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CONTROL THROUGH A REPORTING SYSTEM

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CONTROL THROUGH A REPORTING SYSTEM

by

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1955  
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A thesis submitted to the faculty of  
the School of Government,  
Business and International Affairs of  
The George Washington University  
in partial satisfaction of the require-  
ments for the degree of Master of  
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June 5, 1963

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## INTRODUCTION

For many years professional managers and management educators have debated the managerial concepts and issues searching for some theory of management which would act as a doctrine. Although there has been accumulated a great body of knowledge about management, it is difficult to find any general agreement as to what management is or should be. There is "controversy about such concepts as: . . . authority, responsibility; . . . line and staff; decision making and problem solving; and formal and informal organization."<sup>1</sup> In fact, there is difficulty in finding agreement on definitions or what are the functions of management. If one tabulated the number of functions or principles of management advocated by these writers, he would find they generally range from three to thirteen.<sup>2</sup> However, even

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<sup>1</sup>Rocco Carzo, Jr., "Administrative Science and the Role of Value Judgments," Current Issues and Emerging Concepts in Management, ed. Paul M. Dauten, Jr. (Boston: Houghton Mifflin Co., 1962), pp. 59, 60.

<sup>2</sup>Listed with a few of the authors and government agencies are the numbers of functions or principles, in parentheses, which they consider fundamental to management: R. C. Davis (3); Robert Tennenbaum (3); Colonel John R. Beishline, U. S. Army (4); Dr. Harry A. Hopf (4); Laurence H. Appley (4); Henri Fayol (5); Edward Litchfield (5); Harold Koontz (5); Department of the Air Force; (5) John F. Mee (7); Luther Gulick (7); Catheryn Seckler-Hudson (9); Bureau of the Budget (13).





though there is a wide variation in the description of the functions or principles of management, there is a fairly consistent thread of agreement on two or three, such as planning, organization, and control.

Planning and control have been described "as the 'Siamese Twins' of management"<sup>1</sup> Control depends on planning to furnish the standards and objectives. No manager can control the actions of others if he has not already established the standards or objectives and, of course, to establish these standards and objectives involves planning. Henri Fayol once said:

In an undertaking, control consists of verifying whether everything occurs in conformity with the plan adopted, the instruction issued and principles established. It has for its object to point out errors in order to rectify them and prevent recurrence. It operates on everything, things, people,<sup>2</sup> actions.

And Billy Goetz says "management control seeks to compel events to conform to plans."<sup>3</sup>

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<sup>1</sup>Harold Koontz, "The Planning and Controlling of Organizational Activities," Current Issues and Emerging Concepts in Management, ed. Paul M. Dauten, Jr. (Boston: Houghton Mifflin Co., 1962), p. 120.

<sup>2</sup>Henri Fayol, General and Industrial Management (New York: Pitman, 1949), p. 107.

<sup>3</sup>Billy Goetz, Management Planning and Control (New York: McGraw-Hill Book Co., Inc., 1949), p. 2.





James L. Pierce, Vice President and Controller, A. B. Dick Company, has so very aptly summarized the control process when he said:

The control process, like all effective modes of management, rests on a simple principle. It may be stated as a three part formula:

The first component is the adoption of a plan.

The second is reporting actual performance as compared with the plan.

The third is making decisions and taking action.

It should be evident that the three phases of the formula are operating concurrently--that a management following this system will be constantly planning, reporting and taking action.<sup>1</sup>

It is in the area of Pierce's second part of the control formula that the efforts of this paper are being directed.

The manager must know that his plans are being carried out and that the deviation from standards is not excessive. Further, he must have a system for obtaining the information necessary for appraising performance against plans and for decision-making to guide performance back to standards or toward objectives.

Arnold F. Each describes the need for a system of information this way:

. . . Many enterprises have grown beyond the size where they can be managed by decisions arrived at through direct observation alone. There must be control;

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<sup>1</sup>James L. Pierce, "The Planning and Control Concept," Administrative Control and Executive Action, ed. B. C. Lemke, James Don Edwards (Columbus, Ohio: Charles E. Merrill Books, Inc., 1961), p. 9.



and control requires a system of information tailored to the specific management needs of every key executive--information that is timely and adequate.<sup>1</sup>

It is the author's intention in this thesis to develop a model report system to fulfill management's need for information by which it can effect management control and decision-making; and to serve as a means of accounting for responsibility assigned. This model, then, will be compared to the report system of the naval communication system to attempt to answer the question of whether the report system existing within the naval communication system adequately provides the information for effective operational control.

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<sup>1</sup>Arnold F. Emch, "Control Means Action," Administrative Control and Executive Action, eds. B. C. Lemke and James Don Edwards (Columbus, Ohio: Charles E. Merrill Books, Inc., 1961), p. 51.





## CHAPTER I

### THE MODEL REPORT SYSTEM

#### General

In order to put the report system in the proper perspective, some discussion of the relationship of the report system to the rest of the functions of management must be made.

As indicated in the introduction, there are a number of relationships encompassed in the overall function of management. Many writers have developed their ideas of these inter-relationships of the principles of management, but, perhaps, one of the clearest descriptions is by Catheryn Seckler-Hudson, who says:

. . . that for each of the principles of organization and management . . . , there are accompanying processes, or activities. In government and elsewhere these processes are carried on at every level of responsibility from the top to the bottom of the organization, wherever leadership is found. They go on continuously and are carried forward well or poorly. If neglected, there is still the impact of neglect, for the processes interweave and interpenetrate each other and condition every level of performance. Each level of performance conditions each process and



the totality of this conditioning and reconditioning provides the internal environment for administration (see Figure 12).<sup>1</sup>

.....  
 In many respects it is unfortunate to discuss the processes separately, for in any actual sense of coordinated effort they cannot be separated. But for purposes of discussion and analysis they are listed below.

The major processes of organization and management include:

1. The process of policy formulation and reformation.
2. The process of securing, locating, and utilizing authority.
3. The process of planning.
4. The process of organizing.
5. The process of budgeting.
6. The process of staffing.
7. The process of operating.
8. The process of reporting.
9. The process of leading, directing, and controlling.

Two additional points are necessary to understand: First, the interlacing and interweaving of the several parts of the organization should be regarded as conditioning each of the processes. Secondly, the permeating factors of time, place, quality, and quantity pertain to and condition all of the processes at each and all levels of the administrative hierarchy.<sup>2</sup>

Industry as well as the government is recognizing the extreme importance of reports and report systems. Richard F. Neuschel, Principal, McKinsey & Company, says:

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<sup>1</sup>Catheryn Seckler-Hudson, "Major Processes of Organization and Management," Readings in Management, eds. Harold Koontz, Cyril O'Donnell, (New York: McGraw-Hill Book Co., Inc., 1959), p. 21.

