

**United States Military Academy
West Point, New York 10996**

**A Study of
Strategic Performance Measurement
in OASA(FM&C)**

**OPERATIONS RESEARCH CENTER
TECHNICAL REPORT**

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By

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Executive Summary

As the federal government continues to improve its financial accountability to the taxpayers, the Department of Defense (DoD) is also trying to increase its efficiency. Within DoD, the Department of the Army and specifically, the Office of the Assistant Secretary of the Army for Financial Management and Comptroller (OASA(FM&C)) are critical participants in this search for better business practices and enhanced control over the Planning, Programming, Budgeting, and Execution System (PPBES), which is the Army's process for obtaining the funds required to complete its mission. The ASA(FM&C), Mrs. Helen McCoy, wants to improve the performance of her organization in managing the Army's budget.

Mrs. McCoy seeks to measure her organization's performance with respect to her peer organizations in and out of the federal government. However, in order to benchmark OASA(FM&C) against other entities, the internal processes, products, and services must be examined and thoroughly understood. This examination should include an assessment of the user's requirements for each of the products and services OASA(FM&C) provides, and a description of the qualities and attributes associated with these products and services. Once this analysis is complete, then OASA(FM&C) can compare its performance against its peer organizations.

This report studies the process of developing performance measures for financial management in the federal government, and contrasts this process with the methodologies and performance measures used in the private sector. Performance measures and practices currently in use by other organizations are reviewed, and lessons are extracted from the relevant literature. A case study of one segment of OASA(FM&C)'s customers is presented, and performance measures are proposed. Finally, conclusions from this case study are drawn, and topics for further research are suggested.

1.0 Introduction

1.1 Background

The office of the Assistant Secretary of Army (Financial Management & Comptroller) (ASA(FM&C)) is undergoing a fundamental change in how it manages the Army's budgeting process. Under the guidance of the Assistant Secretary of the Army for Financial Management and Comptroller, the Honorable Mrs. Helen T. McCoy, the organization developed a strategic plan that is a new framework to evaluate, and improve as necessary, how the organization manages and performs its financial management functions.

Mrs. McCoy and her team developed a strategic plan that outlines objectives, strategies, and actions necessary to accomplish missions required of OASA(FM&C). The mission of OASA(FM&C) is as follows: To provide timely and credible financial management information, guidance, products, and services, and foster stewardship and accountability in support of Army mission accomplishment (OASA(FM&C) Strategic Plan, 1999). The goals the organization wants to achieve are listed below:

Goal 1: Become the leaders in DoD financial management

Goal 2: Excel in organizational management, teamwork, and communication

Goal 3: Foster and recognize quality in the ASA(FM&C) workforce

Goal 4: Focus on customers

Goal 5: Be a recognized leader in innovation in the federal government

At Appendix A is a hierarchical breakdown of the organization's mission, vision, goals, and objectives for FY2000. As senior leaders in OASA(FM&C) formulated this strategic plan, they worked with their subordinates to develop performance measures for each of their actions in their

strategic plan. However, most of these measures were based on milestones rather than measures linked to the objectives listed at Appendix A.

This deficiency was complicated by the fact that one goal in the strategic plan was not fully developed into strategies and subsequent action plans. To complete the development of goal 4 – “Focus on Customers,” Mrs. McCoy directed Ms. Barbara Bonessa, Chief of the Integration and Evaluation Division in the Army Budget Office (OASA(FM&C)), to lead in the effort to formulate strategies and action plans for this goal. Ms. Bonessa built a multi-disciplinary team consisting of a survey expert from the Personnel Survey Branch, Army Research Institute (ARI), and the author, an operations research analyst from the Operations Research Center (ORCEN), US Military Academy to assist in this endeavor.

1.2 Initial Proposal

The problem facing OASA(FM&C) was that the organization had no method to compare itself to other financial management organizations (Sturek, 1999). Traditional financial management performance measures, based on Generally Accepted Accounting Procedures, were not appropriate for assessing performance for OASA(FM&C) due to the organization’s unique mission to manage the Planning, Programming, Budgeting, and Executing System (PPBES). This is complicated by a set of constraints unique to the federal government, and in particular, the Department of Defense.

Sturek proposed the following work for Fiscal Year (FY) 2000 to address the problem described above:

[OASA(FM&C) should] benchmark financial management performance measures with government sector financial management organizations and private sector organizations. Benchmarking is a proven, effective tool from the private sector and it would allow OASA(FM&C) leadership to quantitatively compare performance measures with other

government agencies and the private sector. Ultimately OASA(FM&C) could better assess their organizational performance.

Sturek went on to propose the methodology that the ORCEN analyst could follow in conducting this work:

Step 1 –research financial management functions to recommend a set of performance measures for FM&C

Step 2 –find federal agencies and private sector organizations to share data

Step 3 –collect data from FM&C and participating organizations for comparison

Step 4 –analyze data and compare performance (benchmark)

Step 5 –recommend a plan of action to improve any weaknesses

However, this proposal proved to be too unwieldy to accomplish in Fiscal Year (FY) 2000. The foremost challenge in conducting this benchmarking analysis was the lack of research results available for measuring financial management performance in general, and financial management performance in the public sector in specific. There does exist a body of literature suggesting very high-level performance measures (primarily in the private sector), but the detailed development of financial management performance measurement is too immature for OASA(FM&C) to make a meaningful comparison to its peer organizations.

Furthermore, OASA(FM&C) was not prepared to compare its performance against a set of peer organizations. As described in the literature discussing benchmarking, organizations need to need to identify and understand the critical processes it would use for the comparison. This understanding of the critical processes should include an assessment of the customers' (or external stakeholders') requirements for the process, and a map of the processes' flow in the organization (Jacob, 1992; Kendrick, 1992; Camp, 1993, Artley et al, 2000). OASA(FM&C) had never

completed these tasks with enough detail to allow the organization to benchmark itself against other entities.

1.2.1 Primitive Needs Analysis

The most common measures in use in the financial management community are focused on the accounting and finance functions (Gates, 1999). These types of measures have very little relevance to the functions performed by OASA(FM&C), and are less applicable as an indicator of the achievement of OASA(FM&C)'s objectives. For example, a typical measure used in accounting is the time to "close" the financial books or statements. While this is important to a private sector company as a measure of preparing its financial statements, this measure when applied at OASA(FM&C) has little meaning, since the annual financial report submitted for the Army is a statutory requirement with a legally imposed deadline.

Given this poor state of financial management performance measures, Mrs. McCoy wanted the ORCEN analyst to research other government agencies' and private sector companies' performance measures to determine their applicability to OASA(FM&C). By completing this study, OASA(FM&C) could draft similar measures that would help the organization better assess its financial management performance as compared to its immediate peers (FM organizations within DoD) and with respect to its strategic plan.

1.2.2 Stakeholder Analysis

Stakeholder analysis identifies the people that have a keen interest in a particular system or organization and have the ability to influence the strategies needed to meet their specific needs. The stakeholders internal to the organization assessed in this study are the following: the OASA (FM&C) executive team (Mrs. McCoy and Mrs. Olmes), the Deputy Assistant Secretaries (DASAs)

in OASA(FM&C), and the action officers in OASA(FM&C) working for the DASAs to implement the strategies. The Deputy Chiefs of Staff for Resource Management (DCSRMs) at twenty-three Major Army Commands (MACOMs) were also surveyed to determine their interests in the performance measurement system and to assess their satisfaction with the products and services provided to them by OASA (FM&C). These DCSRMs were selected because they are the primary users of the products and services provided by OASA(FM&C) and their feedback should help the leadership in OASA(FM&C) better meet their needs. The following table identifies the stakeholders for OASA(FM&C) and their interest in the performance of the OASA(FM&C).

Groups/Customers	Stake/Interest
OASA (FM&C) Executive Team	-desires a method to compare OASA(FM&C) performance in financial management to DoD, federal, and private sector peers -wants to assess overall OASA(FM&C) organizational performance with respect to strategic plan
Deputy Assistant Secretaries	-desire to find best way to measure customer satisfaction with OASA(FM&C) products/services
OASA(FM&C) Action Officers	-desires improved efficiency in providing products/services to customers on a day-to-day basis
DCSRMs	-accurate and timely financial management information, policy and guidance

Table 1 – Stakeholders, Customers and Interests

1.2.3 Effective Needs Analysis

After researching the state of financial management performance measurement in the public and private sector, meeting with senior leaders in OASA(FM&C), and assessing the needs of a

segment of OASA(FM&C)'s customers, the author arrived at the following effective need statement:

The assessment methods in place today do not allow OASA(FM&C) to effectively measure financial management performance with respect to the products/services they provide. The organization has not discovered a set of attributes that describe OASA(FM&C) performance associated with providing these products/services, nor do they have a method in place to measure customer satisfaction with these products/services. Furthermore, each customer segment uses a unique set of OASA(FM&C) products/services.

The goal for the system this paper describes is as follows:

To determine a methodology for measuring financial management performance with respect to customer satisfaction and the OASA(FM&C) strategic plan.

This paper addresses the problem of determining financial management performance measures that accurately describe OASA(FM&C) performance associated with specific products/services from the customer viewpoint. The framework used in developing a sub-set of measures for a single customer segment can be applied to other products/services used by other customer segments. Section 2 describes the methodology used in this research to develop a sub-set of financial management performance measures, to include related work, customer and internal stakeholder analysis, and how these proposed measures link back to the OASA(FM&C) strategic plan. Section 3 suggests areas of future work for improving the organization's ability to accurately assess its performance in the financial management arena.

2.0 The Performance Measurement Problem

The process of arriving at performance measures for any organization is an arduous task. In particular, getting all members of an organization to agree on a set of measures that indicate their performance with respect to a strategic plan requires teamwork and emphasis from the top-most layers of the organization. Too often, organizations fail to focus on the key performance measures

for their organization, whether by trying to track too many measures, or by using measures that are not good indicators of the performance of the organization.

In order to use performance measures to help effectively manage an organization, a systematic review of the organization's key processes must be completed. By thoroughly understanding the internal processes of the organization and how these processes link to external customers, the leaders of an organization can then describe the desired qualities and attributes associated with providing the products and services that are a outputs of these processes. These qualities and attributes become the basis for performance measures that should support achievement of the objectives in the organization's strategic plan.

2.1 Related Work

A survey of the literature on financial management performance measures failed to produce papers directly related to the OASA(FM&C) problem. However, several independent studies of strategic performance measurement plans and the processes that different organizations used to develop these plans have been conducted. These studies will be examined later in this paper with respect to how they apply to the OASA(FM&C) problem.

2.1.1 Typology of performance measures relative to strategic planning

In order to further explore the relevant literature in performance measurement, the terminology of performance measurement must be described. Several renowned authors have suggested varying definitions of performance measures and how they should be applied to help organizations run better. Sproles (1999) suggests that organizations should use "measures of effectiveness (MOEs)" rather than "measures of performance (MOPs)," since MOEs describe how

well a solution (effectiveness) meets the stakeholders' need, whereas MOPs are generally concerned with what a particular solution does regardless of its intended service. Broom, Jackson, et al (1999) further distinguish between outcome measures and output measures as follows:

Output measure: A measure of the number of units produced, services provided, or people served by an agency or its programs.

Outcome (also called: effectiveness or impact) measure: A measure of the extent to which a service has achieved its goals or objectives, and as defined, met the needs of its clientele, or met commonly accepted professional standards.

But how does an organization move away from output measures and towards outcome measures? An example of the flow from output measures to outcome measures (from Broom, Jackson, et al, 1999) is depicted in Figure 1. Note that the level of specificity for the measures increases dramatically as the decision maker moves from a generic output measure through very detailed output measures, then finally arrives at the eventual outcome that is important to the stakeholders as the intended outcome became clear.

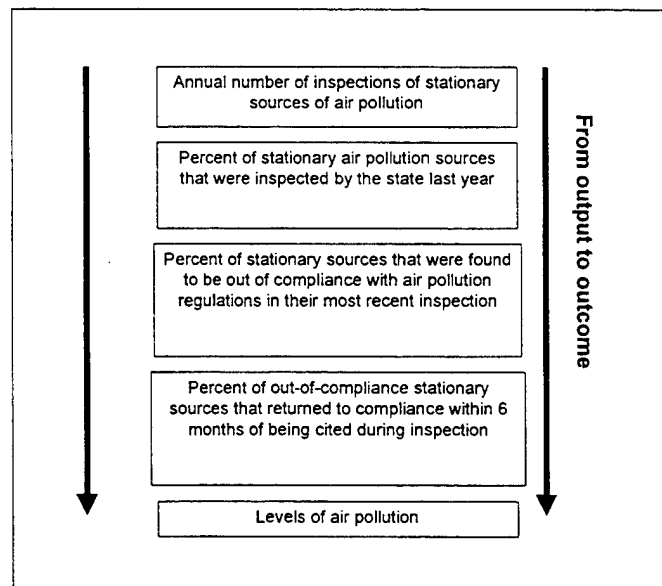


Figure 1: Example of refining output measures to outcome measures

In a similar process, OASA(FM&C) could refine the proposed output measures it has in place for specific products/services and processes to arrive at appropriate outcome based measures. This refinement will be discussed later in this paper, and will include a framework for developing appropriate measures at different levels of the organization.

Gates (Spring, 1999) further narrows the definition of outcome measures to strategic performance measures used in a strategic performance measurement system. His study highlights the effectiveness in strategic performance measurement systems that “translate business strategies into deliverable results.” He defines a set of strategic performance measures that are non-financial - measures intended to track an organization’s progress towards strategic goals or objectives. These measures do not include typical financial measures such as net income, earnings, return on investment, etc., but are instead measures of such things as employee productivity, customer satisfaction, and product innovation. This focus on strategic performance measures helped identify the framework for potential performance measures for the OASA(FM&C) problem.

As expressed in the literature reviewed, a performance measure is typically composed of a number and a unit of measure. The number gives a magnitude (how much) and the unit gives the number a meaning (what). Performance measures can be represented by single dimensional units like hours, meters, nanoseconds, dollars, number of reports, number of errors, number of CPR-certified employees, length of time to design hardware, etc. They can show the variation in a process or deviation from design specifications. Single-dimensional units of measure usually represent very basic and fundamental measures of some process or product.

More often, multidimensional units of measure are used. These are performance measures expressed as ratios of two or more fundamental units. These may be units like miles per gallon (a performance measure of fuel economy), number of accidents per million hours worked (a

performance measure of an organization's safety program), or number of on-time vendor deliveries per total number of vendor deliveries. Performance measures expressed this way almost always convey more information than the single-dimensional or single-unit performance measures. Ideally, performance measures should be expressed in units of measure that are the most meaningful to those who must use or make decisions based on those measures.

In Table 2, a generic categorization of performance measures as suggested by Artley et al (September 2000) is given. This classification of measures is restricted to measures that are ratios and focuses on the importance of customers in defining the criteria for the measures. These categories of measures will help OASA(FM&C) focus their strategic measures on ratio-based measures (where appropriate) that will help them assess their organization's performance.

Measure of...	Measures...	Expressed as a ratio of...
Efficiency	Ability of an organization to perform a task	Actual input/planned input
Effectiveness	Ability of an organization to plan for output from its processes	Actual output/planned output
Quality	Whether a unit of work was done correctly. Criteria to define "correctness" are established by the customer(s).	Number of units produced correctly/total number of units produced
Timeliness	Whether a unit of work (product/service) was done on time. Criteria to define "on-time" are established by the customer(s)	Number of units produced on time/total number of units produced
Productivity	The amount of a resource used to produce a unit of work	Outputs/inputs

Table 2 - Categories of performance measures

Scheimann and Lingle (1999) as well as Artley et al (Spring, 1999) characterize "good" performance measures as measures that possess the following qualities:

Validity: *Does this measure really measure the intended concept?*

Reliability: Does the measure exhibit a minimum amount of noise or error, changing only when the underlying concept of interest changes?

Responsiveness to change: Does the value of the measure change quickly when the underlying concept changes?

Ease of understanding: Can the measure be easily explained and understood?

Economy of collection: How much additional cost will be required to calculate this measure on a quarterly basis?

Balance: Are the measures as a group balanced along important dimensions? (e.g., short term vs. long term, across multiple stakeholder perspectives)

These “goodness” indicators will help OASA(FM&C) identify the performance measures that satisfy the above conditions. How the organization can develop these measures will be discussed in the next section.

2.1.2 Processes proposed to develop PMs

Numerous authors have proposed frameworks for developing performance measures and performance measurement systems. One common theme in all of the literature reviewed is the notion that performance measures should not be a stand-alone method of gauging an organization's success. Rather, the performance measures should be part of a system that links the organization's desired outcomes to its processes used to arrive at that desired outcome. In other words, performance measurement should be part of an overall management system aimed at achieving conformance of the product or service to the customer's requirements. Additionally, performance measurement should be concerned with process optimization through increased efficiency and effectiveness of the process or product. These actions should occur in a continuous cycle, allowing options for expansion and improvement of the work process or product as better techniques are discovered and implemented. This cycle must begin with the development of performance

measures based on the organization's goals and objectives, and the process of developing the initial set of performance measures is not an easy task.

One such process is proposed by Gates (1999). He lists the four critical stages in developing a strategic performance measurement (SPM) system as the following:

1. Identify and select the right measures by using strategic and value maps to analyze the company's business vision and financial drivers of performance. This may involve mapping key business processes, analyzing historical financial results with regression analysis, or building a systems dynamic model for business simulation.
2. Plan core strategic, operational, and capital activities; implement these plans with operating measures; review progress; and adjust to feedback.
3. Set individual targets from among the comprehensive group of strategic performance measures and link them to compensation programs.
4. Optimize the strategic performance measurement system by designing an appropriate information technology system to gather, store, and support the process.

These stages were developed from a study in the private sector of 113 companies. OASA(FM&C) could apply the first two steps of this process to their situation but given the unique nature of the organization, the remaining stages do not directly apply to the processes internal to OASA(FM&C). At best, they can learn from the practical application of these stages to other organizations and the challenges and capabilities the companies embraced as they implemented these systems. Gate's study found that organizations involved in developing performance measurement systems experienced the following:

Capabilities gained:

- *Companies that use a formal strategic performance measurement system tend to outperform other companies (in terms of stock price performance), and these companies are likely to use the SPM system to gauge progress on strategic goals, especially in communicating feedback to senior managers and their boards.*
- *A vast majority of companies plan to link their SPM system to business unit strategy plans and will align performance measurements down to the business unit level while linking them to incentive compensation targets.*

Challenges identified (See Appendix B for details):

- *Systems are viewed as not “strategic” enough, focusing on internal goals rather than strategic goals.*
- *Information technology systems are often incapable of meeting SPM system needs. Fifty-seven percent of the responding companies say they avoid SPMs due to the limitations of their IT systems.*

As OASA(FM&C) addresses the challenges of developing their performance measurement system, these capabilities and challenges will help focus their efforts.

The National Partnership for Reinventing Government (formerly called the National Performance Review) published the results of a comprehensive survey of private and public sector organizations entitled *Benchmarking Study Report: Best Practices in Performance Measurement* in June, 1997. The major findings of the report were that:

- Leadership is critical in designing and deploying effective performance measurement and management systems

- A conceptual framework is needed for the performance measurement and management system
- Effective internal and external communications are the key to successful performance measurement
- Accountability for results must be clearly assigned and well-understood
- Performance measurement systems must provide intelligence for decision makers, not just complied data
- Compensation, rewards, and recognition should be linked to performance measurements
- Performance measurement systems should be positive, not punitive, and
- Results and progress toward program commitments should be openly shared with employees, customers, and stakeholders.

