the analytical offices already have too much on their plate to add yet another priority I say, please retire. The insis-

tence on volume over quality has gone on too long. We only fool ourselves by pretending that what we do today is good enough. It isn't. That's the bad news. The good news is that the answers we need to improve analysis are out there waiting for us to find. It's time we started looking for them.

Final Thoughts

Unrealistic? A twelve-step plan is too radical? Wrong headed? Who knows? But surely it's time we stop pretending that we have "the" solution to our problems in hand, and that we can expect significant analytical improvement any time now. I don't believe that, and I don't think that the Community should either.

Many of the new initiatives—post Iraq—have us moving in the right direction. Our current leadership is saying all of the right things about the need to make improvements. They have signaled in a variety of ways that they are fully committed to upgrading the quality of analysis. We also have a pretty good idea of what we ought to do. I find small pockets of excellence scattered around the Community—at CIA, RAND, CENTRA, and a number of other places—charged with investigating new, concrete ways we might improve analysis. Much of their work looks promising. I'm particularly impressed with the efforts of Rob Johnston, Jeffery Cooper, Gregory Treverton, and the members of the Kerr Group. Their writings, among others, demonstrate convincingly that the intellectual foundation for improving the Community's analytical methods and techniques are in place. In addition, our formal educational institutions, such as CIA University, are well on their way to expanding training opportunities for new, and not so new analysts.

That said; let's not squander this opportunity. Much is still left undone. We can and must do more. I'm not so much interested in my specific suggestions, as I am that the Community will recognize that this time around improving analysis will require more than just another tune-up. Much more is demanded of us than that.