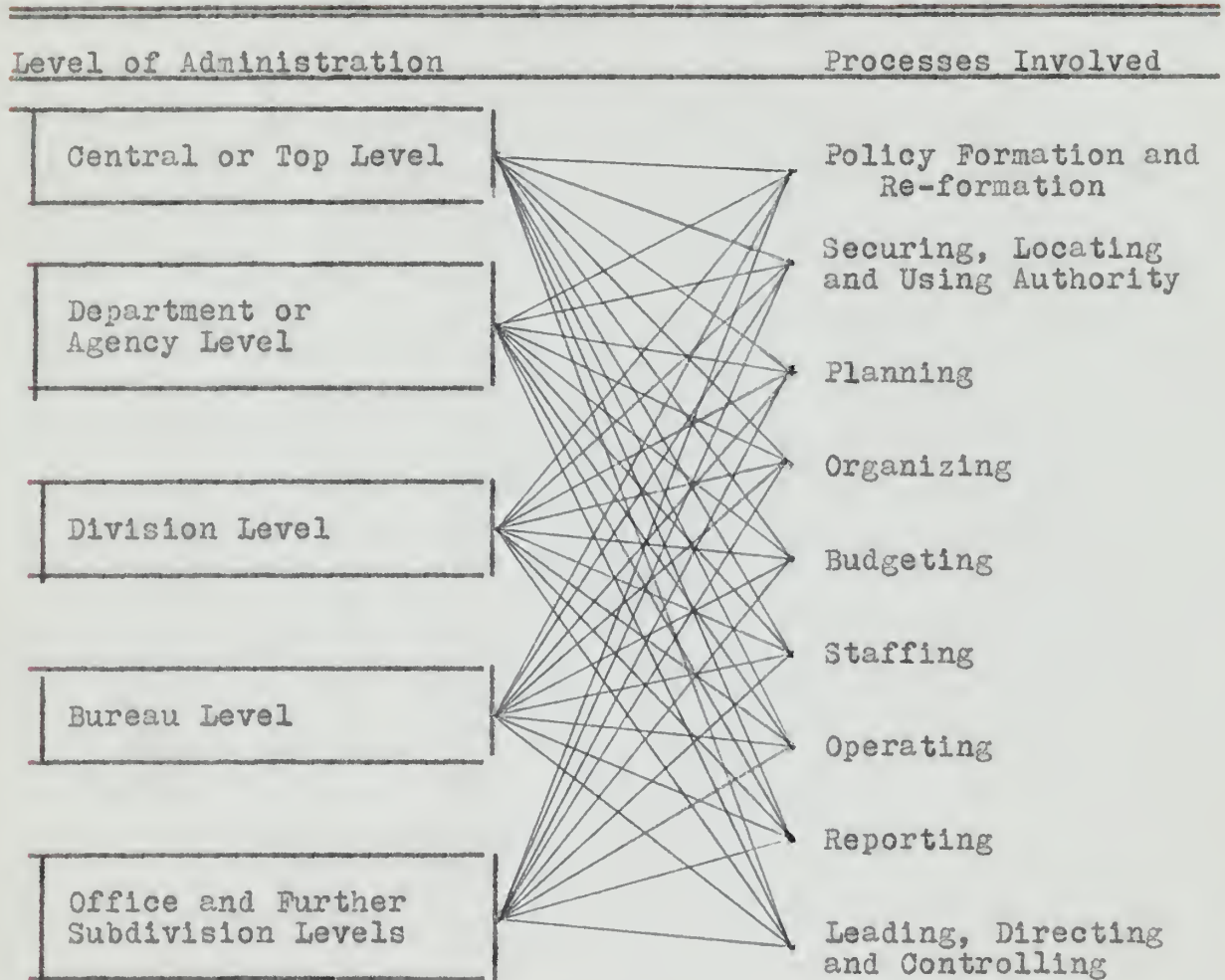
<sup>2</sup>Ibid., pp. 21, 22.





Figure 12<sup>a</sup>

MAJOR PROCESSES OF ORGANIZATION AND MANAGEMENT AT ALL LEVELS  
OF OPERATION



Permeating factors of all the processes

1. Time
2. Place
3. Quality
4. Quantity

Each and all the processes interact horizontally and vertically.

<sup>a</sup>Catheryn Seckler-Hudson, "Major Processes of Organization and Management," Readings in Management, eds. Harold Koontz, Cyril O'Donnell, (New York: McGraw-Hill Book Co., Inc., 1959), p. 21.



A great many of today's executives have caught a glimpse of the promise that lies in rebuilding a vast assortment of traditional accounting and statistical reports into a compact, top-flight body of management intelligence.

We need not look far for factors explaining this interest in report improvement. Among them the following . . . seem to stand out:

1. The long-term growth in size and complexity of many business organizations. This trend has increased management's dependence on formal written summaries of operating results in place of the informal on-the-spot observations or judgments made by managements of smaller businesses.

2. The growing need for better ways of measuring executive performance. This need, in turn, has been sparked by the tremendous amount of postwar activity that has taken place in three major fields of management technique: decentralization of operations, management development programs, and incentive compensation for executives. Although each of these have a common thread woven through them: to be fully successful in any situation, each requires the use of objective methods for measuring executive performance. Thus all three of these techniques call for re-evaluation of the structure of formal management control reports that exist in nearly every company--for this is one of the principal means through which performance results are summarized, measured, and made known to those who must interpret them.<sup>1</sup>

Interest by government agencies is no less pronounced, for it has been written into the laws of our land<sup>2</sup> and has been

<sup>1</sup>Richard F. Neuschel, "Strengthening and Simplifying the Structure of Management Reports," AMA Office Management Series, (Report No. 141, 1955), pp. 3, 4.

<sup>2</sup>In Title IV, Public Law 216, 81st Congress, Promotion of Economy and Efficiency Through Establishment of Uniform Budgetary and Fiscal Procedures and Organizations, it states in Section 401.(b) (2) "establish and supervise the execution of-- (A) principles, policies, and procedures to be followed in connection with organizational and administrative matters relating to--(iii) progress and statistical reporting."





one of the subjects for the Joint Financial Management Improvement Program sponsored by the Bureau of the Budget, the General Accounting Office, and the Treasury Department. In their 1962 Annual Report they say:

. . . the effectiveness of a budget and accounting system depends upon appropriate communication and use of the financial and related data developed within the system. The most significant data are of little value unless responsible agency officials have them available for decision making purposes in timely and meaningful fashion.

. . . . .  
 In establishing a system, reports should be set up to meet identified needs at various management levels. To the extent possible, they should be designed to serve, simultaneously, both internal and external requirements. The principles of summarization and reporting by exception should be observed to avoid development of excessive details; full advantage should be taken of technological advances in preparation of reports, and of graphic and other useful presentation techniques; and continuing control should be exercised to permit prompt elimination of reports that no longer serve a need.<sup>1</sup>

Milton Reitzfeld, director of the Management Assistance Office, Third Naval District and a member of New York University's Management Institute, reaffirms the importance and the problems of reports confronting both business and government. He says:

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<sup>1</sup>United States Bureau of the Budget, The General Accounting Office, the Treasury Department, "Joint Financial Management Improvement Program," Annual Report 1962, pp. 39, 40.



A major task confronting top management is the simplification of paperwork burdens in order to release sorely needed time for creative thinking.

. . . Executives removed from the scene of operations are in desperate need of information on business administration. Each increase in the control gap between executives and workers aggravates the need for communicating information. Without paper work most communication dies. Employees can receive no direction, performances cannot be reviewed, and managements cannot control.<sup>1</sup>

. . . . .  
 Reports are the most vital tools of administration and represent key information fed back from all working levels. This "information feedback" is necessary to determine and compare the status of every operating business and government. Management policies and decisions are usually based on the information carried back via reports. Information feedback systems depend upon many daily records, some prepared exclusively for summarization into periodic reports. Reports are therefore the most expensive type of records created. When reports are cancelled, much more is saved than the elimination of countless daily feeder records that pays big dividends when reports are properly controlled. Since reports cover the entire scope of business and are the backbone of any decisions, it is imperative that they be current, simple and clear.<sup>2</sup>

Now that the close relationship of the report system to the other principles or processes of management has been shown, and that the report system is a requisite for the control processes of good management in any complex enterprise, let us examine what should be involved in a report system.