Within the report, the researchers developed a performance measurement process model for government organizations that allowed the team to ...”analyz[ed] performance measurement and management as practiced by the various public agencies represented among our members. Developing this model gave us a good understanding of the steps, phases, and considerations involved in performance measurement, and an appreciation for the broad variety of ways in which it is approached.” Shown on the following page at Figure 2 is the process model they developed.

Performance Measurement Process Model

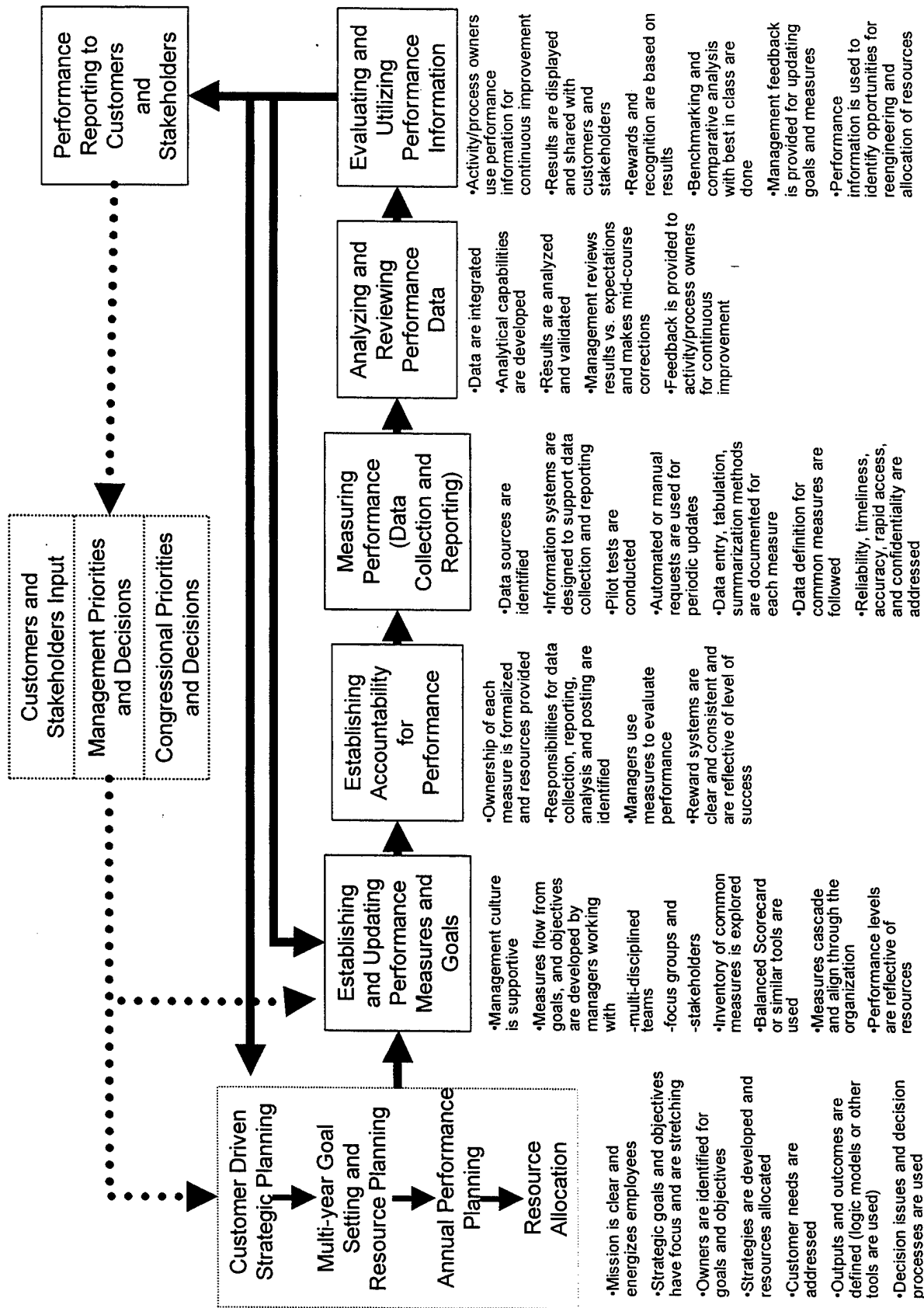


Figure 2 - NPR performance Measurement Process Model

This model could provide a framework for identifying the critical steps in the process of developing performance measures for OASA(FM&C). The focus on customers fits particularly well given Mrs. McCoy's desire to strengthen her organization's focus on customers and fits in well with the joint project between ARI and ORCEN.

2.1.3 Financial management PMs in use in other Federal agencies and the private sector

In the review of annual performance plans, strategic plans, and evaluations of performance management plans, hundreds of financial management measures exist to assess organization's financial management performance. However, the linkage of these measures to strategic goals or objectives is not apparent in the literature. Therefore, while some of these measures could be adopted by OASA(FM&C), care should be taken to ensure the measures meet the requirements of good measures that are linked to the organization's strategic plans.

Of the documents reviewed, the most prevalent financial management performance measures currently used in the private sector that could potentially be applied at OASA(FM&C) are shown in table 3 (Schiemann and Lingle, 1999). With slight modification, some of these performance measures could be used by OASA(FM&C), but linking them back to the objectives in OASA(FM&C)'s strategic plan would be difficult, because these measures are more focused on the accounting and finance functions rather than budget preparation and execution.

Percent error in budget predictions	Computer rerun time due to input errors
Percent of financial reports delivered on schedule	Number of record errors per employee
Percent of error-free vouchers	Percent of bills paid so Company gets price break
Percent of errors in checks	Entry errors per week
Number of payroll errors per month	Number of errors found by outside auditors
Number of errors in financial reports	Percent of errors in travel advance records
Percent of errors in expense accounts detected by auditors	Computer program change cost

Table 3 - Financial management performance measures

Another source of performance measures can be found in the higher headquarters' performance measurement system. In their FY2001 Annual Performance Plan (an appendix to the Annual Defense Report) for the Department of Defense, the following financial management performance measures are proposed:

- Goal/objective: Reduce the number of non-compliant accounting and finance systems
 - Performance measures: number of noncompliant accounting systems and the number of noncompliant finance systems
- Goal/objective: Achieve unqualified opinions on financial statements
 - Performance measure: number of financial statements with at least an unqualified opinion

A better source of quantitative financial management performance measures could be found in the FY1999 DoD Performance Plan. In this plan (the first annual performance plan required by the Government Performance Results Act, a law enacted in 1993 requiring federal agencies to develop performance plans), DoD listed 246 quantitative measures as "references to other quantitative data relevant to the evaluation of DoD's performance in achieving its corporate-level goals" (DoD, 1999). The entire table of performance measures is included at

Appendix C. Listed in table 4 below are the measures most closely related to financial management that are potential candidates for measures in OASA(FM&C). Note that some of the measures are actually goals or targets, and lack the qualities required of good measures. However, with little effort, these measures could be modified where necessary to help assess OASA(FM&C)'s strategic plan.

Business process reengineering projects (number)
Elimination of computer legacy systems
Data standardization
Contracting to be made paper free
Use of purchase cards
Simplify purchasing and payment through use of purchase card transactions for 90 percent of all DoD micropurchases while reengineering the processes for requisitioning, funding, and ordering
Decrease paper transactions by 50 percent through electronic commerce and electronic data interchange
Defense Finance and Accounting Service (DFAS) – monthly averages; payments to personnel; commercial invoices; finance, disbursement, and accounting systems; problem disbursements
Number of finance systems
Procurement payment/disbursement system implementation
Problem disbursement reductions
Prime vendor payment accuracy improvement
Usage rates of electronic document management and electronic funds transfers
Delivery time for new systems
Number of changes submitted and cost savings/avoidance
Number of mentors and protégés
Office of the Inspector General: number of audits, indictments, convictions, fines/penalties/restitutions, hot-line calls/letters received, substantive cases generated.

Table 4 - List of performance measures extracted from FY1999 DoD performance plan

2.2 Addressing Customer Needs

As suggested in the framework from the National Partnership for Reinventing Government, addressing customers' needs is a critical requirement in the process of developing strategic performance measures. In the research conducted for this paper, one segment of OASA(FM&C) customers was studied. The key products and services provided to this segment by OASA(FM&C) were used to assess the organization's performance from the customer's viewpoint.

This section describes the process used to arrive at the indicators/attributes associated with providing critical products and services to one customer segment. First, the key products and services were identified by the senior leaders within OASA(FM&C) along with the indicators/attributes that they (senior leaders within OASA(FM&C)) felt were good indicators of each product/service's quality. After this list was created, the team of researchers developed a survey instrument to ask the individual customers about each product/service they receive from OASA(FM&C). Finally, after analyzing the survey results, a method of linking the attributes and ratings of these products/services back to the strategic plan is discussed.

2.2.1 Senior Leader Interviews

In the process of developing the OASA(FM&C) strategic plan, senior leaders in the organization developed a matrix of the products/services they produced. This list was created to identify the external customer segments for each product/service and the points of contact within each customer segment to contact in developing a customer satisfaction survey. A secondary use for the list was to help the research team for this study to discuss the qualities and attributes of the products as they interviewed the senior leaders in OASA(FM&C). In this capacity, the

matrix was used to focus the interview questions onto the three to five most important products/services from the customer's viewpoint. Given the limited time available for each interview, this allowed the senior leaders within OASA(FM&C) to go into sufficient depth about the products/services they felt were most important.

The interview format for the senior leaders was an open exchange of their ideas based on a limited number of basic questions. The senior leaders were encouraged to expand on the basic questions in order to enhance the researchers' understanding of the products/services the senior leaders chose to discuss. The interview questions are attached at Appendix D. Note that the questions continually redirect the focus back to OASA(FM&C)'s customers and how the products/services provide value to the customers. The latter questions in the survey ask the senior leaders to differentiate between measuring the customer's satisfaction with the product and the service associated with the products. This assumes that each product has a service element inextricably linked to the product. For example, the staff's responsiveness in producing a particular product is a unique indicator of service for that product. The staff may be more or less responsive for certain products than for other products (e.g., an OASA(FM&C) worker may be more responsive based on their familiarity with the product).

2.2.2 Analysis of Senior Leader Interviews

The transcripts for the senior leader interviews are at Appendix E. A micro-cassette recorder was used to record the interviews, and these transcripts were written based on the recorded interviews. The researchers attempted to create an accurate record of the interviews using this method. While the tenor or mood of the interview is not readily apparent in the written transcripts, the researchers found the senior leaders to be very forthcoming with their responses and very willing to participate in the process.

From the interview, the research team was able to extract several findings. One important issue brought to their attention was the emphasis on timeliness in producing products. In fact, of the twenty-six products/services mentioned, virtually all of the senior leaders listed timeliness as an important factor in measuring their customers' satisfaction with each product. The next most frequently mentioned factor was accuracy, followed closely by ease of use.

One method used to display relative importance of factors is the Pareto chart (Sage and Rouse, 1999). Following the premise that 80% of the value exists in less than 20% of the products, a graphical representation of the most important factors (as an rank-ordered histogram) tells the story of what factors the senior leaders in OASA(FM&C) think provide the best information about the organization's performance. These factors can then be grouped into A items (most important and areas where further investigation is warranted), B items (potentially more items but of lesser importance) and C items (the "trivial but many"). As shown in figure 3, the natural breaks between the categories of items occur where the slope of the line between factors changes dramatically. This would group the most important (A-item) factors as timeliness, ease of use, and accuracy and the B-item factors as usefulness and how understandable the products/services are to the customers. Finally, the least mentioned factors were accessibility, availability, professionalism, responsiveness, and courtesy of the service provided with each product.

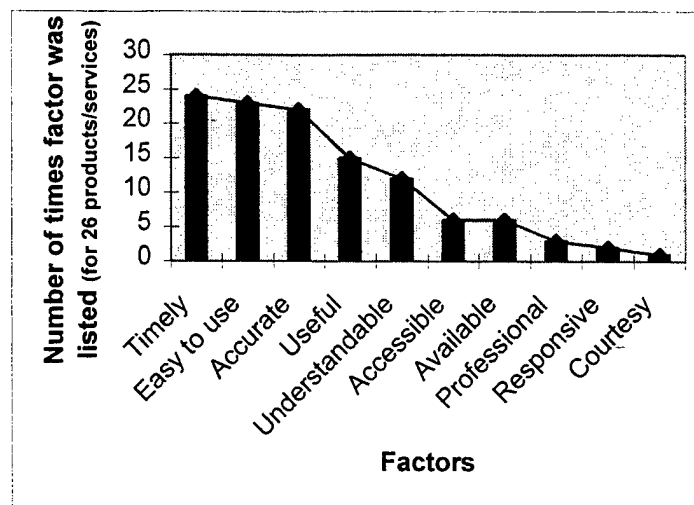


Figure 3 - Pareto diagram of quality factors

The insights gained by using the Pareto technique helped the research team focus in on the important factors for each product and service. It also provided a relative importance of quality factors that could be applied in the analysis of the survey results from the first segment of customers.

2.3 Customer Survey of Deputy Chiefs of Staff, Resource Management

The first customer segment analyzed in this effort was the Deputy Chiefs of Staff for Resource Management (DCSRMs) at the MACOM level. This segment was chosen as the first segment because they are a large, diverse group of customers that use a large number of products/services provided by OASA(FM&C).

2.3.1 MACOM DCSRM Survey

Using the input from senior leaders in OASA(FM&C) the research team along with a consultant from Logistics Management Institute (LMI) developed a survey instrument to assess

the MACOM DCSRMs' satisfaction with the products/services provided them. In an iterative process, the research team developed several proposals for the survey instrument to the Principal Deputy Assistant Secretary of the Army for Financial Management and Comptroller, Mrs. Erin Olmes. She approved the format shown in appendix F.

In general, the survey asked the respondents to rate their overall level of satisfactions with OASA(FM&C), give a qualitative assessment of nine products and services used by the MACOM DCSRMs, and provide recommendations for improvement of these products/services. The survey was emailed to the 23 MACOM DCSRMS in early June, 2000, and the consultant from LMI scheduled and completed telephonic interviews throughout the month of June. In most cases, the DCSRMs and/or the deputy were interviewed, and the advance email copy of the survey instrument enabled them to get input from their subordinates prior to the telephonic interview.

2.3.2 Survey Data Analysis

As the consultant from LMI attested in his briefing to Mrs. McCoy (August, 2000), the DCSRMs were very responsive, and were willing to believe that OASA(FM&C) is moving in the right direction in terms of improving the relationship between OASA(FM&C) and the MACOMs. As shown in figure 4, the vast majority of the MACOM DCSRMs were satisfied along all three dimensions (products, services, and communications). However, a fairly large percentage of this customer segment was neutral (neither dissatisfied or satisfied) with the products and services, and a few were dissatisfied with the communication. They reported dissatisfaction with the untimely delivery of products and services, poor responsiveness to questions and requests for support, and a sensing the OASA(FM&C) does not appreciate the MACOM environment as the primary reasons for overall dissatisfaction.

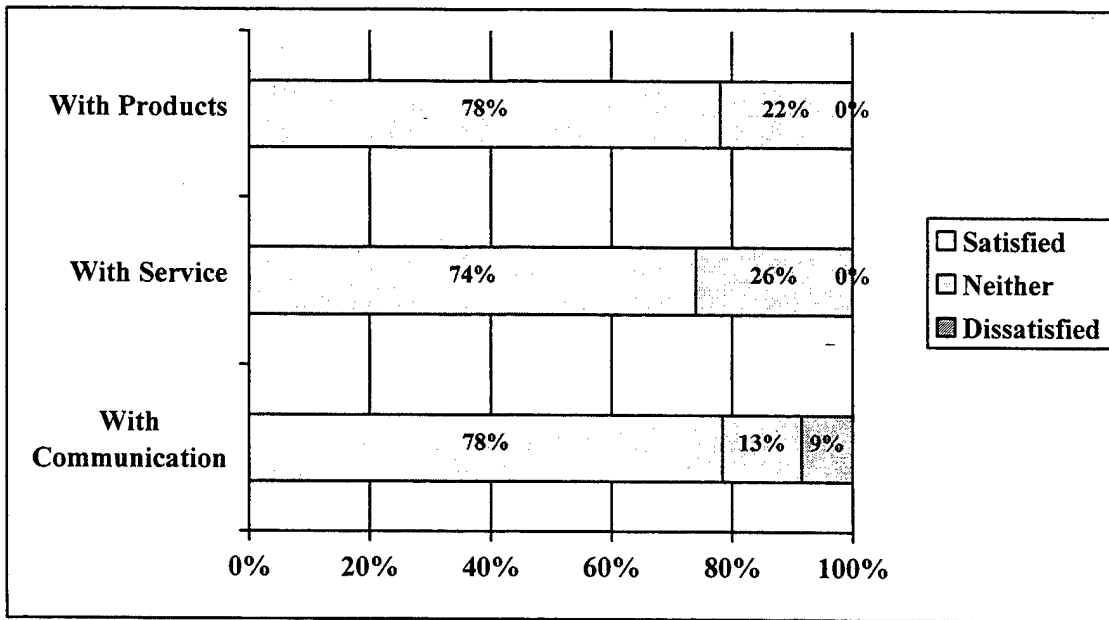


Figure 4 - Percent of MACOM DCSRs at various levels of satisfaction

In terms of quality indicators and how well OASA(FM&C) is performing with respect to providing products and services to the MACOMs, another finding is the comparison of how frequently the MACOMs are neutral or dissatisfied with the quality of these products and services. If the percentage of dissatisfied and neutral quality ratings across all products/services is high for any particular rating, then OASA(FM&C) should develop performance measures that measure that quality. Also, if there is a strong correlation between the general dissatisfaction with products/services and the relative importance (see Pareto diagram in figure 3) of the same quality indicator, then this gives greater importance to developing measures for that particular quality characteristic. In other words, if the senior leaders in OASA(FM&C) think it is an important factor for measuring the customers' satisfaction with that product/service and the customers as a group rate their satisfaction along that dimension poorly, then the reasons behind this poor rating warrant closer examination.

As shown below in figure 5, this correlation does in fact exist. 36% of the MACOM DCSRMs surveyed were either neutral or dissatisfied with the timeliness of all OASA(FM&C) products/services, and the senior leaders in OASA(FM&C) listed timeliness as the most frequent quality indicator for measuring customer satisfaction for all products/services. Likewise, one of the group B indicators from figure 5 (ease of use) was also frequently mentioned as an important satisfaction indicator (28%).

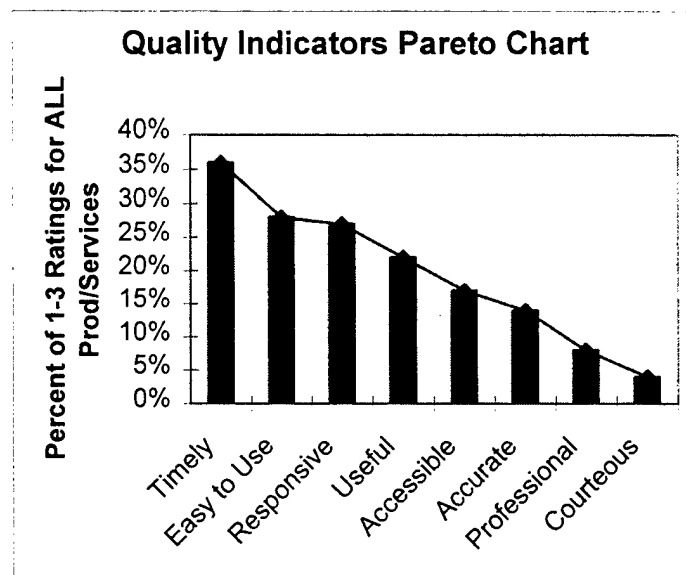


Figure 5 – MACOM DCSRM Overall Satisfaction Indicators

From the MACOMs perspective, however, the responsiveness of the staff in providing products/services was mentioned as the third highest deficiency, while the senior leaders did not frequently list responsiveness as an indicator of customer satisfaction for their products/services (as shown in Figure 3, only 3 senior leaders listed responsiveness as an important indicator). It is possible that senior leaders in OASA(FM&C) felt that responsiveness was an implicit satisfaction indicator included within the definition of timeliness, and this may account for the relative difference in the importance of that indicator.

