

educational institutions. A laboratory is not too distinct or too different from this, and if it is desirable to do, I am sure that the quality of a laboratory can be changed by a conscious decision to change it by the infusion of new leadership or new talent.

Dr. MACARTHUR. We certainly agree to that. I think one of our biggest problems in trying to get new and strong leadership in DOD laboratories for personnel. In Government organizations, it seems to me that the primary objective is to protect the individual's right and the secondary objectives is to the productivity of the organization. In the private sector, it is the reverse. The primary objective is the productivity of the organization, and the secondary consideration is protection of the individual's rights.

Now, under the civil service system it is very difficult to get rid of marginal people, they have to be incompetent before you can "fire" them, and it is very difficult to prove that people are incompetent. We are after a system where we can get rid of marginal people. In striving for this to achieve a higher degree of excellence, this is a very difficult job where the individual's right is protected.

Mr. DADDARIO. In one way or another this is a problem that exists everywhere, in industry as well. Many industries have some people who admittedly are incompetent and they keep them on forever.

Dr. MACARTHUR. But they don't have to.

Mr. DADDARIO. They don't have to, but they do.

Dr. MACARTHUR. I was talking about marginal people. Incompetence we can get rid of, but with fair or marginal people, it is very difficult to do anything.

And it is the same thing in a university once you have tenure, but in the industrial sector it is a little easier if you want to get rid of somebody. You can get rid of them pretty easily if the desire is there.

Mr. BROWN. This point you make is one of the main reasons where a competitive system is better. If it is a profit reward you have to get rid of those things which inhibit the profit ability.

Dr. MACARTHUR. I should add that where we have a strong laboratory director, anybody who is asked to leave or look for another job, in 90 percent of the cases they will. In 10 percent of the cases, they won't. They will say, "prove it," and then you go through various appeal mechanisms, and to get rid of one individual might take 20 percent of your energy for 1 whole year. What you do then is you develop—

Mr. DADDARIO. You insulate.

Dr. MACARTHUR. That is right.

Mr. DADDARIO. Proceed.

GUIDELINES FOR INTERAGENCY SUPPORT

Dr. MACARTHUR. I believe, in the long run, if you (as an agency) need an R. & D. capability, to be most effective you have to do some of it yourself—you cannot solely rely on other Government agencies.

My reasons are:

- (1) You need people who have your interests and priorities.
- (2) You need people whom you can directly control.
- (3) You need people who are working in, just not watching, the technology in areas you need.