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<sup>1</sup>Milton Reitzfeld, "Records Management," Systems and Procedures, A Handbook for Business and Industry, ed. Victor Lazzaro (Englewood Cliffs, N. J.: Prentice-Hall, Inc., 1959), p. 222.

<sup>2</sup>Ibid., p. 229.





Fundamentals of Reporting

## Purpose of a Report

Simply stated, a report is a communication of information. In the management situation it is an account or relation of performance to plans: standards or objectives. It may be of routine recurrent nature or it may be an account of a special investigation or situation. Every activity maintains records which provide a wealth of information. From this abundance of detail, the pertinent facts are gleaned, assembled and communicated to all levels of management in the form of reports. These reports give to management the factual background for the establishment or the alteration of policy and for control of actual performance in conjunction with established policy, plans, or objectives. In short, reports provide the factual background for control and decision-making.

A good report is defined:

. . . as the communication in usable form to a responsible party of timely factual data for a specific purpose. Reports are a working tool of good management. Good reports are essential . . . for without reports, management is lacking factual data and must then rely solely upon memory and instinct. Good reports are evidence of good management.<sup>1</sup>

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<sup>1</sup>Lillian Doris (ed.), Corporate Treasurer's and Controller's Handbook (New York: Prentice-Hall, Inc., 1950), p. 797.



The basic elements of good reporting are as follows:

1. Report only material facts.
2. Present the facts in the best possible manner.
3. Timeliness of the reports; or, when are the facts required?
4. Actually communicate.
5. Reports should be made only to those who need the facts or information.
6. Report by the exception method, where possible.

Each of these six elements will be discussed separately below.

Report only material facts. A report must contain information assembled for a definite purpose. Reports prepared for general interest are wasteful of energy and dissipate efforts. Reports provide the data for comparison of actual results with the standards or objectives. They should be planned to point up those factors which will tell management where to concentrate effort to accomplish the desired objectives. Reports must feed back the results of action taken by management in its exercise of controls. Where possible, they should inter-relate the results of individual actions to the overall objective.

A common failing, and one pointed out earlier by Richard Nueschel,<sup>1</sup> is not that required facts are omitted from reports, but that management has failed to ask for what it needs. In

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<sup>1</sup>Supra, p. 8.





this situation, those responsible for report planning and preparation often have to guess what management wants or needs. This usually results in two different kinds of reporting; one where there is an insufficiency of data and the other is where there is a deluge of information for management to sift through for the facts required. Either of these is subject to criticism, and rightly so. The solution, of course, is for management to scrutinize carefully its requirements for information and that this be done frequently at regular intervals. Further, it must advise those preparing the reports.

Another common failing of reports is that, while transmitting the requested information, they are too detailed. Admittedly, it is difficult to draw the line between too much detail and oversimplification or summarization. Usually this is determined by the personality of the recipient of the report. The tendency of too much detail arises from the background training and experience of those responsible for preparing the report; the belief that it is better to have too much detail rather than too little, i.e., not be guilty of omitting an important fact; and the lack of definite guidance about requirements from management.<sup>1</sup>

One way to prepare a report which involves a great amount of detail is to summarize the detail and use the detail

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<sup>1</sup>Doris, p. 799.



as a supplementary reference to the summarized reports. In this manner, the executive or manager can quickly study the initial report and, if interested in further detail, he can make reference to the supplementary schedule or reference material.

One more factor about material facts is they must be accurate to the extent requested or needed. This does not mean they need be accurate to the minutest detail, as this may cause excessive delay and, probably, they are not necessary for most reports. They must, however, be accurate enough to be authoritative for decision-making.

Presentation of the facts. Probably almost as important as the facts contained in a report is the format or style in which they are presented. A report shows the relationship of actual accomplishments or deficiencies to planned accomplishments. With this in mind, then, the report should point out trends, pertinent items, and exceptions that should receive special attention. Reports without comparisons or measurements against some standard are not apt to fulfill the purpose of the report, i.e., provide the basis for decision-making or control without reference to other reports or information. Charts and graphs often assist in pointing out comparisons or trends.

Time factor in reporting. The effectiveness of the report is often dependent entirely upon the timeliness of the report. For control purposes, the sooner the results are reported the better the control and, therefore, with less





deviation from standard or objective. The interval between reports is determined by the promptness required by management, the requirements for the period, and the availability of the data to be reported. Reports which are delayed too long lose validity, and too frequent reports may not contain enough information to be worthy. Here again, management must make the decision and make known its requirements to those responsible for compiling the reports.

Frequently the information is available for reporting, but the cumbersome methods or procedures for report preparation cause delay, which, in turn, reduces the effectiveness of the report. There are many different means for speeding up report preparation, a few of which are listed below:

1. The use of mechanical reproduction equipment--office or business machines for reproduction of all types of paper work.

2. Establishing priorities for various reports. Essential time can be lost by completing less important reports before working on the important reports.

3. The use of prepared forms.

4. Preparation of preliminary reports to be followed at a later date by the completed report. Often these preliminary reports will indicate enough to the manager to start action or to take corrective measures.

Timely reporting can result only if there is good planning and coordination in the compilation and preparation of the reports.



Communicating the information.

Many executives have mistaken the form of communication for its substance. They have paid too much attention to media and devices, but too little to purpose and content. It is this phenomenon that led Fortune's W. H. Whyte, Jr. to conclude that "the great enemy of communication is the illusion of it."<sup>1</sup>

The above quotation clearly states the problem. Even though the facts are accurate, timely, and are presented in the manner prescribed, the value of the report is small and the time wasted if the content of the report is not communicated to the reader of the report. Communication is probably the most difficult part of report preparation and there are no set rules or techniques to accomplish this. Consideration must be given to the personality of the reader, the character of the data or information, and even the type of organization in which the report system is operating.

In their book, Report Writing, C. G. Gaum, H. G. Graves, and L. S. S. Hoffman indicate the following for good report writing:

Unlike the literary artist, the report writer composes neither for his own entertainment nor for that of his reader. A report must be a thoroughly useful document. The reader usually wants the information; the writer's satisfaction is in giving it to him in the most economical and agreeable way possible. A few guiding principles will help keep these in mind:

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<sup>1</sup>Frank E. Fischer, "A New Look at Management Communication, Readings in Management (New York: McGraw-Hill Book Co., Inc., 1959), p. 210.







1. Save the reader's time. The reader's time comes first, your time second. Clear typing; simple statements; elimination of all excess verbage, repetitions, and jargons; the use of tables of contents, clear titles and sub-titles, well labeled tables and figures; and good summaries in prominent places (especially at the beginning) with full topic sentences to start each paragraph--these are some of the devices that help readers to get what they want fast.

2. Remember the reader's needs. Tell not all you know but all your reader wants to know. Answer his questions, stated or implied, and nothing more.

3. Make the report objective. The emphasis is not on the writer but on the findings and conclusions. Personal feelings, personal accounts, are generally out of place.

4. Use restraint. Use the language as scientific thinking. Avoid all exaggeration. Use few superlatives such as very, exceedingly, absolutely and ideal. Guard your undemonstrated conclusions with particular care. Never say "facts prove" unless they do prove--beyond all possible doubt. Understatement is more fitting in reports than overstatement.

5. Interpret the raw facts. Tables and charts are not enough for a full report. Significant items must be taken out for emphasis; meanings must be added. It is the writer's job to explain.