Strong correlations that support this summary level assessment can be found in the customer's ratings of specific products/services. For example, when comparing each MACOM DCSRM's rating of the responsiveness of the OASA(FM&C) staff in providing the funding letter to the DCSRMs versus their rating of the timeliness of the funding letters, the results of the survey showed that eight of the nine DCSRMs who were either neutral or dissatisfied with the funding letter's responsiveness were also neutral or dissatisfied in their rating of the funding letter's timeliness (see figure 6 below).

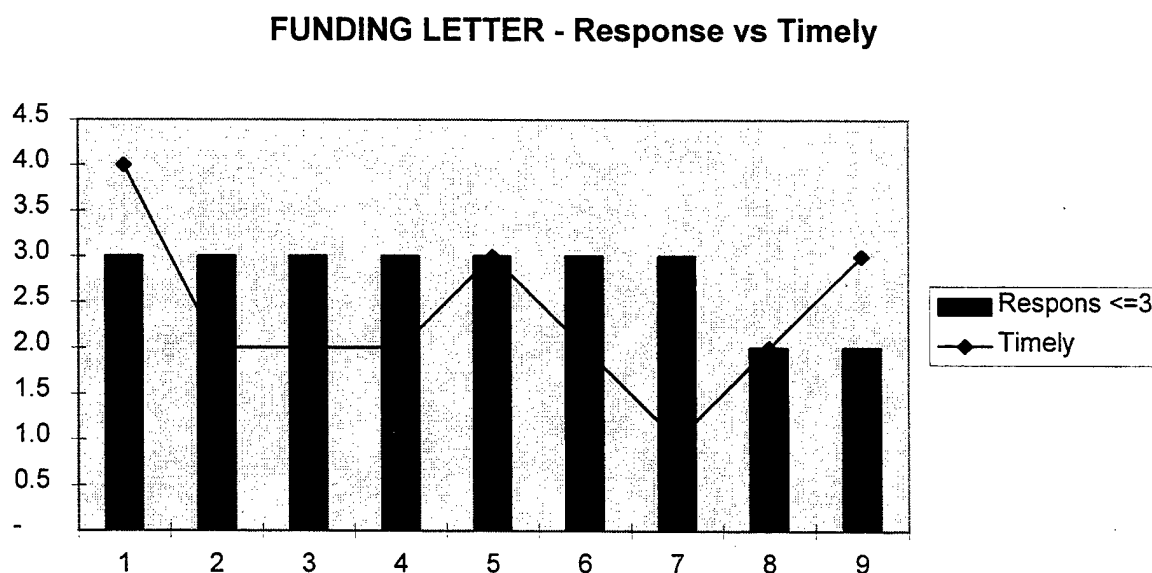


Figure 6 – Responsiveness of Staff Ratings vs. Timeliness of Funding Letters

These ratings may indicate a problem with the process of delivering the funding letter to the MACOM DCSRMs and the support the staff gives before, during, and after the delivery of the product. This correlation may also help narrow the search for an appropriate performance measure that captures these qualities for this particular product/service and how it relates to the OASA(FM&C) strategic plan.

2.4 An Example of Linking Survey Results to the Strategic Plan via Performance Measures

This section illustrates an example of using the results of the survey as a basis for examining the processes involved in creating OASA(FM&C)'s products/services. If a better understanding of the process is gained, then the external customer requirements can be met in a more efficient and effective manner. The methodology for linking these results to the strategic plan is through the mapping of processes involved and describing the qualities and attributes of the inputs and outputs of these processes from the perspectives of the process owners and the customers. These qualities and attributes should address the shortcomings noted in the DCSRM surveys and will lead OA to the proper activities for redressing these deficiencies.

2.4.1 Program and Budget Guidance as an Example Product

The Program and Budget Guidance (PBG) is a report that measures progress in functional strategic goals over a seven-year period that helps decision makers in OA and HQDA focus attention on top-priority Unfunded Requirements (UFRs) they are trying to achieve. The PBG is issued three times annually – the first PBG is published with the Program Objectives Memorandum (POM) in June, the second PBG is issued in early October after the Budget Estimate Submission (BES) is sent to OSD for review, and the final PBG for the annual cycle is produced in February after the Army submits its portion of the DoD budget for inclusion in the President's Budget.

Similar to the ratings of the funding letter discussed in section 2.3.2, the MACOM DCSRMs were not completely satisfied with the responsiveness and timeliness of the Programming and Budget Guidance (PBG) produced by OASA(FM&C). In fact, 43% of the

customers surveyed were not satisfied with the responsiveness of the staff in support of the product, and five out six customers who rated the PBG neutral or were dissatisfied with the PBG's timeliness also rated the responsiveness with respect to the PBG as neutral or dissatisfactory (see figure 7) below.

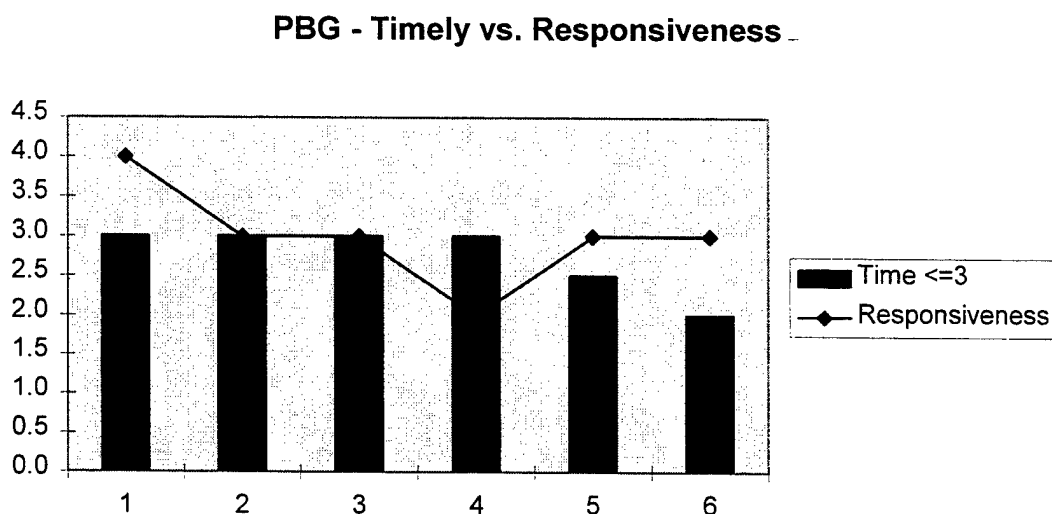


Figure 7 – Timeliness and Responsiveness Ratings of PBG by MACOM DCSRMs

In addition to the quantitative ratings for the PBG, the MACOM DCSRMs provided some valuable feedback about the process of developing the PBG. Several DCSRMs commented that the “delay in issuing the PBG detracts from its usefulness...interim release of data is helpful, but final numbers are needed sooner so that we can meet HQDA suspense dates.” This same group also commented on the accuracy of the PBG data and the subsequent lack of technical knowledge in the OASA(FM&C) staff responsible for resolving issues, which contributes to the timeliness of the product and is an indicator of the staff's responsiveness in providing the service associated with the PBG.

The process of developing the PBG is typical of the processes used in developing many of the products in OASA(FM&C). To illustrate the process of creating the PBG, the author used Integrated Definition Modeling (IDEF) to capture the flow of information and activities that occur in the PBG development. IDEF models allow users to decompose activities into their subsystems and functions. As shown in figure 8 below, the components of the IDEF model describe the inputs, outputs, mechanisms, and controls for any activity or process. At the highest level (called level 0), the entire system of interest is the activity. Subsequent levels illustrate in greater detail the activities that take place in support of higher levels. This top-down modeling method helps users to better understand the processes involved in their organization.

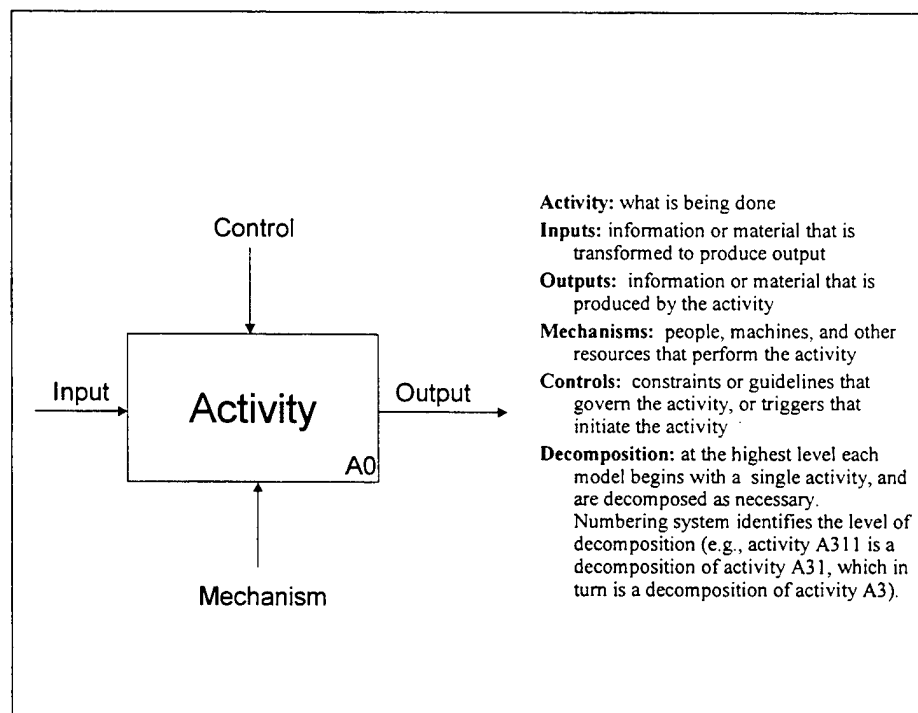


Figure 8 - Integrated DEFinition (IDEF) Model Components

The level 1 model for the PPBES process, which includes the three PBG products as outputs is shown in figure 9. In each version of the PBG, the MACOM DCSRMs receive guidance and data that updates the data that they submitted to HQDA or from the previous

version of the PBG for the BES and President's Budget PBGs. The qualities and attributes of the processes used to develop the PBG should provide insights into how to measure the effectiveness and efficiency of these processes, and should help in improving these processes.

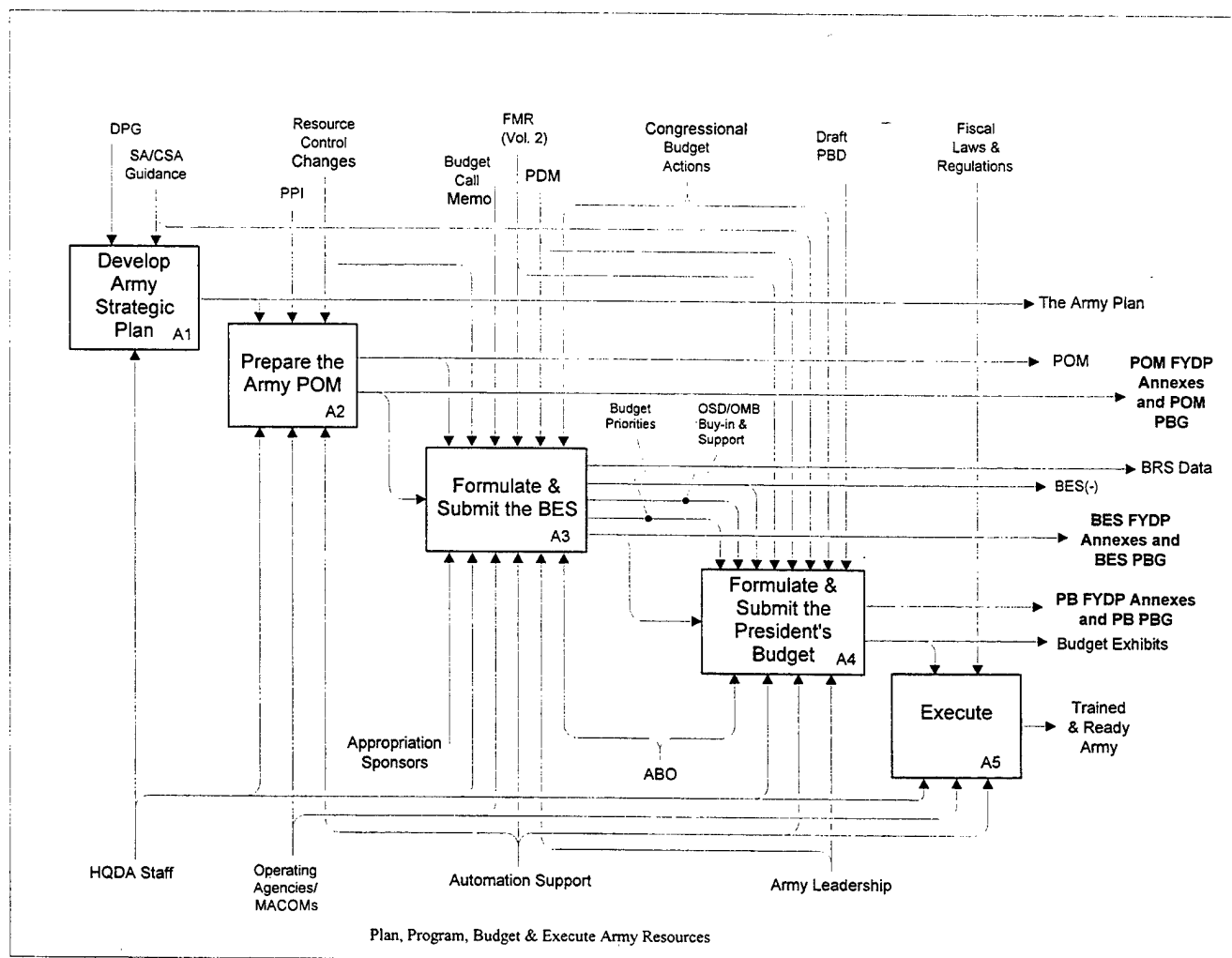


Figure 9 - Level 1 IDEF Model for Planning, Programming, and Executing Army Resources

The fundamental processes involved in the creation of the three versions of the PBG are the results of the many sub-processes of the activities A2, A3, and A4 (preparation of the POM, formulation and submission of the BES, and formulation and submission of the President's Budget). Understanding the attributes associated with the delivery of these products from the

DCSRM's perspective should give OASA(FM&C) some insight as to how the PBG could be improved.

The interviews with the DASAs and the survey of the DCSRMs provided indicators of performance that are most frequently associated with the PBG. As shown in figure 10 below, the most common attributes mentioned by the MACOM DCSRMs and the DASAs are timeliness, responsiveness, accuracy of the audit trails, accuracy, accessibility, and the communication of the intent behind the guidance. These attributes should be the basis for performance measures linked to this product.

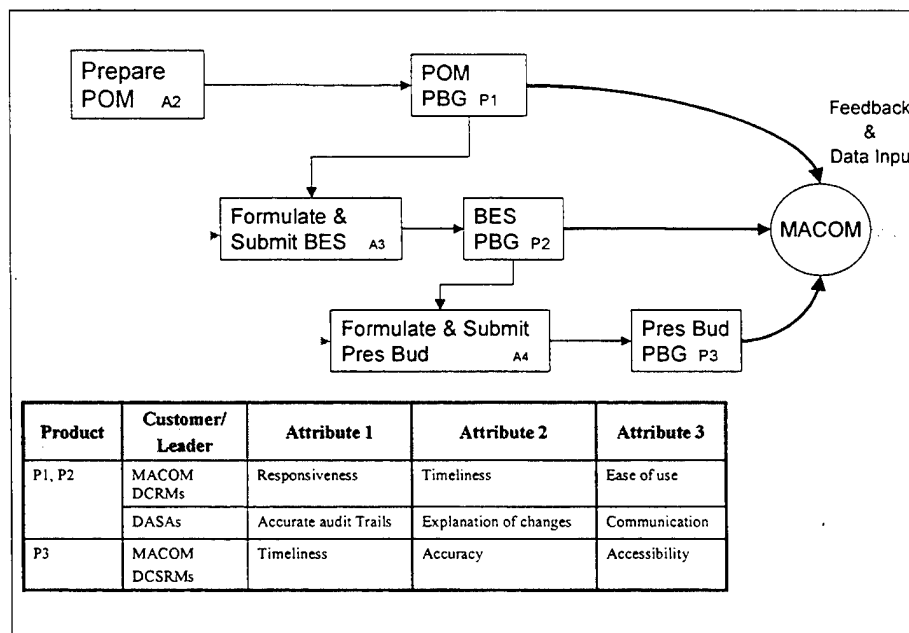


Figure 10 - Attributes Associated with PBG

Linking the PBG back to the strategic plan is required to relate these attributes back to the objectives OASA(FM&C) is trying to achieve. The author through discussions with Ms. Bonessa linked the process of producing the PBG to the objectives in goal 1 – Become the leaders in DoD financial management. The premise used to make this linkage was that if the

PBG was improved, then OASA(FM&C) should see improvement in achieving this goal, as evidenced by the partial or complete accomplishment of one or several objectives underneath this goal. Furthermore, since the DASAs have already proposed performance measures for the actions associated with these objectives and their subsequent strategies, an assessment of these measures for the objectives can be made. If the proposed measures address the attributes for the PBG listed above and are good indicators of the achievement of the objectives and/or strategies, then they should be adopted. The standards for a good indicator the author uses are those mentioned in section 2.1.1 of this report.

For the PBG, the objectives and the performance measures that should indicate improvement if the PBG's attributes listed above (figure 10) are improved are listed in table 5. The processes involved in these objectives are the sharing of data during budget formulation, execution, and the real-time data collection between the HQDA and the MACOMs, as illustrated in the strategies and related action plans. (see appendix G for the proposed action plans for each goal). These processes are all part of the production and delivery of the PBG.

Performance Measure(s) Proposed	Objective Evaluated	Attribute(s) Addressed	Good Indicator?
Number of HQDA budget requirements eliminated	1.1 – Increase the efficiency and effectiveness of the resource formulation process	Ease of use	No
Cycle time (measured as time elapsed from receipt from DoD to issue to MACOMs)		Timeliness	Yes
Number of errors (e.g., command code errors, differences between databases)		Accuracy	Yes
Percentage of requests for information (RFIs) for clarification of guidance versus total number of all RFIs.		Responsiveness Ease of use	Yes
Receipt of data feeds by system (Army financial management information systems)	1.2 – Improve the systems and processes for oversight of budget execution	Ease of use Accessibility	No
Number of MACOM/Operating Agency downloads by system		Accessibility	No
Customer satisfaction ratings for accessibility of products		Accessibility	No

Table 5- Potential Performance Measures for PBG Process Improvement

Those performance measures from table 5 that are not good measures for their related objectives may still be good performance indicators at a different level in OASA(FM&C). While they may not be valid, reliable measures that are responsive to change in the underlying concepts of these objectives, they could be good indicators of more specific strategies associated with these objectives.

Figure 11 illustrates a cascading of the performance measures for goal 1. Note that the measures become more specific to the process they measure as they flow from the objectives down to the actions. The measures are grouped into responsiveness measures and timeliness measures, and the ease of use measures could be similarly cascaded. At each level in

OASA(FM&C), the process owners could take responsibility for these measures and apply them to the processes they manage and report them to their chain of command. It is not necessary that the measures at the lower levels of the organizations be derivatives of the higher level measures, but it is sufficient that the measures indicate the level of achievement of the objective, strategy, or action.

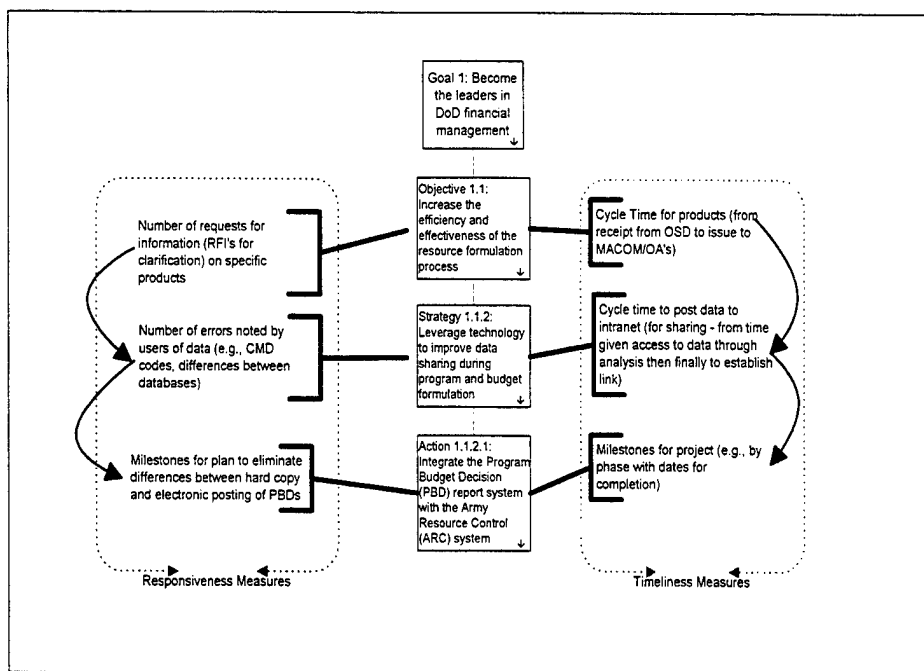


Figure 11 - Cascading Measures for Goal 1

This framework for cascading measures could be applied throughout OASA(FM&C) as the leaders develop the performance measures for their processes. The steps they should follow in developing then cascading these measures is a subject for follow-on work and will be discussed in the next section.

3.0 Conclusions

The procedure for developing performance measures that are linked to OASA(FM&C)'s strategic plan is very complicated. This paper presents a framework for developing performance measures that are linked to products and services and address the customer's requirements. Specifically, the problem of formulating measures that indicate the achievement of objectives from OASA(FM&C)'s strategic plan is discussed.

3.1 Major Contributions

One contribution of this work is the proposal to modify the performance measurement process model developed by the National Performance Review (shown in figure 2 of this report). This model will provide Mrs. McCoy with a road map for the future steps needed to develop a strategic performance measurement system that will enable OASA(FM&C) to achieve their goals and objectives. In fact, many of the steps outlined in this model are complete or are moving towards completion.

OASA(FM&C) has developed a good strategic plan with clear goals and objectives and has through their interviews of the MACOM DCSRMs established a basis for assessing customer's needs. The author helped OASA(FM&C) further by suggesting a model for mapping the internal processes tied to products and services and defining the attributes of the outputs and outcomes from these internal processes. Finally, a method for linking these attributes back to the strategic plan and an example for cascading measures throughout the organization is discussed.

3.2 Suggestions for Future Research

Future research areas include the following:

- modify the survey instruments used for the MACOM DCSRMs so they can be utilized for other external customers
- assess these customers' satisfaction with OASA(FM&C)'s products and services with these surveys
- model the processes used to create these products and services in order to determine the actual work process, the internal and external information requirements, and the restrictions imposed on the processes

After these processes are thoroughly understood, OASA(FM&C) should develop performance measures for these processes that are linked to the objectives in their strategic plan. Then, formalizing the ownership of each measure and giving the owner the resources necessary to gather the data for the performance measure can establish accountability for performance. This will allow OASA(FM&C) to establish a baseline for their performance and compare their financial management against the best in class through benchmarking and comparative analysis while continually improving their processes.

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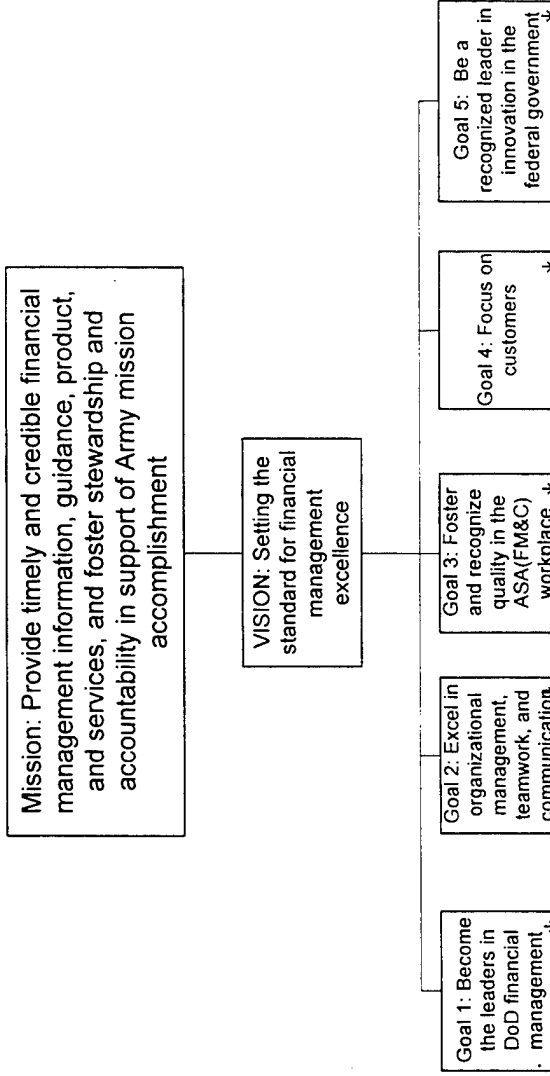
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Appendix A: Goals and Objectives Hierarchy for OASA(FM&C) Strategic Plan



Top-Level Hierarchy



Strategic Performance Measurement for OASA (FM&C)

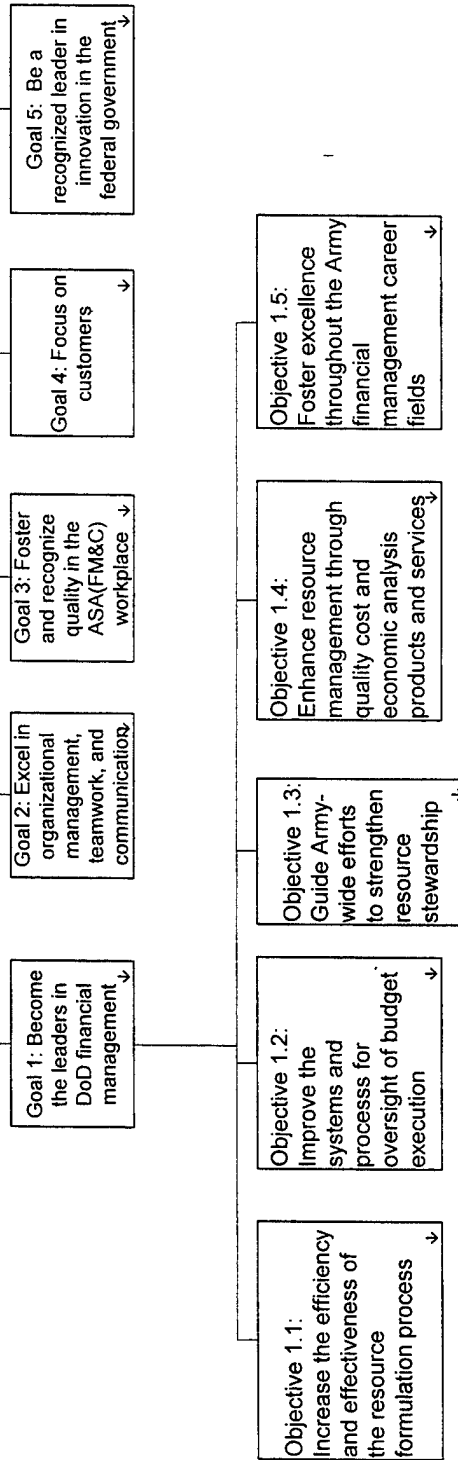


Goal 1 Objectives (FM Leadership in DoD)



Mission: Provide timely and credible financial management information, guidance, product, and services, and foster stewardship and accountability in support of Army mission accomplishment

VISION: Setting the standard for financial management excellence



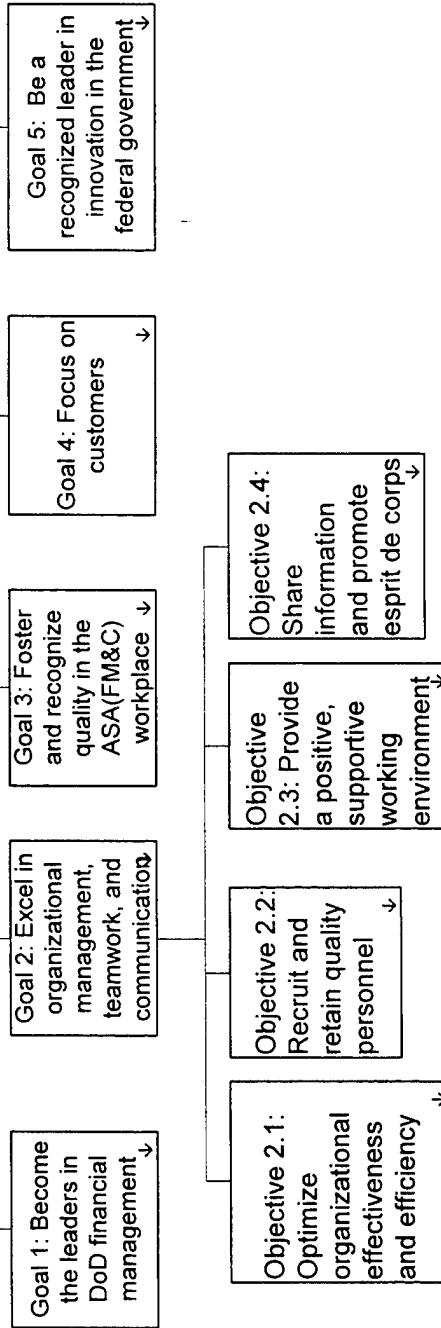
Strategic Performance Measurement for OASA (FM&C)



Goal 2 Objectives (Organizational Management)

Mission: Provide timely and credible financial management information, guidance, product, and services, and foster stewardship and accountability in support of Army mission accomplishment

VISION: Setting the standard for financial management excellence



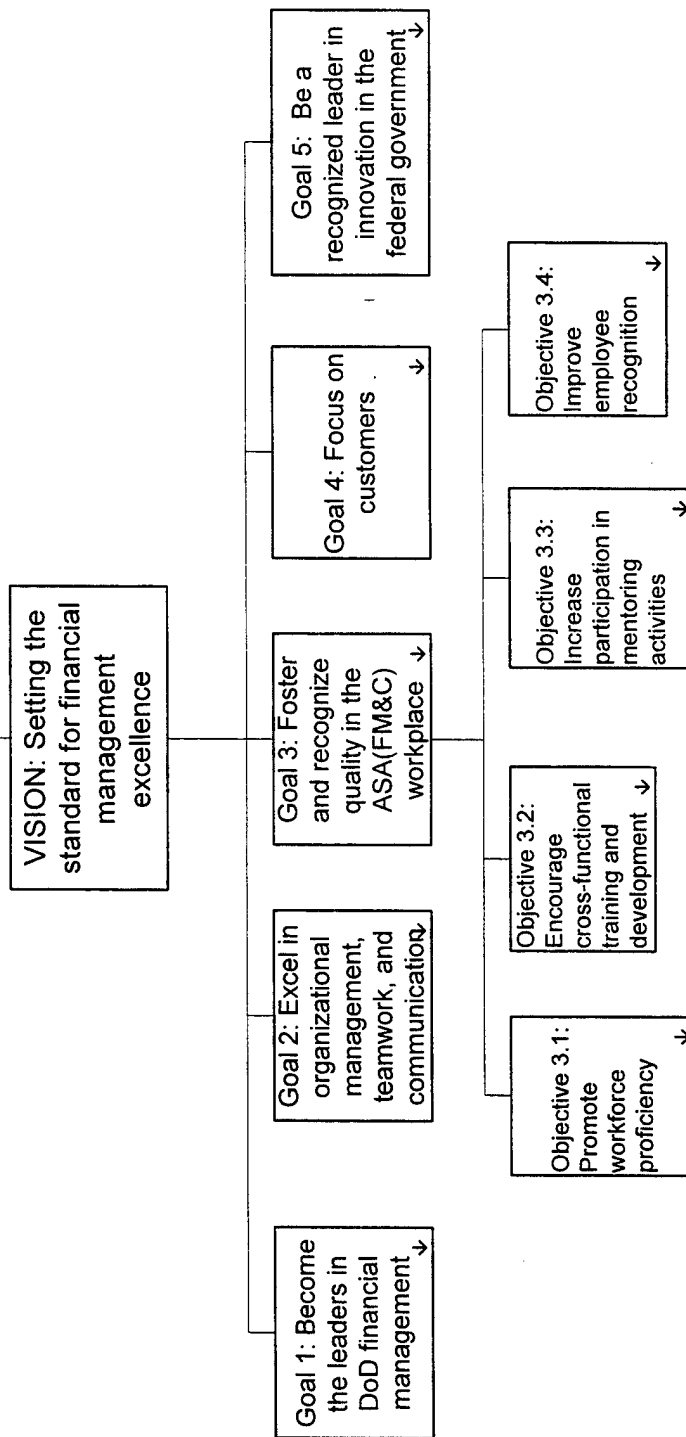


Goal 3 Objectives (Workforce Excellence)



Mission: Provide timely and credible financial management information, guidance, product, and services, and foster stewardship and accountability in support of Army mission accomplishment

Appendix A – Goals and Objectives Hierarchy for OASA(FM&C) Strategic Plan



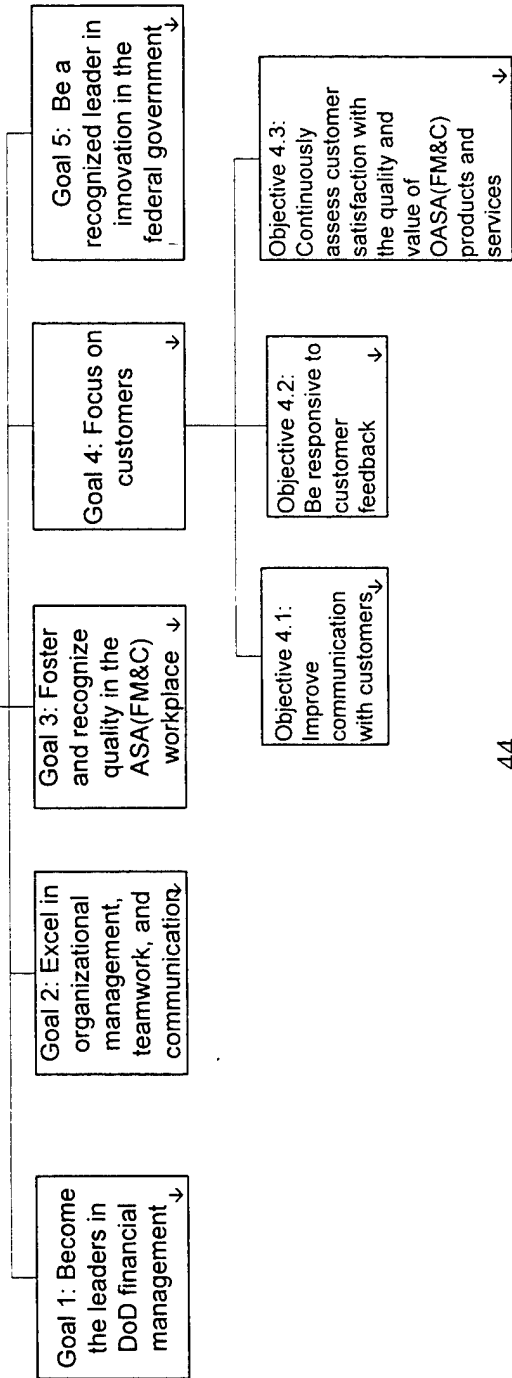


Goal 4 Objectives (Focus on Customers)



Mission: Provide timely and credible financial management information, guidance, product, and services, and foster stewardship and accountability in support of Army mission accomplishment

VISION: Setting the standard for financial management excellence





Goal 5 Objectives (Innovation)



Mission: Provide timely and credible financial management information, guidance, product, and services, and foster stewardship and accountability in support of Army mission accomplishment

VISION: Setting the standard for financial management excellence

Goal 1: Become the leaders in DoD financial management ↓

Goal 2: Excel in organizational management, teamwork, and communication ↓

Goal 3: Foster and recognize quality in the ASA(FM&C) workplace ↓

Goal 4: Focus on customers ↓

Goal 5: Be a recognized leader in innovation in the federal government ↓

Objective 5.1: Increase purchasing power and productivity through improved business practices ↓

Objective 5.2: Share ideas and publicize successes ↓

Appendix B: Findings from Conference Board Research



Why use Strategic Performance Measures?



Improving Communications

"The most acute reason for a performance measurement system in our company was to avoid confusion about how day-to-day actions should follow from strategy," says Charles Golden, CFO, Eli Lilly.

"One of our main challenges is related to communicating strategic objectives well throughout the whole business... WE want to find a more proactive way of measuring so we know if we are getting to our targets instead of looking at historical data," – Goran Beijer, director, performance management, AstraZeneca.



Information Technology Challenges in Developing SPMs



Appendix B – Findings from Conference Board Research

Typical IT systems are limited in their ability to deliver rapid and consolidated results for analysis of SPMs:

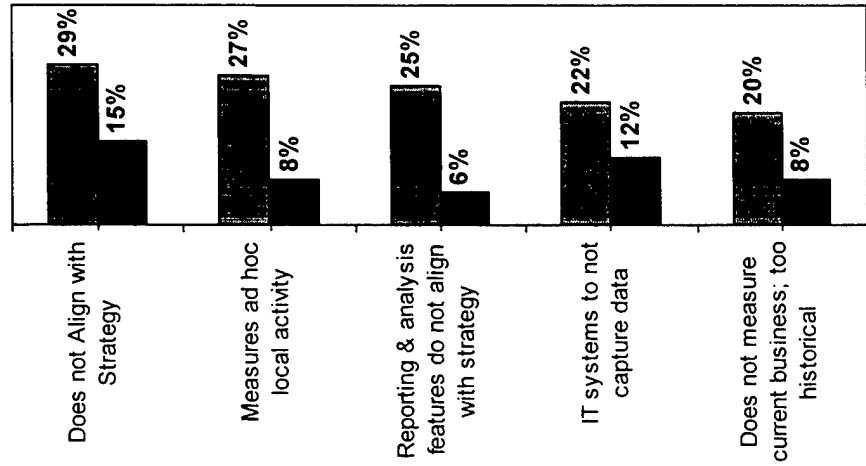
- 22% cited that IT systems did not capture data sufficiently
- While 79% of respondents are implementing enterprise IT systems, 73% that **already have** enterprise IT systems report that the systems do not sufficiently meet the needs of their **SPM** system



Deficiencies in Linking SPMs to Strategies



Respondents were asked to list deficiencies of their SPM System (results below):



■ Among top three deficiencies
■ Top deficiency

Top considerations in development and implementation of SPM systems

(percent considering completely or to a great extent):

- Determining links between strategies and related PMs – 69%
- Cascading PMs from high level strategies – 51%
- Assessing links between strategies and PMs rigorously and quantitatively – 22%



Four Stages in Developing SPM Systems



1. Identify and select the right measures by using strategic and value maps to analyze the company's business vision and financial drivers of performance. This may involve mapping key business processes, analyzing historical financial results with regression analysis, or building a systems dynamic model for business simulation.
2. Plan core strategic, operational, and capital activities; implement these plans with operating measures; review progress; and adjust to feedback.
3. Set individual targets from among the comprehensive group of strategic performance measures and link them to compensation programs.
4. Optimize the SPM system by designing an appropriate information technology system to gather, store, and support the process.