6. Provide for future reference. Most reports of importance are filed for possible later use. Hence they should be as understandable ten years from now as they are today. That accounts for the need of full titles, full explanations, and full data.

7. Give attention to appearances. Neat, attractive copy appeals to the eye. It reflects your good taste. It is easier to read.<sup>1</sup>

Reports should be made only to those who need the facts or information. Reports should

. . . provide management officials at each echelon with the planning data necessary for decisions at that level. They should provide each management official with control information necessary to relate performance to planned goals for the activities under his cognizance.<sup>2</sup>

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<sup>1</sup>Carl G. Gaum, Harold F. Graves, Lyne S. S. Hoffman, Report Writing (New York: Prentice-Hall, 1950), p. 7.

<sup>2</sup>U. S. Department of the Navy, Bureau of Naval Personnel, Financial Management in the Navy, NAVPERS 10792-A, 1962, p. 183.



In other words, reports should emanate from one responsibility center to the next higher responsibility center. Reports should relate facts to responsibility for accomplishing those facts. Reports should be planned and designed for the individual who is responsible for the performance covered in the report and for his immediate superior. Wherever responsibility has been assigned or authority delegated there must be an accounting to the individual who assigned the responsibility or authority.

Reporting by exception. Operating reports usually convey information of operating conditions and can be classified into three broad categories: those reporting performance as planned or not deviating from standard beyond well defined limits, those reporting performance better than standards, and those reporting unsatisfactory performance. Management can use two of these categories of reporting for taking corrective action or to investigate superior performance to learn why. The category reporting normal conditions is merely supplying information that standards are being met and, therefore, the report is not really needed for control purposes or for lessons to be learned. At most, they should be very simple reports, indicating work is progressing as planned.

In summary, good reports should follow common-sense planning and preparation. The following requirements, as listed in the manual for Financial Management in the Navy, are of this nature.





1. Reports should satisfy a specific need
2. They should suit the occasion and should recite more than mere recital of costs.
3. They should be suited to the individuals who will use them.
4. They should be timely, self explanatory, and objective.
5. They should promote management by exception.
6. They should be fair, accurate, and simple.
7. They should be susceptible to clear-cut analysis.
8. They should not cost too much.
9. Provision should be made for follow-up reports.<sup>1</sup>

### The Reporting System

Since reports are necessary for the control processes in management and provide the information for decision-making, it follows that the service to management is improved if an integrated reporting system is developed whereby the reports are controlled and coordinated. No standard system is recommended as each activity or organization will have its own peculiarities. However, the responsibility for the report system should reside in one individual or within one office with the requisite authority from management for requiring compliance by the various divisions and echelons of the organization.

The reporting system control program will prove its value to management in many ways, but primarily by improving the

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<sup>1</sup>Ibid., pp. 185-187.





quality of information reported to management. Duplication and omission will be better controlled and, as a consequence, effectiveness of operations will be increased and costs may be decreased. The program should provide for a unity of the reporting system. Reports should complement each other and the information contained therein should relate to the total objective. Standardization of forms, formats, and terms can be achieved, particularly so if the reports controller is also responsible for compilation and summarization of the information for presentation to top management.

Frank A. Lamperti and John B. Thurston in their book, Internal Auditing for Management, say that

. . . a properly controlled, well-planned system of reports is the heart's blood of an organization's communication system. Reports used to transmit information of special interest and importance make possible the proper measurement of performance, ensure compliance with management policy and proper scheduling of work, and facilitate the coordination of widely dispersed and diversified operations.

It is only as the result of the right kind of information flowing upwards that top executives can weigh results, make new decisions and plans, issue new instructions and take whatever action they may consider necessary. Efficiency at the top depends almost entirely on the report coverage and quality of information that reaches it from all of the operation of the organization. Every item should have a meaning and it certainly should not be left to management to pick out helpful items from a maze of statistical and other data.<sup>1</sup>

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<sup>1</sup>Frank A. Lamperti, and John B. Thurston, Internal Auditing for Management (New York: Prentice-Hall, 2nd. ed., 1954), p. 281



Reporting control must be of a continuing nature as objectives, organizations, individuals and operations change and require new reporting. Unless surveillance is continual, the former reports have a tendency to continue after their need is gone. The Secretary of the Navy recognized this need for continual checking and provided a checklist for evaluating management reports. This list is included as Appendix I.

The foregoing discussion on reports and reporting system applies to all kinds of reports, whether they be recurring, one-time special reports, or oral reports.





## CHAPTER II

### THE NAVAL COMMUNICATION SYSTEM

To better understand the reports system of the naval communication system, a brief discussion of what the system is and the environment in which it operates seems appropriate.

The naval communication system is a large, complex, world-wide network of communication stations, radio stations and communication units, processing millions of messages annually. It has assets of land, buildings, and equipment amounting to billions of dollars and is manned by thousands of persons, both military and civilian.<sup>1</sup> The responsibility and authority for managing this vast organization is vested in the Assistant Chief of Naval Operations (Communications)/Director, Naval Communications, hereafter, referred to as the Director,

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<sup>1</sup>Interview with Mr. Frank T. Thornton, Communication Specialist, Analysis and Evaluation Section, Naval Communication System Headquarters, February 25, 1963.



Naval Communications.<sup>1</sup> He, in turn, has assigned responsibility and delegated authority to the Naval Communication System Adviser.<sup>2</sup>

To assist the Director, Naval Communications and his adviser in managing the naval communication system, a field activity, Naval Communications System Headquarters, was established in 1959. This activity, located in Washington, D. C. is headed by an officer whose title is Head, Naval Communication System.

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<sup>1</sup>His charter, as published in the U. S. Navy publication, Office of the Chief of Naval Operations Organization Manual, (OPNAV O9B83-Pl) May, 1958, specifically states as follows: "Mission: To advise the Chief of Naval Operations concerning, and to coordinate within the Department of the Navy, naval communications, Naval Security Group, and frequency spectrum matters; to provide communication means for directing operations of the fleets and for administering the Department of the Navy; and to implement other assigned functions concerning these matters, including the maintenance and operation of the Naval Communication System and the Naval Security Group." Function 14. Exercises management control for the Chief of Naval Operations over activities of the Naval Communication System.

<sup>2</sup>His charter, as developed by the Assistant Chief of Naval Operations (Communications)/Director, Naval Communications, states as follows: "Mission: To act as principal adviser and executive for the Assistant Chief of Naval Operations (Communications)/Director, Naval Communications for administering and directing the operation and maintenance of the Naval Communication System and its component activities in accordance with the policies established by the Assistant Chief of Naval Operations (Communications)/Director, Naval Communications, and to exercise the management responsibilities for the Chief of Naval Operations with respect to the operation and maintenance of the Naval Communication System and its component activities."





The head, naval communication system and the naval communication system adviser are titles carried by one officer. By having these two responsibilities, this officer can perform a staff function for the Chief of Naval Operations and, at the same time, perform a line function as the direct supervisor of the headquarters for the naval communication system. This arrangement is in effect to maintain a closer management control over the naval communication system by the Director, Naval Communications. This combination of responsibilities also has the tendency to eliminate one echelon in the hierarchy of management of the naval communication system.

The next lower echelon of management in the naval communication system is the loci of operations, i.e., the naval communications stations, naval radio stations, and the naval communication units. These activities are located in strategic<sup>1</sup> sites throughout the world and are in continual radio teletype communications with the Naval Communication System Headquarters. If there is a need, within a few minutes, radio-telephone communications can be established, also. So, while the activities are distantly located, they are, in effect, as close as the nearest telephone.