Appendix B – Findings from Conference Board Research

Appendix C: DoD Performance Measures from FY 1999 Annual Performance Plan

This appendix provides the complete list of performance measures as proposed in the DoD Annual performance plan for Fiscal Year 1999. The chapters and section title/table numbers refer to the Annual Defense Report for FY 1999. The reader is invited to view the report in its entirety at <http://www.dtic.mil/execsec/adr98/index.html>.

FY 1999 PERFORMANCE MEASURES				
No.	Performance Measure	FY 1999 Goal	Chapter	Section Title/ Table Number
	GOAL 2. SHAPE AND RESPOND			
1	<i>Army Overseas Presence</i>			
	Divisions (Europe)	2	3	Conventional Forces
	Divisions (Pacific)	1	3	Conventional Forces
2	<i>Naval Overseas Presence (approximate portion of year)</i>			
	Carrier battle groups (Europe)	3/4	3	Force Structure

	Amphibious ready groups (Europe)	4/5	3	Force Structure
	Carrier battle groups (Pacific)	1	3	Force Structure
	Amphibious ready groups (Pacific)	1	3	Force Structure
	Carrier battle groups (Indian Ocean/Arabian Gulf)	3/4	3	Force Structure
	Amphibious ready groups (Indian Ocean/Arabian Gulf)	1/2	3	Force Structure
3	<i>Air Force Overseas Presence</i>			
	Fighter wing-equivalents (Europe)	2	3	Conventional Forces
	Fighter wing-equivalents (Asian/Pacific)	2	3	Conventional Forces
	Fighter wing-equivalents (Southwest Asia)	1	3	Conventional Forces
4	<i>Marine Corps Overseas Presence</i>			
	Marine expeditionary force (Asian/Pacific)	1	3	Conventional Forces
	<i>Mobility</i>			
5	Airlift (million ton-miles per day)	26.5	3	Mobility Forces

6	Sealift (million square feet)	7.8	3	Mobility Forces
7	<i>Army Forces</i>			
	Corps	4	3	Force Structure; Table 1
	Divisions (active)	10	3	Force Structure; Table 1
	Divisions (National Guard)	8	3	Force Structure; Table 1
	Armored cavalry regiments (active)	2	3	Force Structure; Table 1
	Enhanced separate brigades (National Guard)	15	3	Force Structure; Table 1
8	<i>Navy Forces</i>			
	Aircraft carriers (active/reserve)	11/1	3	Force Structure; Table 1
	Amphibious ready groups	12	3	Force Structure; Table 1
	Aircraft wings (active)	10	3	Force Structure; Table 1
	Aircraft wings (reserve)	1	3	Force Structure; Table 1
	Surface combatants	116	3	Force Structure; Table 1

	Attack submarines	57	3	Force Structure; Table 1
	Ballistic-missile submarines	18	3	Naval Forces; Table 6
9	Air Force Forces			
	Fighter wing-equivalents (active)	12.6	3	Force Structure; Table 1
	Fighter wing-equivalents (reserve)	7.6	3	Force Structure; Table 1
	Air defense squadrons	6	3	Force Structure; Table 1
	Bombers	186	5	Force Structure; Table 1
	Intercontinental ballistic missiles	550	5	Force Structure and Capabilities; Table 11
10	Marine Corps Forces			
	Marine expeditionary forces	3	3	Force Structure; Table 1
	Division (reserve)	1	3	Force Structure; Table 1
	GOAL 3. PREPARE (MODERNIZATION)			

11	Science and technology funding (\$B)	7.2	21	Recapitalization of U.S. Forces
12	Defense procurement budget (\$B)	48.7	21	Recapitalization of U.S. Forces
	GOAL 5. READINESS, RECRUITING, AND RETENTION			
	<i>Readiness</i>			
13	Units meeting readiness goals (%)	100	11	Readiness
	<i>Recruiting and Retention</i>			
14	Accessions/recruitments versus targets (%)	100	10	Recruiting High-Quality People; Table 13
15	Top half aptitude recruits (%)	60	10	Recruiting High-Quality People; Table 13
16	Enlisted first-term retention (%)	50	10	Appendix G
17	Civilian work force reduction versus target (%)	100	C	Appendix C

Table J-3 provides chapter references to other quantitative data relevant to the evaluation of DoD's performance in achieving its corporate-level goals.

Table J-3

FY 1999 QUANTITATIVE MEASURES

	Chapter	Section Title/Table Number
GOAL 1. SHAPE INTERNATIONAL ENVIRONMENT		
Threats (types and description)	1	Projected Security Challenges
Drug interdiction and counterdrug activities (tons of cocaine seized)	1	Shaping the International Environment
Capabilities and assets	2	Critical Enablers
Antiship cruise missiles (types)	3	Maritime Threats
Antiship cruise missiles (number of countries possessing)	3	Maritime Threats
Naval mines (types)	3	Maritime Threats
Naval mines (number of countries possessing)	3	Maritime Threats
NBC weapons (number of countries possessing/developing)	3,6	NBC Weapons; Missile Defenses

Theater ballistic missiles (number of countries possessing)	3	NBC Weapons
Russian nuclear weapons (number maintained)	5	Strategic Nuclear Forces
Reductions in U.S. strategic arsenal – START I & II	5	Force Structure and Capabilities; Table 11
Proposed further reductions under START III	5	START Treaties
U.S./Russian theater ballistic missile defense exercises	6	Missile Defense Cooperation with Allies and Friends
Ballistic missile threats to United States	6	National Missile Defense Program
GOAL 2. SHAPE AND RESPOND		
Overseas presence – Pacific, Europe, Southwest Asia	3	Conventional Forces – Graphic
Air Force fighter-wing deployment capability	3	Fighter/Attack Aircraft
Air Force fighter wings	3	Fighter/Attack Aircraft
U.S. air defense fighter-interceptor squadron reductions	3	Fighter/Attack Aircraft

Composition of Air Force, Navy, and Marine Corps wings	3	Fighter/Attack Aircraft; Tables 2-4
Bombers (current force)	3	Conventional Bombers
Bombers (planned reductions)	3	Conventional Bombers
Specialized aviation force levels	3	Specialized Aviation Forces; Table 5
Naval force levels	3	Naval Forces; Table 6
Nuclear- and conventionally-powered aircraft carriers (number)	3	Aircraft Carriers
Activation and retirement dates for aircraft carriers	3	Aircraft Carriers
Amphibious ready groups (number)	3	Amphibious Forces
Activation and retirement dates for amphibious ships	3	Amphibious Forces
Navy attack submarine force reductions	3	Attack Submarines
Navy surface combatant force reductions	3	Surface Combatants
Navy station ship force (number of ships)	3	Combat Logistics Forces
Navy shuttle ship force (number of ships)	3	Combat Logistics Forces

Navy P-3 aircraft (number)	3	Maritime Forces
Navy LAMPS MK III SH-60B helicopters (number)	3	Light Airborne Multipurpose Helos
Army force structure and end-strength	3	Land Forces; Table 7
Army National Guard force structure and end-strength	3	Land Forces; Table 7
Marine Corps force structure and end-strength	3	Land Forces; Table 8
Military airlift fleet (composition)	3	Airlift Forces
Civil Reserve Air Fleet (percent of commercial aircraft capacity)	3	Airlift Forces
Ready Reserve Force (number of ships and number of days to ready ships for deployment)	3	Sealift Forces
Military charters from commercial operators (number)	3	Sealift Forces
U.S.-flag commercial ships with military utility (number)	3	Sealift Forces
Long-range tanker force (composition)	3	Aerial-Refueling Forces
Prepositioning advantages for moving a heavy Army brigade	3	Prepositioning Programs

Sea-based prepositioning (number of ships and capacity)	3	Sea-Based Prepositioning
Military mobility forces (force structure)	3	Mobility Forces; Table 9
Navy shipbuilding program	3	Naval Forces; Table 10
Special operations forces (force structure)	4	Force Structure
U.S. strategic nuclear arsenal (composition)	5	Force Structure and Capabilities
Ballistic-missile submarine availability	5	Readiness and Sustainability
Contributions of space infrastructure to U.S. economy	7	Protecting a New Center of Gravity
Number of U.S.-built satellites launched	7	Protecting a New Center of Gravity
DoD launch vehicles	7	Space Launch
Global command and control system (number of locations)	8	Command and Control
Force structure and end-strengths	9	Balancing the Force; Table 12
Number of Army reserve component personnel that have served in Bosnia	9	Active/Reserve Component and Allied Joint Operations

Army reserve component brigades – readiness for combat	9		Active/Reserve Component and Allied Joint Operations
Commitment for integrated divisions (active and reserve members)	9		Active/Reserve Component and Allied Joint Operations
Reserve personnel qualified in present assignment	9		Training
Reserve officer training requirements	9		Training
Joint Reserve Intelligence Program (numbers, training days)	9		Training
Force highlights	D		Appendix D
GOAL 3. PREPARE (MODERNIZATION)			
Air Force modernization programs	3		Investment - Aviation Forces
Navy modernization programs	3		Investment - Naval Forces
Army modernization programs	3		Investment - Land Forces
Marine Corps modernization programs	3		Investment - Land Forces

Airlift, sealift, aerial-refueling, and prepositioning programs	3	Investment - Mobility Forces
Total strategic offensive forces funding, 1990-2003	5	Funding and Modernization
Strategic offensive forces funding as a percentage of total DoD funding, 1990-2003	5	Funding and Modernization
Missile defense modernization programs	6	Theater Air and Missile Defense Programs
Space systems modernization programs	7	Modernizing the Force
Information system oversight	8	C ⁴ ISR Information Technology Management
Procurement funding for reserve modernization	9	Equipping
Objectives of Defense Technology Area Plan	15	Technology Development and Acquisition
Defense Technology Objectives scheduled for completion in FY 1999	15	Technology Development and Acquisition

Advanced concept technology demonstrations (number)	15	Technology Development and Acquisition
Acquisition corps (program managers, career development, education, and training)	F	Appendix F
GOAL 4. PREPARE (REVOLUTION IN MILITARY AFFAIRS)		
Revolution in Military Affairs, <i>Joint Vision 2010</i> milestones	13	RMA and <i>Joint Vision 2010</i>
Functional elements of a battlefield (chart)	14	End-to-End Battlefield Operational Concepts
GOAL 5. READINESS, RECRUITING, AND RETENTION		
Number of recruits	10	Recruiting High-Quality People
High-school diplomas	10	Recruiting High-Quality People
AFQT I-III A	10	Recruiting High-Quality People
Attitudes toward military service	10	Challenges in a Changing Recruiting Environment

Pay, bonuses, and allowances	10	Pay and Allowances
Promotion opportunity	10	Promotions
Personnel tempo (PERSTEMPO)	10	Force Stability
Civilian work force -- people with severe disabilities	10	Equal Opportunity
Proportion of women in the military	10	Status of Women in Military
Percent of military jobs open to women	10	Status of Women in Military
Civilian drawdown	10	Recruiting and Hiring
Civilian work force -- former welfare recipients	10	Recruiting and Hiring
Civilian work force -- involuntary separation rate	10	Civilian Downsizing and Transition
Civilian work force -- DoD's priority placement program	10	Civilian Downsizing and Transition
Civilian work force -- voluntary early retirement authority	10	Civilian Downsizing and Transition
Civilian work force -- outplacement referral system	10	Civilian Downsizing and Transition
Labor/management partnerships	10	Defense Partnership Council

Ratio of personnel specialists to employees	10	Civilian Personnel Regionalization
Regional service centers	10	Civilian Personnel Regionalization
Response rate to inquiries	10	Field Advisory Services
Reductions in injury compensation costs	10	Injury Compensation
Telecommuting test program	10	Family-Friendly Workplace Initiatives
Equal opportunity discrimination complaints	G	Appendix G
Sexual harassment complaints	G	Appendix G
First-term reenlistment rates	G	Appendix G
Retention rates	G	Appendix G
Youth attitudes toward military – enlistment propensity	G	Appendix G
Nondeployable unit personnel	G	Appendix G
Time away from home – Army, Navy, Air Force, and Marines	11	Managing Time Away From Home

Funding for unit training	11	Service Unit Training
Deferred maintenance requirements	11	Depot Maintenance Backlogs; Table 15
Logistics response time	11	Improved Logistics Management
Family and bachelor housing units	12	Housing
Percent of barracks spaces requiring renovation/replacement	12	Housing
Privatized family housing	12	Housing
Barracks spaces requested for construction in FY 1999	12	Barracks
Child care spaces	12	Child Development Program
Number of youth centers, locations, and youths served	12	Youth Program
Number of DoD family centers	12	Family Centers
Employment assistance and results	12	Transition Assistance Program
Abuse reduction	12	Family Advocacy Program

Number of libraries	12	Fitness and Library Programs
Average patron savings	12	Commissaries
Contributions to morale, welfare, and recreation program	12	Military Exchanges
Enrollments	12	Off-Duty/Voluntary Education
Degrees awarded	12	Off-Duty/Voluntary Education
Number of schools and students	12	DoD Education Activity
Student testing scores	12	DoD Education Activity
Number of beneficiaries	12	Health Care
Number of hospitals and clinics	12	Health Care
Gulf war veterans evaluation	12	Health Care Initiatives
Gulf war veterans – illness incidents reported	12	Health Care Initiatives
1997 TRICARE enrollees	12	TRICARE
Number of dual-eligible personnel	12	Medicare Demonstration

GOAL 6. MANAGEMENT			
Number of counterintelligence investigations	8		Intelligence and Counterintelligence
Cycle times for security investigations	8		Security
Number of pages declassified	8		Security
Business process reengineering projects (number)	8		C ⁴ ISR Information Technology Management
Computer mainframe processing cost and personnel reductions	8		Information Systems
Information systems megacenter reductions and savings	8		Information Systems
Elimination of computer legacy systems	8		Information Systems
Data standardization	8		Information Systems
Contracting to be made paper free	16		Reengineering
Use of purchase cards	16		Reengineering
Paper-free systems for weapons support and logistics	16		Reengineering

Discontinue volume printing of DoD-wide regulations and instructions	16	Reengineering
Prime vendor contracts available for every major installation in the United States	16	Reengineering
OSD personnel reductions	16	Consolidate
Defense agency personnel reductions	16	Consolidate
DoD field activity personnel reductions	16	Consolidate
Joint Staff personnel reductions	16	Consolidate
All other headquarters elements reductions	16	Consolidate
Combatant command headquarters reductions	16	Consolidate
Presidentially-appointed, Senate-confirmed position reductions	16	Consolidate
Defense support activity category eliminated	16	Consolidate
Reduction in number of defense agencies	16	Consolidate
Reduction in number of defense field activities	16	Consolidate
OMB Circular A-76 competitions (number of positions)	16	Competition

Functional areas for competition	16	Competition
Additional rounds of BRAC	16	Eliminate
Utility privatization	16	Eliminate
Deliver new major defense systems to users in 25 percent less time	16	DoD Acquisition Year 2000 Goals
Achieve visibility of 90 percent of DoD material assets while resupplying military peacekeepers and warfighters and reducing average order-to-receipt time by 50 percent	16	DoD Acquisition Year 2000 Goals
Simplify purchasing and payment through use of purchase card transactions for 90 percent of all DoD micropurchases while reengineering the processes for requisitioning, funding, and ordering	16	DoD Acquisition Year 2000 Goals
Create a world-class learning organization by offering 40 or more hours annually of continuing education and training to the DoD acquisition-related work force	16	DoD Acquisition Year 2000 Goals
With no top-line budget change, achieve annual defense procurement of at least \$54 billion, toward a goal of \$60 billion in 2001	16	DoD Acquisition Year 2000 Goals

In the spirit of fostering partnerships and community solutions, complete disposal of 50 percent of the surplus property baseline and privatize 30,000 housing units	16	DoD Acquisition Year 2000 Goals
Decrease paper transactions by 50 percent through electronic commerce and electronic data interchange	16	DoD Acquisition Year 2000 Goals
Reduce total release of toxic chemicals by a further 20 percent	16	DoD Acquisition Year 2000 Goals
Eliminate layers of management through streamlined processes while reducing the DoD acquisition-related work force by 15 percent.	16	DoD Acquisition Year 2000 Goals
Define requirements and establish an implementation plan for a cost-accounting system that provides routine visibility into weapon-system life-cycle costs through activity-based costing and management; the system must deliver timely, integrated data for management purposes to permit understanding of total weapon costs, provide a basis for estimating costs of future systems, and feed other tools for life-cycle cost management	16	DoD Acquisition Year 2000 Goals
Dispose of \$2.2 billion in excess National Defense Stockpile inventories and \$3 billion in unneeded government property while reducing supply inventories by \$12	16	DoD Acquisition Year 2000 Goals

billion			
Minimize cost growth in major defense acquisition programs by achieving no greater than 1 percent growth annually	16		DoD Acquisition Year 2000 Goals
Defense Finance and Accounting Service (DFAS) – monthly averages; payments to personnel; commercial invoices; finance, disbursement, and accounting systems; problem disbursements	17		DFAS and the Consolidation of Financial Management Operations
DFAS consolidations and generated savings in operating costs	17		DFAS and the Consolidation of Financial Management Operations
DFAS – annual savings from expanded competition	17		Expanding Competition to Improve Services and Reduce Costs
Number of finance systems	17		Consolidation of Finance Systems
Defense civilian pay system efficiencies	17		Consolidation of Finance Systems
Military pay system efficiencies	17		Consolidation of Finance Systems
Procurement payment/disbursement system implementation	17		Consolidation of Finance Systems

Accounting system reductions	17	Consolidation of Accounting Systems
Problem disbursement reductions	17	Eliminating Problem Disbursements
Prime vendor payment accuracy improvement	17	Eliminating Problem Disbursements
Reductions in real and personal property accountability systems	17	Reporting and Valuation of Real and Personal Property
Usage rates of electronic document management and electronic funds transfers	17	Improving the Exchange of Financial Information
Savings from reengineering	17	Garnishment Operations
Number of card holders and value of purchases	17	Government-Wide Purchase Card Expansion
Efficiencies in processing travel vouchers	17	Travel Reengineering
Reductions in acquisition work force	18	Acquisition Reform Legislation