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<sup>1</sup>The naval communication stations and the naval radio stations are strategically located in the sense that they provide reliable radio communications to ships at sea within certain geographic areas. The naval communication units are small activities and provide special services such as monitoring the automatic switching relays, etc.





The environment in which the naval communication system operates is not as clean cut as the general description of the system. There are about one hundred documents and directives from higher authority and other bureaus and offices which influence decision-making for planning, programing, and budgeting. Changes in political climates in countries where communication stations are located, urgent requirements by the Joint Chiefs of Staff, or Department of Defense tend to make the environment somewhat plastic. In addition, the system must be responsive to such international crises as Laos, Cuba, Lebanon, or the Suez Canal, to name a few.<sup>1</sup>

The Defense Communications Agency, with its responsibility of operational control over military long-haul, point-to-point communication circuits, has a great influence on management of the naval communication system. However, this has some good aspects for the reporting of operations as will be pointed out later.

One resource not previously mentioned is the funding. The Assistant Chief of Naval Operations (Communications)/Director, Naval Communications is the budget activity manager for the operations and maintenance, Navy and the other procurement, Navy appropriations for the naval communication system. The other

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<sup>1</sup>Interview with Mr. Norman Watkins, Controller for Director, Naval Communications, February 20, 1963.



appropriation funds are administered by other bureaus of offices with the exception of naval communication system nondepartmental civilian personnel which is performed by the Director, Naval Communications. However, the Director, Naval Communications is required to develop and justify estimates for the naval communication system in all budget areas, whether actually managing these funds or not.<sup>1</sup>

Since the naval communication system does not have full management control of all of its resources, it follows that the regulatory bodies controlling these resources would impose upon the system report systems of their own. For example, the Bureau of Naval Personnel retains full control of the distribution of military personnel with the Navy. Effectively to manage this function of "personneling," daily personnel reports are required from every activity citing any change in the status of personnel "on board," e.g., detachment or reporting of personnel and advancement or promotion. The Defense Communications Agency (DCA) is concerned with the operating effectiveness of communication circuits designated to be part of the defense communication system. This agency has directed that hourly reports be made to the Defense National Communications Control Center, Washington, D. C., stating the condition of the circuits and, at the end of a 24-hour period, a summary of the number of

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<sup>1</sup>Ibid.







messages passed over each circuit. Also, under certain circumstances where one hour has been defined as excessive, reports are forwarded in between the hourly reports.<sup>1</sup> These reports are automatic data process inputs, and daily and monthly performance summaries are transmitted by message to all interested activities, including the Director, Naval Communications and the activities of the naval communication system.

The Comptroller of the Navy has established a system of reports for budget formulation and execution to which the naval communication system must be responsive.<sup>2</sup> There are other offices and bureaus which have included the naval communication system within their report system, but, suffice it to say, they are largely for statistical purposes and not primarily for operational control purposes.

#### Naval Communications System Report System

With the realization that a complete functional audit or survey of the reports and reporting system of the naval communication system was physically impossible for one person to

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<sup>1</sup>U. S. Department of Defense, Defense Communications Agency, DCA Circular 85-1A, "Reports Required for Operational Direction of the Defense Communication System," January 2, 1962.

<sup>2</sup>Financial Management in the Navy, p. 20.



conduct with a reasonably short time, efforts were concentrated in the operational performance of the system and in the budget areas of "Operations and Maintenance, Navy" and "Other Procurement, Navy." The operational performance area was selected on the presumption that for effective management control, the manager would have to have a flow of reports concerning this area to maintain the readiness so necessary in the military situation. The financial area was selected since every organization, whether private enterprise or government, must be responsive to its capital resources. This is particularly true in the military where over-expenditure or over-obligation of allotments or project orders is considered a management deficiency and subjects the responsible person to the provisions of Section 3679 of the Revised Statutes (31 USC 665), which states that upon conviction of a violation of this section, the violator can "be fined not more than \$5,000 or imprisoned for not more than two years, or both."<sup>1</sup>

Operational Performance Reporting at the Naval  
Communication System, Headquarters Level

As mentioned previously, the Defense Communications Agency requires an hourly report on the circuits under its control, which in a large measure cover the circuits employed by

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<sup>1</sup>U. S. Section 3679 of the Revised Statutes (31 USC 665), para. (i) (1).





the naval communications system. Since the Defense National Communications Control Center issues a daily and monthly detailed report on the operational performance of all the circuits under its control, there is little need for additional reporting to system headquarters about these circuits. However, for the circuits, frequencies, or channels not under the operational control of the Defense Communication Agency, all naval communication system activities are required to report as directed by system's top management directives. Because of the security classification of the directives, only a general discussion can be made. However, these directives set the standards, describe the format for reporting, indicate the frequency of the reports, and the information to be reported. The standards usually are one hundred per cent continuous circuit or frequency availability and with no backlog of messages awaiting to be transmitted. Only very small deviations from standards are permitted before an immediate report is required by message to both the Director of Naval Communications and the system headquarters, citing the circumstances. All deviations are reported either by the recurring six hourly report or by airmail letter depending on the circumstances. Other reports are monthly or quarterly and are largely statistical reports of personnel utilization, equipment, message traffic handled, etc. These latter reports are used primarily for planning purposes and





decision-making background information and assisting in formulating budget estimates.

When the deviations from standards for operations performance are reported by message, the message is immediately brought to the attention of the Head, Naval Communications System who frequently immediately calls a conference of the pertinent branch heads to ascertain if action has been taken or to discuss the situation to ascertain what action must be taken. At other times, if the deviation is not serious or has already been corrected, he will request that he be informed when corrective action is completed or what action was taken.

These operational performance reports and the Defense Communication Agency summaries are funneled into the operations branch of the system headquarters where they are analyzed, evaluated, and summarized into a quarterly operations bulletin and distributed to all activities in the naval communication system with copies to the Director, Naval Communications and to a limited number of others. This bulletin compares each activity with all others in terms of deviations from standards. It also presents comparable data on function, personnel, circuits, equipment, etc. This report is narrative, statistical and graphic in form.<sup>1</sup>

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<sup>1</sup>Interview with Mr. Frank Thornton, February 25, 1963.



Financial Reporting at the Naval Communication  
System Headquarters

As indicated previously, the financial reporting generally is that required by the Comptroller of the Navy. However, for local use within the headquarters a report system has been established as follows. As budget apportionments are received at the headquarters, they are allocated by the Head, Fiscal and Supply Branch to the activities of the naval communication system in accordance with previous planning. Also, budget project funds are established for various branch heads of the headquarters for their use in operating and maintaining the system. These funds are managed for the branch heads by the fiscal and supply officer who submits a weekly report to each branch head on the status of his funds, using as standard the budget and program plan and comparing to these standards the obligations, expenditures, unobligated and unexpended funds. A copy is also sent to the Head, Naval Communication System.<sup>1</sup>

The control of the funds obligated and expended by the activities is maintained by the commanding officers of the activities, with normal accounting through the Navy accounting

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<sup>1</sup>Interview with Captain Philip W. Evans, USN SO, Head, Fiscal and Supply Branch, Headquarters, Naval Communication System, February 26, 1963.







system being made to the Comptroller for the Chief of Naval Operations. He then compiles and summarizes the data and submits a monthly fund status report to the controller for the Director, Naval Communications and to the fiscal and supply officer at the headquarters.<sup>1</sup>

The Head, Naval Communication System practices "management by exception" to the maximum extent. He has assigned responsibility and authority through written charters for each branch head. Accountability for responsibility by the branch heads is done largely by daily direct oral reporting, as there is free access for communications to the Head, Naval Communication System. At least weekly, and usually oftener, the head of the system conducts a conference to discuss policy, plans and problems with all of his branch heads.

There is no reports control program within the headquarters of the naval communication system<sup>2</sup> other than that imposed by the various bureaus and offices, including the reports and forms control program administered by the Chief of Naval Operations.<sup>3</sup>

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<sup>1</sup>Ibid.

<sup>2</sup>Interview with Cdr. R. R. Diebler, USN, Head, System Management Branch, Naval Communication System Headquarters, February 11, 1963.

<sup>3</sup>See, e.g., Appendixes II, III, IV and V.



Office of the Assistant Chief of Naval Operations  
(Communications)/Director, Naval Communica-  
tions Reports and Reporting System

At the Director, Naval Communications level, management of the naval communication system is done almost entirely by the "management by exception" method.<sup>1</sup> As mentioned earlier, responsibility for management of the system has been assigned to the naval communication system adviser who is also the Head, Naval Communication System, with his office at the headquarters of the system. Rear Admiral Roeder's "open door" policy offers freedom of access to him by his adviser. Since the adviser and the head of the system are titles for the same officer, operational performance reporting of the system to the Director, Naval Communications is almost entirely oral. This oral reporting, coupled with special one-time reports, the Defense Communications Agency reports,<sup>2</sup> and the management by exception principle is the means by which Rear Admiral Roeder maintains most of his management control of operations over the naval communication system.<sup>3</sup> In addition to the above, the Controller

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<sup>1</sup>Interview with Rear Admiral B. F. Roeder, USN, Director of Naval Communications, March 12, 1963.

<sup>2</sup>Supra, p. 27.

<sup>3</sup>Interview with Rear Admiral B. F. Roeder, USN, March 12, 1963.





for Director Naval Communications provides Rear Admiral Roeder with monthly financial statistical reports on the status of funds over which he has management responsibility and, also, status of related funds managed by other bureaus and offices, but are expended and obligated by the system. This information, presented in a narrative, statistical form uses as a standard the approved budget plan and approved programs; however, the information is usually six to eight weeks old. The information reported is that decided upon by the Controller, as the Admiral has not requested specific information. Frequently, special reports are supplied on request to Rear Admiral Roeder, and these are usually both written and oral.<sup>1</sup>

There is no coordinated control or synthesis of reports or reporting of the operations and financial aspects of the system to Rear Admiral Roeder except that done himself.<sup>2</sup>

In summary, then, the information for Rear Admiral Roeder's decision-making and management control of the naval communication system operations is provided by a non-centrally controlled reporting system filtered at the Naval Communication System Headquarters, supplemented by reports from Defense Communication Agency and from the Controller, Assistant Chief

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<sup>1</sup>Interview with Mr. Norman F. Watkins, Controller, Office of Naval Communications, February 19, 1963.

<sup>2</sup>Ibid.





of Naval Operations (Communications)/Director, Naval Communications. For the most part these reports on operations are orally presented, supplemented by written reports.



## CHAPTER III

### CONCLUSIONS AND RECOMMENDATIONS

#### Conclusions

This investigation of the reports and reporting system in the naval communication system can by no means be considered a management audit or a survey. Time and manpower mitigated against the more comprehensive investigation. However, a deeper audit or survey is not necessary to test certain areas of the report system to develop a conclusion or an opinion of whether the existing management controls are, in fact, abetted by the reports and whether the system provides a flow of information sufficient for the top management to be effective.

To evaluate a reporting system, two things have to be provided: first, a standard or model report system, and, secondly, an objective examination of the existing system. This has been done in this paper. The model reports and reporting system was developed as one that would suffice to provide the flow of information for management control and decision-making. Chapter II reported the results of certain





areas of the reporting system in the naval communication system headquarters and within the office of the Director, Naval Communications, who has the ultimate responsibility for the operations and maintenance of the naval communication system.

From the operational point of view, the system is unique in that it is an organization designed to do just what is being tested in this paper: provide a system for a flow of information for control and decision-making. Since the system is designed to fulfill stringent requirements, the performance standards are set high: one hundred per cent effectiveness. All the activities are in continual communications with one another and the headquarters, and any operational performance deviation beyond a small tolerance from standard is immediately reported as prescribed in directives from top management.

In short, factual information is effectively communicated with the minimum of elapsed time between the event and the reporting of it and only to those who need to know for control and decision-making purposes.

Management by exception is practiced both at the system headquarters and by the Director, Naval Communications, with Rear Admiral B. F. Roeder getting his operational information largely through oral reports supplemented by written reports.

The information flow for financial control is not as timely as that for operational performance. However, it need



not be as responsive, as the budget is, itself, a control device. The report and reporting system is management's check on compliance. Since the Director, Naval Communications, has management responsibility of only two appropriation funds and is dependent upon other bureaus and offices for information and control of the other funds, he is somewhat restricted in flexibility to manage in these areas.

Although the reporting system provides the necessary flow of information for operational control by immediately detecting variations from standards, there seems to be a lack of collecting and reporting of information pertaining to the efficiency of operations.

Since the standards are set near perfection, there is a natural tendency for managers to provide the resources to ensure positively that standards will be met. This is especially true in the naval communication system as anything less than standard is an extremely hazardous condition from the military readiness point of view. Of course, too many resources--men, money, and materials--can be accumulated. While performance measures up to the standards, it may not be done efficiently.

The provision of the proper amounts of resources is not an easy problem to solve, for there is always the question of how much is enough. This becomes more difficult when planning is based on possible contingencies that might arise sometime in the future. However, it is still an incumbency of the manager to know how efficiently the resources provided are being utilized.





When deviation from standard is excessive, it becomes readily apparent that either resources are inadequate or they are managed ineffectively. On the other hand, when performance does not deviate excessively from standard, the measurement of efficiency becomes an important consideration. The manager must know the efficiency of operations in order to know the capacity of operations with the resources he has and, also, to be able to detect trends that might indicate future problems unless early action is taken.

As indicated in Chapter II, statistical information about message traffic, personnel, and equipment is reported to the headquarters by the operating activities. The interview with Mr. Thornton revealed that only a fraction of the information was currently used, primarily because of manpower and time limitations. As a result, the efficiency of operations of an activity could be determined historically, if desired, but is presently not being determined sufficiently soon enough after the event to be useful for control purposes. Effectiveness is measured but efficiency is not being determined concurrently.

This should not be construed that accurate measurement of efficiency of operations in the naval communication system is possible for there are many variables involved, including such intangible variables as the proficiency of the operators, different transmission procedures and methods, atmospheric conditions and the tempo of operations. There is, however,





enough information available that, if rapidly compiled, evaluated, and analyzed, would be a useful control tool for overall operations, even though the result be only a close approximation of the efficiency of operations.

### Recommendations

Even though the reporting system provides the flow of information for operational control and decision-making to the satisfaction of the Director, Naval Communications, it is felt there is room for definite improvement of the system. It is recommended that:

1. A central reports control point be established for the collection, evaluation, analysis and summarization of the flow of information. This should be done both at the Headquarters, Naval Communication System, and in the office of the Director, Naval Communications. Within the office of the Director, Naval Communications the ideal location would be in the office of the controller, where much of the information is already available due to the flow of the budget and program information to this office.
2. The statistical information supplied by the activities of the naval communication system be processed by the use of automatic data processing equipment. With little additional information from the activities, all information reported more



frequently, and good programing, the managers of the communication system could have another management tool to increase flexibility of operations, to plan better, and to have better budget execution control.