Delivery time for new systems	18	Goal 1
Asset visibility (baseline in 1996)	18	Goal 2
Logistics response time (baseline in 1997)	18	Goal 2
Government purchase card, average savings per purchase	18	Goal 3
Purchase card usage	18	Goal 3
Acquisition work force annual training hours	18	Goal 4
Monthly Federal Acquisition Network transactions	18	Goal 7
Acquisition work force reductions	18	Goal 9
Material savings	18	Goal 11
Value of national stockpile	18	Goal 11
National stockpile requirement	18	Goal 11
National stockpile annual sales	18	Goal 11
Value of DoD-owned plant equipment, special tooling, and special test equipment in	18	Goal 11

possession of contractors			
Inventory levels	18	Goal 11	
Annual cost growth (baseline in 1997)	18	Goal 12	
Number of changes submitted and cost savings/avoidance	18	Expanded Single Process Initiative	
Goals for program stability reserve	18	Program Stability	
Performance against Federal Acquisition Streamlining Act of 1994 goals	18	Statutory Report	
Percent of costs incurred after fielding	18	Total Ownership Costs	
Percent of DoD total hazardous materials attributable to acquisition process	18	Integrating Environment into Acquisition Process	
Size of the DoD infrastructure	19	DoD Infrastructure	
Building candidates for disposal	19	Facility Disposal	
A-76 cost comparisons	19	Competition, Privatization, and Outsourcing	

Energy usage and conservation results	19	Energy Conservation
Family and bachelor housing units	19	Military Housing
Percent of barracks spaces requiring renovation/replacement	19	Military Housing
Leverage factor for military construction funding	19	Military Housing
Toxic chemical releases in 1994 and 1995	19	Goal 8
Portion of 1995 pollutants released into the air	19	Goal 8
Number of installations and annual savings	19	BRAC Savings
BRAC investment costs	19	BRAC Savings
Job creations through improved property conveyance process	19	Improving the Base Reuse Process
Tenant increases through improved leasing procedures	19	Improving the Base Reuse Process
Job/tenant creations	19	Demonstrated Results
Number of bases closed, and acres of real property declared excess, through BRAC	19	Surplus Property Disposal
Number of on-site base termination coordinations	19	Surplus Property Disposal

Reductions in domestic base infrastructure	19	Future Base Closure Rounds
Costs and benefits of industry mergers	20	Review of Mergers and Acquisitions
Percent of DoD contracts awarded to small businesses	20	Small Business Efforts
Percent of subcontracts awarded to small businesses	20	Small Business Efforts
Percent of contracts awarded to small disadvantaged businesses	20	Small Business Efforts
Percent of subcontracts awarded to small disadvantaged businesses	20	Small Business Efforts
Percent of contracts and subcontracts awarded to woman-owned small businesses	20	Small Business Efforts
Number of mentors and proteges	20	Mentor-Protege Program
Percent of major weapon system costs incurred after fielding	20	Commercial Technology Insertion – Reducing Operation and Support Costs
Increased market share (U.S. and worldwide) and reduced costs for gallium arsenide wafers	20	Maintaining and Modernizing Weapon Systems

Reduced costs for discontinuous reinforced aluminum	20	Maintaining and Modernizing Weapon Systems
Department of Defense budget authority and outlays	21	The Defense Topline; Table 16
FY 1999 budget request compared with FY 1985 budget	21	The Defense Topline
DoD outlays as a percentage of gross domestic product	21	The Defense Topline
Military and civilian end-strengths	21	Force Structure and End-Strength; Table 17
Other long-term defense spending trends	B	Appendix B
Other personnel data	C	Appendix C
Acquisition workforce implementation	F	Appendix F
Information technology management goals	K	Appendix K
Program and Financing Schedules (P&F) not covered in DoD Annual Report:		
Office of the Inspector General: number of audits, indictments, convictions,	N/A	Office of the Inspector General

finances/penalties/restitutions, hot-line calls/letters received, substantive cases generated.		Semiannual Report to Congress (published separately)
Chemical Demilitarization—through FY 1997, 6.5 percent of the original U.S. unitary stockpile had been destroyed. That figure is projected to grow to 20.7 percent in FY 1998 and to 23.2 percent by FY 1999.	N/A	Annual Status Report on the Disposal of Chemical Weapons and Materiel for FY 1997 (published separately)
Military Construction—353 major projects and \$53 million in minor construction in FY 1999 budget	N/A	Congressional Budget Exhibit (C-1)

Appendix D: Deputy Assistant Secretary (OASA(FM&C))

Interview Questions

ASA (FM&C) Senior Leader Interview for the Customer Surveys

The purpose of this interview is to obtain your input for the development of customer satisfaction surveys for ASA (FM&C) as part of implementation of our strategic plan. We first would like to focus on products/services in your area.

1. Please identify in priority order 3-5 products/services in your area that are most important to your customers.
2. For each of these products/services, please answer the following:
 - a. What is the purpose of this product/service?
 - b. How does this product/service add value to your customers?
 - c. What do you think are the most important factors that impact your customers' satisfaction with this product/service?

Now we want to ask some general questions about customer satisfaction

3. How would you measure your customers' satisfaction with your products (e.g., access to products, accuracy of information, timeliness, ease of use)?

4. How would you measure your customers' satisfaction with your service (e.g., professionalism, courtesy, responsiveness, competence)?

5. We anticipate the initial survey to be of the MACOM Resource Managers. What customer feedback would you be interested in obtaining from them?

Appendix E: Deputy Assistant Secretary (OASA(FM&C))

Interview Transcripts

E.1: Mr. Young, Director, CEAC

The purpose of this interview is to obtain your input for the development of customer satisfaction surveys for ASA (FM&C) as part of implementation of our strategic plan. We first would like to focus on products/services in your area.

1. Please identify in priority order 3-5 products/services in your area that are most important to your customers.

- 1) *Army Cost Position*

- 2) *Generally – Cost Factors (e.g., TRM (OPTEMPO), AIM-High)*

- 3) *Generally – Cost Management and Cost Management Tools*

2. For each of these products/services, please answer the following:

- a. What is the purpose of this product/service?

- 1) *Life cycle estimate approved by the Army for a major program or designated high-visibility program that goes before the Army leadership for a decision. Involves all*

phases of the life cycle, by virtue of having all of the functionals from the HQ's participate in the review of it, it is necessarily an Army position and not a CEAC or analyst position, and it reflects all aspects of the environment we are in, such as the reaction on the Hill – must be up to date, relevant, credible, etc.

- 2) *In simple terms, these models are the cost per something times the number of times you do that something (e.g., cost per mile times the number of miles driven in a tank). We are the source for those costs, and we are becoming the source for civilian pay factors. Generally, we are the source for the cost factors that drive training, installations and civilian pay. These are electronic files for each weapon system. These are the culmination of much effort – use of historical data that has been screened of outliers, normalized, etc. (normalization often occurs because of policy changes). If we don't have historical basis, we use engineering estimates. We must also know the metrics used by our customers. In installation support, we are not quite there yet. We will get there (for example, how many children we support, how many people use the bowling alley, etc.). We are trying to get to a performance-like metric along with the cost so we can associate the two together. These are not "outcome" measures – I am a purist when it comes to outcome measures – e.g., the trainers in the Army know what it takes to call their tank unit C1 in training readiness – 800 miles per year makes you C1 and enables you to win the war, which is the outcome. I go out and measure the miles. Once we get these costs and levels of performance, we go out to AMC, DCSOPS, PA&E, and others to get guidance on what the future is going to be – use single stock fund, changes in credit rating, for*

example. These are the types of policy changes that might effect us. Our customers for these products are:

- For TRM – RMs, DAMO-TR (GEN Lovelace), for Installations (D/ACSIM), and ABO and PA&E

3) *These products bring an awareness to people for how much things really cost in comparison to benchmarks either internal to the Army or external to the private sector so they have a sense as to whether we are paying more than we should. Then more importantly, to enable them to act on this information to drive down costs and improve efficiency and quality of service delivered. We are pushing very hard in ABC and cost management, with a very aggressive plan to have a cost management system in place for eleven Army business areas within three years. These include:*

- *Supply management*
- *Depot maint*
- *Civilian and Human Resource management*
- *Base Operations*
- *Institutional training*
- *Test and Evaluation*
- *R&D Labs*
- *Acquisition*
- *Contracting*
- *Ordinance*

The idea is not to build an accounting system to account for every dollar, but to help the big resource consumers and assist the functional manager at the local

level to build an ABC model (if appropriate) so that on a regular basis he or she can have managerially relevant information to make decisions and improve efficiency and reduce cost. To achieve that, we developed a plan, got it approved at the Army and DoD level and are now in the process of organizing the business area managers for those eleven areas. We will train, facilitate, provide software, and lessons learned so that these managers can develop their individual plans. We will then consolidate these plans into an overall Army plan, then measure our success. Mrs. McCoy wants us to articulate our progress in this effort at the Quarterly Army Performance Review (QAPR), since the secretary, the undersecretary, the vice, and chief etc. approved it. They may also see this as a way to pay the bill for transformation, etc. **[At what level are these business area managers located?]** There are two kinds: functional area managers, and business area managers. For example, the functional area manager for institutional training will be GEN Lovelace (same guy as the OPTEMPO). The business area manager will most likely be someone from DCST at TRADOC (probably Bob Seger – I'm not sure what the name is). GO/GS level. The functional manager is the person in the building while the business area manager will be the person on the ground at the TRADOC/AMC.

In general, the tools are the ABC software (how to use it and to train people) , ACE-IT - an Army wide system used to develop weapon systems cost estimate and Army Cost Positions. These tools access a library of cost factors, but we want the numbers to be linked to ACE-IT and other tools. The analyst must pick out the cost factors they have to use, rather than using "canned" numbers. These are

basically glorified Excel spreadsheets with all the tools a cost analyst needs (inflation tables, learning curves, risk analysis, statistical packages, and the ability to bring in cost factors from other databases, as mentioned previously). Our intent was to have standardized packages that analysts could use and carry across jobs and locations, rather than having stand-alone packages made by each analyst. This has also been standardized with the Air Force.

b. How does this product/service add value to your customers?

1) I have to ask that question to myself every day. If you are a budgeteer or a programmer, it (if it is a good estimate) minimizes turbulence in the program because you have identified all the risk and put the right amount of money against it, there are no shortfalls. Therefore they do not have to seek bill-payers to pay the bill for that. Or, we don't find out that we overfunded it by several millions and OSD takes it in a PBD, and the Army just lost. Either outcome is bad. We try to minimize that. If you are a Program Manager, the cost estimate is a supporting piece of documentation (along with the acquisition strategy test plan, etc) that goes up the tape of acquisition regulations. It has to be done timely and credibly, since for major products, OSD must approve. If you are a logistician, you need to make sure that someone has thought through a logistics and maintenance philosophy and has put resources in place to make sure the Army can sustain a viable OPTEMPO program. If you are user in the field who will receive this equipment, you

want to make sure adequate support equipment , training, and funds are available. The earlier you identify all of those funding requirements, the better. For example, the Comanche program – it will not be fielded until '06, but right now we need to get the O&S tail into the POM that we're building for '02-'07. So now is the time to get that in there. If you wait until the next POM, it's too late. If you're the I & E guy, must identify environmental cost (disposal, etc). Want to make sure that cost has been addressed and that funds have been provided. If you're a trainer at TRADOC, you want to make sure that training devices are identified in the right numbers, and have been costed and their requirement is reflected. **[What about from the MACOM RM point of view? Are they involved in the Army cost position in any way?]** I noticed that the survey will go to them – I really think they are not so much a customer for that – only in the sense that if we do a bad job, it effects them. They are not directly effected, with the exception of AMC and TRADOC [but not the RM] – they are members of our cost review board. TRADOC because they are the user rep and they represent all of the things the user stands for, mostly from a analysis of alternatives standpoint. AMC (and their RM) are involved because it is more near-term and associated with acquisition. **[So your primary customers for the ACP are mostly the PMs and PEO's?]** I would say the PMs, PEOs, SALT(Acquisitions and logistics), PA&E, ABO. SALT owns the PMs and PEOs. ACP is the final version and consolidation of the weapon system individual cost estimate. Vetted and validated, more comprehensive. For example, a commo PM is only interested

in the equipment that goes into the system, not the truck, or the shelter. The army needs to consider the total package, from total package fielding, to make sure that we purchase enough trucks, the shelters are there, the schedules are right, etc. Those are the kinds of issues we address on a regular basis. WE make sure that the functionals answer the question (yes that truck is scheduled to be there, and here is the funding profile, and yes it's taken care of). [It sounds like putting together all of the functional pieces making the oversight issues is one of the most valuable things you do?] Yes, I would say that. I think that we are probably the only ones that have the broad view of all the pieces, similar to the GEN Thurman "horse blanket" review. That doesn't happen any more, at least not in this context. People get stove-piped, and this is where we can capture it all.

- 2) *It helps them size their training/OPTEMPO installation (and hopefully) civilian pay funding requirements, and helps defend them on the Hill. The Army has historically done very well in defending their funding requirements. We have moved away from the weeds to the policies effecting budgeting decisions. For MACOMs, the RM's can use this as a resource allocation tool. Although TRIM does not run a cost factor for each individual unit (e.g., we say, TRADOC, FORSCOM, you get this much, not unit x, y you get this). Our cost factors are used by the RM's (I'm reasonably sure) to help them allocate the funds to the specific units as the money flows down from the building to the MACOM. [Do the MACOMs use these cost factors to generate their budget requirements – i.e., how do they figure out their needs?] We*

generate the cost factors from the MACOMs up centrally. Sometimes in the quest for more resources out of cycle, our cost factors might be used to get an increase – e.g., you funded us at \$50 per mile, when it really cost \$100. It is fair to say that these cost factors are a tool to allow them to allocate resources to their installation. And certainly, if our cost factors are wrong, the field is the first to let us know. They are our greatest critic and supporter at the same time. Most of the RM's and PM's are satisfied with the process (with the exception of the National Guard)

3) The value of these[standardized] tools is the savings seen in training, the savings in communications (with no translations necessary) – e.g., lack of macros embedded into the spreadsheet. The calculations are apparent, not hidden. Ease of communication. Another value is the packaging of the distributed work (e.g., back to the comms system – the comm PM only worries about the commj piece – he can now get the truck PM to send him the ACE-IT files for the same system to pull the entire estimate together). This is one of the good things of automation. Finally, the consistency of the format going forward to the ASARC and the DAB facilitates the transfer of knowledge. The primary customers for these tools are the following:

- ABC – used for business area processes – for functional process/business area managers*
- ACE-IT is for the weapons systems cost estimation – acquisition community*

- *For long run, these systems could be integrated to capture all of the costs – importing ABC models into the ACE-IT model for labor costs*

[Where do MACOM RMs fit into this picture? Where are they the customers for these tools?] They are involved in the BASOPs functional area (in terms of AIM-HI, ABC, and service based costing) have the same involvement. We are trying to bring the same discipline brought to installation management and BASOPS to supply management, depot maintenance, etc. The schoolhouse training piece for TRADOC will be brought to the same type of cost management discipline. The ultimate goal is for the local guy to use these systems to become more efficient.

c. What do you think are the most important factors that impact your customers' satisfaction with this product/service?

1) Timeliness, comprehensive and credible to the point that the Army can sustain its position through any oversight process, whether it is OSD or Congress. With OSD, we do that in the DAB process. With the Congress, its done with the Selective Acquisition Review (the SAR report), which is an annual report to the Hill, wherein the cost growth is computed. If the cost growth is not within a tolerance, the world comes to a halt. Being able to defend the Army position to OSD and the degree of cost growth that is reflected in the SAR. As a coster, I take the heat for being out of tolerance. [But the cost growth is out of your hands, isn't it? It depends largely on economic factors,

doesn't it?] *It depends on how you categorize the cost growth. If it is because the wall came tumbling down and instead of 1000, we only need 500, but the unit cost went up by 20%, I don't count that as a cost issue. But if for every missile program for the last 50 years, and they all had a 60-month R&D program, and I costed only a 24 month program, than the hit is on me. I failed [in this case] to recognize what history taught us. So in summary, the most important factor is the degree of cost growth and the ripple effect causing us to change other Army programs to either pay the bill or possibly lose money.*

- 2) *They would measure us on how accurate they thought the cost factors were for their situation. I think someday, we will get to the point where we will have geographical or other peculiar cost factors (by MACOM or installation, for example). On average we are on, but there are some deviations. Also, probably embedded in accuracy – reflecting the realities of their environment. Even though we don't go back to say Ft. Hood, your cost factor is 3, we do try to capture all of their requirements historically so we can reflect at the MACOM level in the future their unique things that may not be captured in the normal information gathering process. E.g., we found out that the electronic odometer on the M1A2 resets to zero when the battery is removed, thus giving false information. We have to be on our toes to capture these anomalies in data. This then gives the MACOMs a much better feeling in their representation. Walking a mile in their shoes makes them feel much better in the quality of the analysis being done. We get this information through*

several means – data collection, informal email traffic, then site visits. We should do more site visits. Once every year or two we should go to our major locations – corps, MACOMS, etc. **[These sound like good verification and validation of the input into the cost factors and effect the quality of the analysis going into the system]**. Generally, the same factors will apply to installations – we just don't have as nearly as much historical data collected and we haven't gained the confidence of everyone – we are trying to get the same level of confidence in the installation costing model (AIM-HI) as we have now in the TRM model. We have spent a lot of time marketing what we're going to do, but haven't delivered on them yet. There is a reasonable comfort level, but we're not there yet. For example, the performance metrics are very undefined – we don't know what the equivalent of “800 miles” is for child care, for example. We are taking incremental steps – for facilities we are there with ISR part I. ISR part III is going to be a five year program. We are starting with about 15-20 of them in this year's POM (out of the 95 services), and we predict it will take about five years to do it. It is an investment in our credibility and being able to convince the hill and OSD. We see signs that OSD and the other services want to do the same thing. This work is the result of ACSIM work in getting their arms around the readiness of our facilities. WE had no way to articulate that before, but now we do. The part I add is to figure out the cost required to maintain or change the readiness status of the installation. We can then quantitatively articulate the funding needs to maintain or change your readiness from an installation point of view.

Now we want to ask some general questions about customer satisfaction

3. How would you measure your customers' satisfaction with your products (e.g., access to products, accuracy of information, timeliness, ease of use)?

Ultimately, the customer's degree of satisfaction. Within that, I would say accuracy, timeliness, realism, comprehensiveness. Want to make sure the product I get is accurate, realistically reflects my commands behavior, that it is comprehensive (or if not, what the product does NOT cover). The product needs to be timely in the real-time and readily available. At some point, I would want the latest cost factors to be available on a web-site and updated in the real-time.

4. How would you measure your customers' satisfaction with your service (e.g., professionalism, courtesy, responsiveness, competence)?

All listed are very important and they greatly effect things such as credibility. Beyond that, I wouldn't have anything to add. After some discussion – accessibility and transparency of the data is important – the absence of transparency –e.g., if the MACOMs were to drill down in our relational database, and found that the numbers were not there, then we would have a real credibility problem. They need to know what is in the database and what is not –we shpould not over represent it, and it should be internally consistent. They should be able to access it.

Finally, as we change our business processes (for example, in 92 we went to DORs – where the units pay for their own Depot Level Repairables, versus free issues, and going to a single stock fund in 01). If we do not keep up with the changing business practices and business information systems so we can accurately and adequately capture the behavior of the MACOMs, we will fall behind the curve. We must remain agile and flexible.

5. We anticipate the initial survey to be of the MACOM Resource Managers. What customer feedback would you be interested in obtaining from them?

First, I would want feedback from PM's and PEO's – the majority of our work on the weapons side is for the PM's and PEO's. They would also be the most critical of our work, in terms of us not adequately capturing their end of the business – total ownership costs. So I think it is important to hear from them, because I believe they would be very critical. I think the MACOM RM's would have little to say about the Army Cost Positions, but a lot to say about OPTEMPO, Installation, and depending on how much they know about civilian cost and ABC cost management. I think we forget about the acquisition folks too often.