3. A study be made by the Management Service Branch located in the office of the Chief of Naval Operations. Since this investigation did not penetrate into all of the areas of the reporting system, more study and investigation are needed so that, before final conclusions can be drawn, the whole reporting system should be reviewed in detail. Such further study seems feasible, as included in the responsibilities of the Management Service Branch are those of "providing staff assistance to operating personnel in the development of reporting requirements and systems," and "conducting complete methods and procedures studies of reporting systems."<sup>1</sup>

Although recommendations were made for the improvement of the reporting system of the naval communication system, the existing reporting system does provide the information for control and decision-making effectively to manage the operations of the system. The answer to the question raised at the beginning of this paper is yes.

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<sup>1</sup>Chief of Naval Operations Instruction 5213.12B, "Subject: Reports Control Program Within OPNAV." October 22, 1961. Files in office of Chief of Naval Operations.







APPENDIX I

Check List for Evaluation of Published  
Management Reports

Enclosure (1) of SecNav Note 5220 of 19 December 1952

This check list is to be used by management in appraising the published management reports submitted by its various staff organizations. The answers to the questions on the check list will highlight specific weaknesses so that management can tell its personnel what they can do to improve the reports.

If you can answer "yes" to all the questions in the check list for any report, that report is effective as a tool in keeping you properly informed.

This check list is not a report. It merely organizes questions you should ask when looking at a report and provides a quick way of recording management satisfaction or dissatisfaction with the report.

The check list is of little value unless you use it to take corrective action. The completed check list should be filed so that it can be compared with a subsequent evaluation made on the same type of report at a later date.

Bureau \_\_\_\_\_ Period Covered \_\_\_\_\_

Name of Report \_\_\_\_\_

---

Section I--Use of Management Publication

	Yes	No
1. Is the report concerned with an area of assigned responsibility?	_____	_____



- |  | Yes   | No    |
|--|-------|-------|
| 2. Is the report directed to the management level responsible for acting in this area of responsibilities? | _____ | _____ |
| 3. Is the purpose of the report clearly stated?  | _____ | _____ |
| 4. Is the content of the report consistent with the stated purpose?  | _____ | _____ |
| 5. Does the report describe the area or program in quantitative terms?                                     | _____ | _____ |
| 6. Does the report measure actual performance in the area or program?                                      | _____ | _____ |
| 7. Is actual performance compared with plan or selected level of performance?                              | _____ | _____ |
| 8. Does the narrative analysis point out differences from the plan or selected level of performance?       | _____ | _____ |
| 9. Are important differences explained?  | _____ | _____ |
| 10. Are conclusions drawn and recommendations presented?   | _____ | _____ |
| 11. Does the analysis indicate responsibility for corrective action?                                       | _____ | _____ |
| 12. Does the report cover areas on which action can be taken by management for whom report is intended?    | _____ | _____ |
| 13. Have actions been taken, based on information contained in the report?                                 | _____ | _____ |
| 14. Does the report meet a specific need of management?  | _____ | _____ |

#### Section II--Content of Management Publication

- |   |       |       |
|---|-------|-------|
| 1. Is the report free from extraneous material or excessive detail? | _____ | _____ |
| 2. Does the report reach management in time for corrective action?  | _____ | _____ |





- |   | Yes   | No    |
|---|-------|-------|
| 3. Is the report, if recurrent, received at proper intervals to permit management to forestall bad situations?  | _____ | _____ |
| 4. Does the report avoid technical jargon and complex mathematical statistical material?  | _____ | _____ |
| 5. Is the report accurate enough for management to use?   | _____ | _____ |
| 6. Is the relative accuracy of the statistics stated in non-technical terms?  | _____ | _____ |
| 7. Does the narrative analysis form a part of the report?   | _____ | _____ |
| 8. Does the narrative analysis cover all key points in charts and/or tables?  | _____ | _____ |
| 9. Has the purpose and content of the report been explained to management either in advance of first reports or shortly after first reports have been prepared? | _____ | _____ |
| 10. Has there been a determination of the cost of reporting?  | _____ | _____ |
| 11. Does the use of the report justify the cost?  | _____ | _____ |

#### Section III--Details of Presentation in Management Publication

- |   |       |       |
|---|-------|-------|
| 1. Do the charts and tables simplify or clarify the presentation?                   | _____ | _____ |
| 2. Is each chart and table complete enough to stand by itself?                      | _____ | _____ |
| 3. Is each chart and table simple enough to avoid misunderstanding?                 | _____ | _____ |
| 4. Does each chart and table have a title which contains subject and dates covered? | _____ | _____ |





	Yes	No
5. Is the body of the chart labelled properly?	_____	_____
6. Does the scale avoid distorting relationships?	_____	_____
7. Is the chart free from excess decoration?	_____	_____



APPENDIX II

OPNAV Instruction 5213.4B

From: Chief of Naval Operations

To: Distribution List

Subj: Reports required from the Operating Forces of the Navy

Ref: (a) OPNAVINST 5213.7 (current edition), subj:  
Consolidated list of recurring reports required by  
bureaus and offices, Navy Department, from the  
Operating Forces

1. Purpose: To reissue procedures for the review and control of all requirements of reports from the Operating Forces of the Navy, and the maintenance of the consolidated list of these reports.
2. Cancellation:
  - a. OPNAV INSTRUCTION 5213.4A of 24 August 1960, subject: Reports required from the Operating Forces of the Navy.
  - b. OPNAV INSTRUCTION 5213.14 of 5 December 1958, subject: Consolidated list of recurring reports required by the bureaus and offices, Navy Department, from the Operating Forces; maintenance of.
3. Background. The Chief of Naval Operations has been and is concerned with the volume of reporting requirements imposed upon the Operating Forces by the bureaus and offices of the Navy Department. This volume is due to both recurring and one-time reports. In view of the heavy operational demands on all forces afloat, these requirements should be kept to a minimum.
4. Action.
  - a. Reports Clearance. Addressees shall submit to the Chief of Naval Operations, for review prior to issuance, any new or revised recurring reporting requirements addressed to the





Operating Forces, less assigned shore activities. This submission shall be accompanied by a letter explaining the need for the report, and the use for which it is designed. One-time reports shall be reviewed by the requiring bureaus or offices, in accordance with standard reports analysis and control procedures, with a view toward reducing the workload on the Operating Forces.

b. Maintenance of Consolidated List of Recurring Reports. In order to maintain and publish a current list of reports required of the Operating Forces by components of the Navy Department, reference (a), addressees are requested to submit, after compliance with the provisions of subparagraph a. above, one completed copy of OPNAV Form 5213-13 to the Chief of Naval Operations (Op-09B83) for each addition, deletion, or revision that occurs in a recurring report required from the Operating Forces, and for each discrepancy found in the list. The form should be prepared in accordance with instructions thereon, and should be submitted at the time the report change occurs, or when the discrepancy is noted.

5. Supplies of the Form. Supplies of OPNAV Form 5213-13 may be ordered from the Chief of Naval Operations (Op-09B83), as required.