Follow-on performance measure and process mapping questions:

1. How would you define success for the CEAC in how you support the Army?

I was asked that question last week, along with my counterparts. I would answer that as I've previously said. The degree of cost growth that we have in our weapons. The degree of reprogramming. The degree of units and installations in the field that are short-changed. If we caused the Army to go through the PPBES process trying to find bill-payers or losing money because we over-programmed. If I'm not able to answer cost management questions satisfactorily – in today's world – relevant questions and being on top of current events will make me successful.

[Added later] There are very few cost analysts in the Army. Where they are (the small number that exist) are in the AMC sub-commands and in PM shops. They look to CEAC as their leader, so I feel a great deal of responsibility towards setting the pace, tone, policy, etc. or them. Not just me, but CEAC.

2. Which of these is most important of these?

I would say that helping the Army build a justifiable defensible budget is paramount. I want to make sure that the leadership has all the facts in hand and can react to any political ramifications from an informed position.

3. When you achieve success, why are you successful?

That's a tough one. Just the opposite of what I do when I'm not successful.

4. In times when you're not successful, why is that you are not?

When I don't do those things that make me successful.

5. Of those things that make you unsuccessful, which is the most detrimental?

*Not being current and up to date and on the cutting edge of what's happening.
Another way of saying that is if you were to come in with an estimate that is 99%*

accurate but is two months late – you might as well have not even shown up. In order to be influential in the decision process (helping to make informed decision).

6. *POCs for these products:*

Ed McCauley – weapon systems and cost positions

Mort Anvari – same as above – for congruence, consistency

Steve Bagby – installations, OPTEMPO, etc. – costing models

E.2: Mr. Kohler, ADASA-BU

The purpose of this interview is to obtain your input for the development of customer satisfaction surveys for ASA (FM&C) as part of implementation of our strategic plan. We first would like to focus on products/services in your area.

1. Please identify in priority order 3-5 products/services in your area that are most important to your customers.

Money – we justify and secure for the MACOMs the resources they need to accomplish their missions. The products and services we produce for them [MACOMs] are enablers for the commanders out there to do their mission.

- 1) Funding Letters*
- 2) Budget Justification Material*
- 3) Program Budget Guidance*
- 4) Policy – part of the “Washington establishment”*

In priority order – in the field, the funding letter is most important, then policy, then PBG, then justification material last for them – they understand the need for justification, but as human nature always is they would rather focus on the here and now and what they have, rather than doing the work to perhaps get more in the future.

For our customers upward, budget justification material would be first, but funding letters are most important upward as well, because OSD and Congress are very focused on are you executing as you have budgeted and are you able to deliver the 800 miles of this's or that's that we provided you the money to do that. WE are constantly in a dialogue with them – “gee, I gave you this for that, and you didn't deliver.”

2. For each of these products/services, please answer the following:

a. What is the purpose of this product/service?

4) **Funding Letters** are where we put out the guidance: Here's the amount of money we were able to secure for you, here's the guidance that goes with it – the particulars such as the number of miles of OPTEMPO this money should produce. It is important in our business, because it puts boundaries on things for these guys. In other words, they are not expected to be everything for everyone. We are describing to them what the expectations are for what those resource levels “ought” to be able to provide to soldiers and commanders.

[Are these funding letters specific – do they tell the commanders in detail what kind of return on investment they should get analogy?] Absolutely – not in those words, but definitely in the huge enclosure to the funding letters..

5) **Budget justification material** is done in conjunction with the customers below, then submitted to the customers above. Again it is an important product because it helps us in securing the resources our commanders tell us

they need to get their job done. The immediate customers below are all the direct-reporting people to headquarters DA. Of course it cascades down through to the soldiers and commanders in terms of the people that benefit from how well or how poorly we do our job.

6) **Program Budget Guidance** *that provides some value to the customer – we do that today in conjunction with PA&E – the POM is part of the BES business – the PBG that comes out of the POM is actually the start point for the budget, and the PBG that comes out of the budget is a kind of scorecard that tells you how we fared in the resource market from what we thought we wanted to do in the POM. Again, it is a product that describes what we were trying to do, and it is followed up by what we actually accomplished. Again, it goes into some detail as to what these resources ought to allow the commanders to do out there.*

7) **Policy** *– we have for years tried to reduce the amount of policy and restrictions that exist on the funding that we do have. There are people here, particularly on the Congressional side, that would like to see more restrictions, more policy. So the service we provide in terms of policy is to put out necessary policies required by law – help them comply. But on the flip-side of this is the effort we make to not “over-policy” them to death. The absence of policy in some instances is a better service than policy itself. I would not measure policy by the pound, but instead does it serve a purpose to them or someone else as a stakeholder.*

b. How does this product/service add value to your customers?

4) **Funding letter** – the funding letter is the ultimate document that a command receives that enables them to go out there and do the job they are supposed to do – their Title X duties. **[Do they get the information informally before the actual document is produced?]** Obviously, the information exists all the way from the POM to the BES to funding letter. The funding letter is the culmination, the actual authority that is provided to these guys and contains the legal aspects of that FY's budget based on DoD's appropriation and authorization bills. It is like a three-act play. The POM, the BES, then the PresBud, but the funding letter is the final act if you will of the budget cycle. It is very important to the MACOMs because your job, your scorecard is expressed in how well you did for your command in that funding letter. The level of detail given to the MACOM's is only in the amount of detail required by the appropriation bills and the authorization bills, because again, like policy, details along with specificity become limitations that should be avoided, unless there is a good reason to have a limitation. So we are fairly focused on the level of detail that goes into the funding letters, and we really focus on the key parameters that are descriptive of what these levels of resources ought to buy. For example, this much money gets you this many miles, this much money gets you this percentage of your repair and maintenance requirement —those kinds of things, but does not seek to restrict people in their execution of their funds. Just simply a statement of “here's how successful we were in the resource market, and therefore this is what WE

think you ought to be able to buy with it.” Which does in turn give the funds a boundary because then this guys subordinate commander comes up and says – “we need more maintenance money,” and we have to say this command was only funded at X% of the funds needed, so you’re going to have to live with it like the rest of your cohorts at that percentage. Each MACOM has its own funding letter that gives it the level of detail we think is necessary. We try to keep the majority of the letters consistent, to be fair, but have to give special guidance to every MACOM depending on their mission.

- 5) **Budget Justification Material:** *The thing [about budget justification material] we are chasing is ways to streamline the process to make it more meaningful in and of itself, and if there is some dissatisfaction from customers both up and down, it is because it is NOT meaningful – it doesn’t fit the strategic plan, for instance, many times it is not reflective of the Defense Program Guidance (which is what they tell us to achieve), so relevancy and ease of data collection would be the two biggest satisfaction factors regarding customer satisfaction measures. For example, when someone says “to justify your budget, we need to know how many individual unit coins were handed out!” there is a frustration level in the field that you couldn’t believe. I’m answering that question as we speak. This is not a normal part of the justification material, but as we testify over there, they can ask for anything they want, and generally we try to provide it. Generally, we require the same materials (and data) from our subordinates year over year, but that does not mean there are good systems in place to generate the data that’s required. I*

guess that's the frustrating part, and that can happen for many reasons.

Primarily, it goes back to the relevancy issue – that the justification material they are asking for may or may not be a relevant thing in managing that function or that activity, etc., so why would you have data about some irrelevant fact just laying around? So you get into strategic plans, GPRA, etc. – we (the government) would not do so well.

- 6) **Program Budget Guidance:** *The primary advantage to the folks in the field and to us up here gives us a seven year look at yourself and your programs and tells you how you fared over time (as opposed to the funding letter, which is a culmination and an achievement in a point in time). It also helps you to measure your progress in your functional strategic goals – if my goal is to get all my soldiers in new barracks by such and such time, and I know how much that will cost, I can look at the PBG and see (at least in a programmatic sense) whether you've put your resources in a place that will or will not achieve that goal. It also helps decision makers focus their attention on the top-priority unfunded things they are trying to achieve. It gives the kind of detail which allows you to focus your information for your audience. It is delivered three times a year – each is used for a baseline for different purposes – the POM, the BES, the PresBud.*
- 7) **Policy:** *The value to a customer is that the policy keeps him on a sound legal basis for executing his budget, OR keeps him consistent with the overall objectives. Auditors provide legal oversight. The legal aspect is fairly important. Every authorization and appropriation bill contains new legal*

language regarding things that are out there that we have to stay on top of and keep our financial policies in compliance with so that our customers don't get into legal "tiffs" if you will. The other value the policies have is that they promote the execution of their budget along the strategic directions the US Army wants them to go. An example of that is that "don't take your training money and go build family housing" or things like that. From a customer's view, less is better – you would not want to measure it by the pound.

- c. What do you think are the most important factors that impact your customers' satisfaction with this product/service?

- 3) **Funding Letters** – *a satisfied customer is one who understands what these products are telling them. In other words, a satisfied customer can look at any of these products and say to himself, "OK, I know this is the amount of money I've been provided, and this is what we're expected to do with it," and in fact in some fashion AGREES that that amount of money does indeed buy that amount of mission – that the cost factors were done properly. There is a whole bevy of systems that underlies each line on this budget – functional systems as well as budget systems and models, etc. So when they get the product from us, and we express these key parameters as a percentage or number of miles, etc. a satisfied customer looks at these and says "yes, I agree with that" in terms of that's how much it can buy me. Probably the*

most dissatisfied customers are those that don't agree with any of that – they don't agree with the start point as a requirement, or the models or historical audit trails that might have quantified something. The accounting system is quite often the “goat” for getting things wrong. It is when the pieces of the system come unraveled is when dissatisfaction flourishes. **[Is there a way to quantify this dissatisfaction –i.e., if you hear back from a customer that they are dissatisfied, are these processes then reevaluated?]** Sure, and many times the eaches – the dissatisfaction with one guy will lead us to the realization that EVERYONE should have been dissatisfied since this was wrong, that was wrong, etc. and it just happened to be that particular customer was the first to find the error. We are constantly in that communications loop. In fact this afternoon we are meeting with Chuck Mahan from AMC to discuss their BASOPS factor, because at the 96% funding we gave him, he doesn't think that the number we gave him covers 96% of his requirement. But there is a system that quantifies the requirement run by the ACSIM, and his real dissatisfaction is not with us, but the system that came up with the requirement in the first place

- 4) **Budget Justification Material:** See above
- 5) **PBG:** The same factors that I mentioned for the funding letters – accurate audit trails, comprehensive explanations of changes (so they can see and understand what programmatic decisions were made that have effected them in that cycle), and again the dissatisfied customers are ones that see a change, and don't understand – nobody has communicated to them why something did

or did not. Most of this is communication – two way – a shared responsibility between the provider and the customer

- 6) **Policy:** *For the downward customer, the important factors would be flexibility, freedom from oversight. To the upward customer, it would be accountability, adequate funds control, staying within the legal boundaries prescribed by law, and meeting the intent of the US Congress in the appropriation of those funds. [When you are doing the interpretation of these bills, do you know the intent the lawmakers want?] We don't know to start with – the report that Congress passes out with each bill comes with the language – you can normally glean the intent from the attending documents. We would like to think it is an iterative process, but the guys in BUL will tell you it is often not!*

Now we want to ask some general questions about customer satisfaction

3. How would you measure your customers' satisfaction with your products (e.g., access to products, accuracy of information, timeliness, ease of use)?

Certainly, accuracy of the audit trails and the comprehensiveness of the guidance and the change (can they understand the reason for the changes). Timeliness is VERY important – information that is not timely is worthless. For instance, if we don't sift through the bills quickly to get the relevant legal restrictions known to the customers out there, they could have inadvertently broken the law without knowing they were.

4. How would you measure your customers' satisfaction with your service (e.g., professionalism, courtesy, responsiveness, competence)?

I think it is a two-way street. I think we (HQ DA) have made great progress and dealing with these issues courteously and professionally – I've been here for 6 months and there hasn't been one fist-fight between a MACOM RM and an analyst up here. It is a system of mutual respect and inclusiveness that is very important to this whole process. Sitting in Heidelberg I don't know how many times I heard disparaging remarks about people up here! You have to know how to deal on a professional basis, and guarding of information is a very inadvisable tact to take for either side. I see this in email, telephone (less face to face, although we have a few conferences). At the grass-roots level, the primary contact is via email.

5. We anticipate the initial survey to be of the MACOM Resource Managers. What customer feedback would you be interested in obtaining from them?

I have three –

- 1. Does our narrative and financial guidance meet their needs in terms of auditability and understandability?*
- 2. Do we respond in a timely, courteous, and knowledgeable manner to their questions and inquiries?*
- 3. Do we listen to their concerns and take any appropriate actions?*

Follow-on performance measure and process mapping questions:

7. How would you define success for your organization in how you support the Army?

I define success in terms of the soldiers are getting all the resources they need to maneuver and train, live in decent conditions, and we are on a financial track that modernizes the weapons systems we hand these soldiers that makes them the dominant force in the world.

8. In times when you're not successful, why is that you are not?

Failure is the opposite of success – for example, we failed in Bosnia because we didn't have the funds until the 11th hour. We did not get the funds from Congress – and blame would have been from both the resource managers and their inability to get the justification for the funds through congress when there was questioning over why we were there in the first place!!

That kind of living from day to day, not knowing when or where the funds will come from (given the dynamic nature of this business) is where we would fail with the gravest of consequences.

E.3: MG Sinn, Director, Army Budget Office

The purpose of this interview is to obtain your input for the development of customer satisfaction surveys for ASA (FM&C) as part of implementation of our strategic plan. We first would like to focus on products/services in your area.

1. Please identify in priority order 3-5 products/services in your area that are most important to your customers.

First, let me tell you who my customers are. My personal customers as the DASA-BUI are a little different than what you have in your matrix. My customer set is different from BG Tant of Mr. Bohmbach. My real customer set in my main product of providing information is the following:

A. Internal to HQDA:

1. *Army Secretariat at the ASA, Under and Secretary level*
2. *CSA*
3. *VCSA*
4. *In a coordinating sense, other staff principles*

B. External to HQDA

1. *Internal to Pentagon*
 - a. *OSD Comptroller*

b. Deputy Comptroller
the

} Give them the POM and budget and they help us in

review process and set the controls. We are also a
customer of theirs at times in the PPBES process.

The product I provide to them is the BES and a Pres
Bud piece associated with the Army. Also, this
office gives them the same type of information that I
give to my internal customers

c. Budget Officer

d. PA&E Office

2. External to Pentagon (primarily on Capitol Hill)

a. Defense Subcommittees (HAC, SAC, HASC, SASC) – not the whole
committees but the following people in these committees:

i. Staff Directors

ii. Subordinates to Staff Directors SELDOM THE MEMBER

iii. They get the Pres Bud request and information as my products (Here's
the Army's Pres Budg request – how may I help them (I and ii above)
understand this request? Starts with that blue book over there
(executive summary) with 7000 attendant pages

b. Office of Management and Budget (OMB) on the White House Side. Focus
there is the Associate Director for National Security. It would be unusual in
this job to talk with the actual Director. Product there is ONLY information.
OSD Comptroller gives OMB our portion of the Defense portion to the

PresBud.. My job is to support that submission by way of [providing] information over there, and it is a two-way street.

- c. *Industry – It is my job to ensure that industry understands what we're (the Army) is budgeting for and why it is important for them understand what it is we're budgeting for. I am not asking for their help, but they are a constituency that we have to take care of. The main reason I list them as an important customer is that if they have an understanding of what we are trying to do [with the Army budget], then their propensity through lobbying to undo what we are trying to do is somewhat diminished. Industry will do that (not with any kind of malice), because they didn't understand. They are a very powerful force, so if you think you can just work with the Congress and get things done, it's the wrong answer. We [my office] does this through associations and various public for a – I probably speak to these types of gatherings at least once a week. I can't control anything, but I can foster understanding, which is an important process.*
- d. *On the readiness side of the house, my customers are all of the Army's MACOMs, PMs, and PEOs. I'm not sure whether to regard them as customers or not. They respond to US – I don't respond to them. We're in charge – they're not. [Do you give them information, e.g., in the form of the PBG?] Not much – but we do publish guidance – I don't know if it's information. The guidance that's published comes from the Chief (CSA) and I support the information that allows him to structure his guidance. What we get from the CSA is training guidance, fiscal guidance, other guidance which*

really emanates from the CSA and the SA. I'm a facilitator of this process.

Sometimes there is a notion (especially in this business) where you say they're "sort-of" customers, but what is the product here that you give the customer?

I'm giving you guidance, but would you say a brigade commander is a customer of a division commander [for example]? Would you say that the plant that puts product together in Fishkill or Poughkeepsie is a customer of IBM's headquarters in Armonk? [I would say yes in both cases]. In one sense, yes but [these examples] are not really in a customer-provider relationship that you would have [elsewhere]. You respond to their needs and try to help them, but what we're really dealing with is this larger issue of what kind of capability does the Army have to deliver for the Nation? It they fit your definition of customers and you are consistent throughout, then they are customers – but they are really subordinate units . [The passage of information – both ways – suggests a customer provider relationship, but the constraints of senior-subordinate, command, and authority dimensions limit the effectiveness (in terms of open, honest commo) between the headquarters and the subordinate units in both examples].

Based on the above discussion, then, my three products are as follows:

- 5) The Budget Estimate Submission*
- 6) The input to the President's Budget (President's Budget Request), and*
- 7) Information*

2.[We would like to know in a general sense, how the kinds of products and services that come out of your office, what are some general ways that you could talk about the value?]

I think the set of things that I have flows into a set of metrics that can be applied now. For example, if you deliver a BES for review down the hallway [to OSD?], the measure of its goodness is "did you retain sufficient resources placed against requirements to permit you to accommodate the Army's Title X, XI, V, and II responsibilities." Yes or No – that's IT. For Title X, we work for the CINCs (as a set of customers, but not my customers. I'm too far down in this organization to deal with that – I help by providing information, but I'm not a real provider of anything [else] to the CINCs). Indirectly, yes – the CINC expects us to deliver combat-ready forces for MTW's, and for engagement activities where we do not have MTW's – Partnership for Peace, Cobra Gold, etc. When the BES is reviewed, can we still do these things? You can answer that question – does it take this much time in a tank, this many flying hours, this much time in the institution – so many indirect applications (digitized training ranges, shooting ranges, etc.). Will I get the necessary 10 rotations and one reserve rotation at the NTC? Will I get five brigade rotations to JRTC. All these types of direct measures are there – I am not concerned with that. If you send this BES that turns into the PresBud Request, the measurement is still the same. Where it gets squishy is when you are trying to modernize the force of the Army or something else. I'm not sure what the most appropriate measure is for that type of process – fast enough, right enough, slow enough, etc. But once again, you make the best estimate through your best analysis and you put together a package where you

are seeking full support [from OSD and Congress]. It's a binary decision – either it is on or its off – supported or not supported. The difficulty with these issues is “moderately” supported doesn't work – its in an on or an off switch, almost by line. You can tell what happens and it is a measurable impact that you have. And in most things, except for the modernization piece easy to measure. It is no different than the people in the commercial sector.