G. R. DONAHO  
Assistant Vice Chief of Naval Operations/  
Director of Naval Administration

Distribution:

SNDL A2 (Executive Office of the Secretary)  
A4 (Judge Advocate General)  
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Detachments & Divisions)



27C (Sea Frontier Commanders) (COMEASTSEAFRON and  
COMWESTSEAFRON, only)

38A (Reserve Fleet Commands)

41A (Commander, MSTIS)

F2 (Naval District & River Command Commandants)

All Divisions of OPNAV

Additional copies may be obtained from:

NWP, Washington, D. C. (100)

OPNAV 5213.4B

Op-09B83

Ser 3135P09B8

6 June 1962



APPENDIX III

OPNAV Instruction 5213.5B

From: Chief of Naval Operations

To: Distribution List

Subj: Reports control program in the naval shore activities under the management control of the Chief of Naval Operations .

Ref: (a) Reports Analysis and Control Program Manual, NAVEXOS P-614

1. Purpose: To reissue the policy for the maintenance of a reports control program in subject activities.
2. Cancellation: OPNAV INSTRUCTION 5213.5A.
3. Policy. It is the policy of the Secretary of the Navy that all major organizational components throughout the Department of the Navy provide for a continuing and systematic appraisal of all reports, to insure that they contribute to the basic mission, that managers at all levels require only information that is essential and consistent with the cost of preparing and processing, and that these needs are met with efficient reporting systems designed to insure the most useful and timely information with a minimum of effort.
4. Action Required. Action addressees shall conduct an organized and continuing effort in their organizations in support of the policy stated above. Other addressees should maintain programs if they feel that the efficiency and economy in reporting procedures to be achieved thereby warrant the program. The following proven techniques should be employed by addressees in managing their reports:
  - a. Providing trained staff assistance to operating personnel in the development of reporting requirements and systems.





- b. Conducting complete methods and procedures studies of reporting systems on a project basis, normally by functions.
  - c. Organizing periodically a comprehensive review of all reports required and prepared by their organization.
  - d. Maintaining a reports clearing point with the basic function of reviewing all reporting requirements to insure that minimum standards of good reporting are met, to serve as a central point for information regarding reports required and prepared, and to identify, for complete procedural study, problem areas related to reporting requirements and systems.
5. Reports Manual. Reference (a) sets forth detailed procedures for installing and operating a reports control program. Copies of this publication are available through the FPSO stock points.
6. Requirements for Reports to be Submitted by Naval Message. In order to reduce the administrative traffic of reports submitted by message, originators of reporting requirements, insofar as is practicable, shall:
- a. Eliminate specific requirements for reports by message.
  - b. Establish deadline dates allowing sufficient time for receipt of reports so as to eliminate or reduce the requirement for the use of messages.
  - c. Authorize specifically reports by mail in appropriate cases.
7. Technical Assistance. Naval district commandants (district management assistance officers) are prepared to provide assistance, upon request, in carrying out the provisions of this Instruction.

G. R. DONAHO  
Assistant Vice Chief of Naval Operations  
Director of Naval Administration

OPNAV 5213.5B  
Op-09B83  
Ser 3157P09B8  
22 October 1961



## Distribution:

SNDL F2 (Nav Dist & River Comd Comdts) (less SRNC, 10, 15,  
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Op-09B4

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APPENDIX IV

OPNAV Instruction 5213.12B

From: Chief of Naval Operations

To: All Divisions of OPNAV

Subj: Reports control program within OPNAV

Encl: (1) Sample Reports Analysis Data Sheet, OPNAV  
Form 5213-3

1. Purpose: To promulgate procedures and responsibilities for the administration of the reports control program within OPNAV.
2. Cancellation: OPNAV INSTRUCTION 5213.12A.
3. Policy. It is the policy of the Secretary of the Navy that each major organizational component of the Department of the Navy provide for a continuing and systematic appraisal of all reports, to insure that they contribute to the basic mission, that managers at all levels require only that information which is essential and consistent with the cost of preparing and processing, and that these needs are met with efficient reporting systems designed to insure the most useful and timely information with a minimum of effort.
4. Implementation. Reports control programs are in effect in the Operating Forces of the Navy, and field activities under the management control of the Chief of Naval Operations. In order to make these programs effective and implement the policy of the Secretary of the Navy, an aggressive program must be pursued within OPNAV.
5. Responsibilities. Responsibility for the administration of the reports control program in OPNAV is assigned to the Management Services Branch (Op-09B83). This includes:



- a. Providing staff assistance to operating personnel in the development of reporting requirements and systems.
- b. Conducting complete methods and procedures studies of reporting systems on a project basis, normally by function.
- c. Organizing periodically a comprehensive review of all reports required and prepared by OPNAV, and components under the command or management control of the Chief of Naval Operations.
- d. Maintaining a reports clearing point, with the basic function of reviewing all reporting requirements to insure that minimum standards of good reporting are met, serving as a central point for information regarding reports required and prepared, and identifying for complete procedural study problem areas related to reporting requirements and systems.
- e. Publishing periodically a list of recurring reports required by the bureaus and offices of the Navy Department of the Operating Forces of the Navy.

## 6. Procedures.

- a. Required Reports. An office desiring to establish a new or revised reporting requirement shall clear with Op-09B83 the proposed requiring directive, furnishing a completed copy of enclosure (1). After the requirement has been established, the office shall supply Op-09B83 with a copy of the signed directive and a sample copy of the actual report.
- b. Prepared Reports. Upon receipt of a new or revised reporting requirement or request from a bureau or office of the Department of the Navy, or another Government or public agency, the receiving OPNAV office shall furnish Op-09B83 with a copy of such requirement or request.
- c. Cancellation of Reports. An office canceling or receiving cancellation of a reporting requirement shall furnish Op-09B83 with a copy of the canceling directive. When a "required report" has been determined to be no longer necessary, cancellation by directive shall be effected promptly.





- d. Directives Control. The Directives Control Section, Op-09B24D, shall route to Op-09B83 for clearance, prior to assignment of a consecutive number, any proposed OPNAV directive requiring a report which has not previously been cleared by that office.
7. Requirements for Reports to be Submitted by Naval Message. In order to reduce the administrative traffic of reports submitted by message, originators of reporting requirements, insofar as is practicable, shall:
- a. Eliminate specific requirements for reports by message.
  - b. Establish deadline dates allowing sufficient time for receipt of reports so as to eliminate or reduce the requirement for the use of messages.
  - c. Authorize specifically reports by mail in appropriate cases.

G. R. DONAHO  
Assistant Vice Chief of Naval Operations/  
Director of Naval Administration

OPNAV 5213.12B  
Op-09B83  
Ser 3155P09B8  
22 October 1961





APPENDIX V

OPNAV Instruction 5213.8

From: Chief of Naval Operations

To: Distribution List

Subj: Reduction of Volume of One-time Reports

Ref: (a) OPNAV INSTRUCTION 5213.4 (Reduction of Volume of Recurring Reports required from the Operating Forces) of 12 Dec 1952.

1. Purpose. The purpose of this Instruction is to request a more adequate review of one-time reports required of the Operating Forces of the Navy.
2. Background. The Survey of Paperwork in the Destroyer Force, Atlantic Fleet, in the fall of 1955 stated that "a continuing problem and a cause of considerable paperwork is the one-time report required by bureaus and offices of the Navy Department." Reference (a) requires that only recurring reports required of the Operating Forces of the Navy be reviewed by the Chief of Naval Operations. It is believed that the problem of one-time reports can best be corrected within the originating bureau or office.
3. Action. Addressees are requested to establish procedures which will assure an adequate review of all future one-time reports required of the Operating Forces of the Navy. Such a review should include the need for the report, means of transmission, duplication of previous one-time reports or recurring reports, effective reporting procedures, simplified forms, and clear and complete reporting instructions.

G. L. RUSSELL  
Deputy Chief of Naval  
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Control through a reporting system.



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