All of the measures we have are useful – I report to the Army's senior leadership on how well we do in this process. I also explain the impact of not getting the requested level of funding. [How do you give this feedback to the Army's senior leaders – through the QAPR or some other process?] I give this feedback in the following way – Formally - I'll work backwards in this process. Let us say we have a signed defense bill that we're working with. What we do is to assess what we requested in the BES – here's what happened from the BES to the PB – here's what happened from the PB request to the appropriation. From the Army's senior leader perspective, here's what they see – because of the length of this process, they know that if an item passes through the PB request, then they know we “got” it. Between the PB and the appropriation, if there are any deltas in the numbers, then it begs the question. So then we answer the question. At that stage of the game it is often too late to do anything, so the CSA and SA issue guidance to the field on how well we did. [What would you say is the most important factor in the feedback of this information – accuracy or timeliness, or something else?] That is not an easy question to answer. I've given partial information on a timely basis that has caused inappropriate activity

to take place. I've given complete and very detailed information somewhat slowly that caused inactivity to take place. There is some middle ground here. Everyone knows the process – it is pretty simple. The PPBES is pretty simple. What people don't understand is the internal informal process – the “spider-web” that makes this happen inside the building – that's never been described. We know that the time gates are the most important piece of the PPBES. Everybody knows what is coming, so they have an expectation to receive information, and we give it to them. Its goodness varies up and down, depending on how good we are internally at providing the analysis associated with the deltas. It is not the goodness of the numbers but instead the goodness of how well you did in between what you expected and what you got. It runs both ways – we may get less or more than expected. If we get less, than we have to deal with it – if we get more we say “great – now can we execute it?” Let me give you an example on the COE side of the house. Say for example, the Energy and Water Committee gave the US Army through the COE money to go do something and it said – we're going to put a series of levies and floodwalls in the vicinity of Lackawanna, PA, they could cause that to happen – they could create a project. Furthermore, by law, the project **[could]** say they must have local sponsorship and the locals must pay a share. Lackawanna may not have wanted to have this project at all!! So here's the big surprise – here's a plus-up to the Army, and let's say it was a \$billion project, and let's say the community must pay 25% - now Lackawanna has to find \$1/4 billion. This is the kind of thing we bring back to the E-ring of the Pentagon – “Great plus-up, but we can't execute!” Why? Because the people of

Lackawanna don't have nor will they accumulate \$250 million within the next 50 years. It is impossible – the base is not there. Even with a unique funding bundle, it can't be done.” In this case, we must articulate to the decision makers that this was a bad idea. It is similar to the AARs we go through – desired result versus actual result. Back to the product information that I provide the command group - I should be watching (with all my feelers) those things going on in the hill – so we can stop them [as in the above example] If I don't, we will have an artificial increase to our top line for which we can't spend – we can't deliver anything for that money forever. This is the information that I must know – it is not just filling out forms or using a binomial lattice around here.

[How much value would you say that this process of finding and distributing that information adds to the customer?] Value on what scale? In terms of what I do, it is the most important thing I do. The information piece attendant to the BES and the PresBud Request adds the most value compared to the actual documents themselves. And this information really has to turn into intelligence – It has to be processed and explained. All of us in this office must do that. These processes are not codified anywhere in the documentation in this office. We've had people begin the work, but it has never been completed. I would submit to you that of the 140 people in the ABO, none of them know what the process is. It is very complex, outside of the PPBES process. The PPBES is simply the steps that tell you “these are the things you do” – most of them are established by law. It is these other pieces (and I'm not so sure that this is a static process – it is probably a very dynamic process – few things stay the same).

Go back to the spider-web analogy – if you break one of the interior cords in a spider web, all of the forces migrate to the edges of the web. Likewise, if something is “broken” in the interior of the Pentagon, all of the forces migrate to the E-ring.

Now we want to ask some general questions about customer satisfaction

3. How would you measure your customers' satisfaction with your products (e.g., access to products, accuracy of information, timeliness, ease of use)?

Connectivity to others (hot-links if you will) that must be created to make sure the whole system moves. This is the hardest thing – moving this information around so it gets to the right people in the right cells. We are so dependent on one another, and often it depends on where you are – the higher up you go, the harder it is to move information around. And this is a large organization, so it is very difficult.

4. How would you measure your customers' satisfaction with your service (e.g., professionalism, courtesy, responsiveness, competence)?

For me, all of that is part of my own experience and who I am – I grew up with these folks in my 30 years in the Army.

Customer satisfaction with ABO is probably OK – but most members on the hill probably don't think that I think of all the following dimensions before we lay something on the table when working fiscal issues:

- a. Political*
- b. Business*
- c. People*
- d. Readiness*

They most likely think that I am only concerned with the business and readiness dimensions and ignore the political and people dimensions. For example – let's say a Senator from Alaska pulls something forward in MILCON from 01 to 00 after you've already submitted your BES – This would result in a "hole" in MILCON for Alaska, and if you're not watching what he did and don't make adjustments (provide smoothness by bringing everything else forward or add to the funding) to give some coherence to the budget, then we get a call from the Chairman [of the appropriations committee?] asking "why we don't have the MILCON portion of the budget submission for Alaska MILCON for 01 – why is there a hole?" And my answer is "you pulled the stuff forward!" and he responds – "well why didn't you fill the hole?" So in a \$70+ Billion budget we could move \$10 million around and fix this problem – something that is genuinely needed (at post, camps, and stations) that provides value and a return on the investment. But when the budget (in this example) goes forward with these type of holes, they think we (ABO) has not considered all the dimensions, and they think I'm an idiot. Some people that work with me should come with me to the Hill – they wouldn't believe how I am treated.

[What causes the gap – did you know about it going into the meeting?] WE knew

about the gap (in my office). I wondered myself "why didn't the 20 or so civilians in my office tell me – General, you can't submit a budget like this because the political dimension is broken! Don't go!" This is process stuff – why didn't someone come see me? My experience is O&M world, not the investment world – I ask the folks down the hall – "why didn't you come see me?" Well, they say, we didn't know – we knew there was a hole here, but we never go to the hill – nobody ever invites us. My response is this "WE are the Army Budget Office – we're in charge – we don't need an invite". We have people who don't understand this – we have bright people, but they haven't experienced the opportunity to see someone "get their face ripped off!" They need to see what happens to me on the hill.

In summary, this process finding of this experience is that I don't take enough people with me when I go. Also, when the functionals (e.g., weapons, tracked, and combat vehicles) go to the hill, they are not taking the analyst with them to watch this stuff happen. You can't understand the process until you've experienced all the portions of it. We're broken here. **[How would you fix that – get people exposed to the process?]** Putting a picture up on the wall describing the process. Even though it is somewhat dynamic, there is a set of activities we know, and another set that we may not be able to describe easily. For example, in the delivery of the Pres Bud – when we deliver it, all these people need to go over to the Hill and see the staffers and members and the rest of the business. If somebody is going over to see the HAC defense staffer that is looking after missiles, then the **[appropriate budget]** analyst looking after missiles in the budget will go with the PM and the PEO responsible for missiles and listen to them talk to that staffer. If there is some sort of sub-sub committee informal hearing or

testimony on that, then you **[budget analyst]** will be in the room. That person will participate in giving that staff member all the information they need to get where they need to be. Until the staffer understands all the dimensions (example of R&D for JLENS – “great program, really like it, but why don’t you have any procurement money - just do research and not procure?” – if we respond that we used it to do something else they say “thank you very much, we’ll take that money!”) In this example, we lost \$25 million in that instant! The analyst doesn’t see this and doesn’t know what happened – what they need to see is that they missed something in their process. There is a thinking process **[that the staffer will use]** – development without subsequent procurement will not survive unless you explain that we only need to develop in time of war etc. If we had the justification material to explain that, then we wouldn’t have lost the money. These type of process problems occur at multiple points along the PPBES process.

5. We anticipate the initial survey to be of the MACOM Resource Managers. What customer feedback would you be interested in obtaining from them?

*It is really remarkable that you would spend a lot of time with the MACOM resource managers. Here is why I tell you this – they are NOT the most common customer. For example if you are a business, profit (making money) is the most important thing. You want to spend most of your time doing the things that make you money. Now in our case, everyone out in the MACOMs knows how to do their jobs if we just give them money! Why are you fiddling around with this?. Here is a breakdown of where the money goes **[shows us a chart of the budget break-down in a pie chart]**. What do the MACOMs get? Some little piece of the O&M – why spend your time out there? No MACOM deals with this larger portion – between us and the*

DCSPER and right here control the vast majority of the Army budget. We ought to pay attention to those activities that are going to give us some payback. Nobody out there in a MACOM is going to give the Army another dime – why spend money at that? Our job is to get more money. We should be on the hill and at OSD trying to get more money. I can't help any of the MACOMs unless we have money.

I think the real processes and the real activities we must examine line up with the things we provide. At the bottom line, it is the BES, the PresBud request and appropriate information that turns into intelligence so that we can do the right things. The dimensions that have to be considered are political, business, people, and readiness – in that ORDER. Who writes the checks? That's why they're at the top of that order. The business dimension is next because if you don't make a good case intellectually and business-wise you won't be successful. The industry customers must understand the process. If we unhinge the process, it has a huge effect (example of getting industry to improve track technology – working with the Army S&T folks to create a win-win situation).

E.4: Mr. Bohmbach, Director, Management and Control

Directorate, ABO

The purpose of this interview is to obtain your input for the development of customer satisfaction surveys for ASA (FM&C) as part of implementation of our strategic plan. We first would like to focus on products/services in your area.

1. Please identify in priority order 3-5 products/services in your area that are most important to your customers.

- 4) Total Obligation Authority (TOA) Controls – in the management and control*
- 5) The Budget Estimate Submission BES and ultimately the President's Budget (PresBud)*
- 6) Financial Policies – hundreds of letters and messages to the MACOMS*
- 7) Analyses and studies*

2. For each of these products/services, please answer the following:

- a. What is the purpose of this product/service?

8) *Sets funding and execution levels that we measure our formulation, providing, and execution of our budgets. Controls the Army's money – whether asking or executing and keeps us within the walls – Budget execution folks use this product when they send money to the commands to make sure we don't violate funding limitations or congressional intent, etc. This is a subset of OSD controls for the life of appropriations. I have controls for FY96 – I'm still spending 96 money, making sure they don't spend more than I gave them. Likewise, I'm placing controls on the outyears, because we set controls that fit within the DOD limitations for the Programmers in PA&E that are now figuring out how much money they'll need in the out-years. Basically given to me by OSD and OMB. In addition to OSD input, I must act on legislation (e.g., I must spend at least X\$ on a program which is a congressional floor). My folks monitor that to make sure that we are within that – we can't spend BA1 and OMA, can't move more than x\$ out of programs without congressional approval. There are hundreds of rules we must follow – in essence, what these TOA controls are is the whole package of financial and/or budgetary controls – limitations, ceilings, floors, thresholds, etc. that are a product. This product effects the entire Army – each and every MACOM falls under the same controls. The primary customer is then the CSA, but all the analysts, RMs, programmers, etc. to make sure they don't get themselves and/or the Army in trouble. [later] The first line of customers is really my staff - For the MACOMs the TOA controls end up in a FAD to a MACOM arrayed in these appropriations or BAs or PEs. The ASA FM and the DAB cannot do*

the budget until these controls are set and locked. We will open them again, and start to change them for certain years as we go through our program. They will not be able to produce the POM in April until we lock those controls, make sure we're balanced, (or make sure we know that we are unbalanced – i.e., violating those controls). It is like a checkbook. [Shows us the high-level control numbers on a single sheet]. Here is an example of the TOA control numbers. Embedded in each of these numbers are hundreds of controls making that number up that says don't spend x amount on that program, etc. I cannot show that in a single number, but our information systems have those numbers set as controls. [What do the MACOMs see as a result of this product?] What they see is a FAD or funding letter – a piece of paper that says for a single appropriation. These controls are issued in the PBAS, because the limits have been locked into the system. Both floors and ceilings are established.

- 9) The BES is the first rendition of the PresBud. BES is the first draft, submitted to OSD. OMB participates as a reviewer, but our customer for the BES is the SECDEF. The BES is submitted in September, undergoes a three month budget review by OSD (rearrangement of the deck chairs). Of our budget of 60-70 Billion, we are playing with roughly 5 billion-6 billion at the most of it in this rearrangement. We submitted 71.5 billion in the BES this year, and came out with 70.8 billion. Some of that loss was due to pricing (700M), but came from all over. We are focusing on one year (from Congress's perspective) but must track the changes in the outyears for the procurement*

programs. When we submit the BES, we also submit the J-books for all of our appropriations and all of our accounts. We also produce electronic feeds that effect all of our accounts in the Army. We also produce hundreds of briefings that support our testimony in OSD and OMB hearings (at the analyst level).

We work with the functional folks at the OSD level to justify what we funded/not funded. They challenge us and we defend our positions. The end result or desired outcome of this process is to tighten up the DoD's budget, to make it more justifiable to the Congress. We often view this process as taking money from the Army and giving it to one of the other services with a more justifiable need, but if OSD didn't do this step (of moving money to the more justifiable needs), then Congress WOULD. So we view this process as key.

We then re-do this process when we go to the PresBud. Many of these submissions don't change between the BES and the PresBud, but when we get the Program Budget Decisions down, we look at how much of these funds are at "risk" – it runs about in the 5-6% range, but other factors effect the changes. For example, the weapons and tracked vehicles funding went up by 40% because of the changes made by the CSA. We got some new money in, but changed some rates to make these funds available. We basically play with the margins of the budget. Look at the analogy of the home budget again.

Some costs are basically fixed, while others are variable.

- 10) Financial policies are letters and messages (hundreds of them) that my office sends to the various commands that tell them such things as the policies for how we execute contingency operations, what the rules are for using funds to*

procure various items (e.g., whether to use procurement funds or OMA funds to procure a computer), etc. I do these things constantly as a service to my customers. Some of these products are produced annually such as expense investment criteria (tells users how much they can spend from OMA vs. procurement, etc.) which is sent to each MACOM annually and when changes are approved by Congress. MACOMS are a big customer for these products. Most of these products are produced on an as-needed basis, sometimes daily (e.g., support of training exercise – construction for training facility prior to Bosnian deployment). There is written guidance already to cover most of these items, but it requires clarification

- 11) *Studies and comparisons for customers to determine such things as what are the proportions of each services' modernization budget in comparison to the overall defense budget over the last twenty years (how much is growth, real growth, etc.). We are not policy analysts (a la DCSPER) – that is a functional responsibility. We are performing the financial analysis of our execution over a period of time (e.g., look at the last five years execution data and predict the next six month's performance). These studies are done by request and studies tend to be tied to the budget information. As we go into the QDR, we (BUC-I) will be required to show the trend analysis of why we need money in the future for different. These studies and analyses are separate from the cost estimates (primarily in the procurement area) done by the CEAC. We handle primarily the first-order analysis of how our portion of the budget fits into the DoD budget picture – e.g., how much we spend per soldier on health care and how*

it compares to the other services. This analysis helps us develop the budget input to the OSD budget submission and helps us to defend our position.

b. How does this product/service add value to your customers?

- 8) *I'm not sure who the customers are or what they have – they don't have this high level TOA control number sheet – why would they care about missile procurement (West Point, for example?). They will receive a briefing chart that shows where the controls are). I don't know how we measure the value – what I see is that if I don't set these controls, then the Army will not be following the letter of the law. An analogy is running a family budget. If you didn't pay attention to how much money was in your banking account and just spent money, all that is irrelevant. This tells the Army how much money the Army can spend.*
- 9) *First, let me define my customers: OSD for the BES and all its pieces (J-materials, electronic feed, FYDP feed, briefings, responses to questions) – justifies how much money we will get – value will be that we get all that we request, and secondly saves the effort of having to go back to make the budget perfect. The real value is that the Army does not lose any money (or gains money!). The submission does not need to be changed, justified, etc. But we must remember that we are part of the OSD, federal family and must plan for programs that Congress directs (e.g., defense health care program, computer security, and other programs that we must fund out of our budget in support*

of Congressional directives). We must pay part of the "family" bill. Bottom line is that our budget is completely defensible, we have not lost any money, and success is that we are in fact gaining money. [Of these "sub-products" of the BES – i.e., the J-books, electronic feeds, responses to questions, etc., which of these has the greatest impact on getting our budget justified and being successful?] We are looking at the answer to that question right now. It is a very disjointed process. For example, if we wrote a great J-book and the OMA analyst actually reads it and it answers all the questions, then that's great. But then there's the case of the analyst who doesn't read it at all, generates 80 questions all of which are answered in the J-book! Ultimately if our justification materials are good, we wouldn't get those questions. LMI is in the process of asking OSD these same questions. "Every year you ask us a hundred questions – we send you this book and you ask a hundred questions" If this is really what you want to know, make it part of the requirements and we'll put it in the book! Most of our effort is spent with the Army trying to grapple with how to spend 1-2 billion of the budget. Most of the formulation is spent dithering around on the edges. Once we get those decisions made, then we spend a lot of time on the justification materials, but not enough. Part of the problem is getting people to make decisions, so by delaying the decisions, we push the justification process too far back to get a good justification done.

10) The value of these financial policies to the MACOM RMs is that these instruments give them the ability to execute all of the funds they have available

11) The value of the analysis is the ability it gives the Army to defend its budget submission.

- c. What do you think are the most important factors that impact your customers' satisfaction with this product/service?

Accuracy and timeliness. If I don't set the controls in a timely manner (given that I can't set it until I receive it from OSD), i.e., if I don't lock the controls and I don't produce products that disseminate the information (whether its that piece of paper Barbara has or a phone call to the appropriations agent), then they [staff or appropriations folks] can't do what they need to do. Timeliness is essential. Accuracy is also essential – if the numbers change and I have to reset the controls, resetting constantly, I cause them to re-do the J books, all the budget materials, all the justification documents. They must go back and correct all the numbers, etc. throughout the system. [How much of your time and your staff's do you spend on this product?] I don't spend much time setting the controls, but I (and my staff) are dedicated full-time to monitoring and ensuring the controls are met. For example, does reprogramming fit within the controls, trying to predict how much and when these numbers are going to change. [Mr. Bohmbach gave us vignette of answer to "how much money did we have in last year's budget?"

question and answer] *Controls are the most important thing, because information/data is flowing constantly and changing constantly. In the iterative process, I must keep the MACOMs informed of changes constantly.*

7) *Timeliness of the information and products getting to the customers.*

Understandable and level of detail for the appropriate audience (some customers need more, others need/want less). Accuracy is also important.

The bottom line is the correct passing of information.

8) *When I create these policies, did I cause more confusion or use such poor inter-personal communications that I alienated the customers. I think that if the product is understandable and clear (although they may not agree with the policy) and tells them how to execute, then I am probably satisfying my customer. From the RMs perspective, what we provide is the approval authority to execute the budget. Implicitly, we provide firm, solid guidance that they can execute with comfort that DoD will accept this as a valid cost. Legitimacy of cost requirements and how well we help them to fund needed requirements. For example, we will soon send a message to all the MACOMs telling them how to account for funeral details (how to charge each cost to particular account so that we can track the spending on these details, and set policies so we can tell them what is chargeable to these accounts for funeral details). In this example, clarity of the message is paramount as well as timeliness and broad dissemination of the message traffic, so that we can begin capturing this data. Bottom line – are the customers getting the policies they need to do their jobs, are they written in a manner that is understandable*

and covers their potential questions (how much feedback we get from RMs is a potential measure of performance).

- 9) *For our customers, the analyses and studies we perform help to clarify and explain our position to OSD and the Hill. In this context we must provide responsive, timely and consistent analyses to support our programs.*

Now we want to ask some general questions about customer satisfaction

3. How would you measure your customers' satisfaction with your products (e.g., access to products, accuracy of information, timeliness, ease of use)?

All of these measures are important.

4. How would you measure your customers' satisfaction with your service (e.g., professionalism, courtesy, responsiveness, competence)?

All listed to include consistency.

5. We anticipate the initial survey to be of the MACOM Resource Managers. What customer feedback would you be interested in obtaining from them?

All feedback.

Follow-on performance measure and process mapping questions:

1. How would you define success for your office in how you support the Army?

That every program in the Army's budget gets funded at or above what we requested.

2. When you achieve success, why are you successful?

I am meeting all policy and regulatory requirements (OMB circular 11), meeting Army guidance. Everything is timely, accurate, justifiable. Key in this is responsiveness.

3. In times when you're not successful, why is that you are not?

I'm late, data submission full of errors.

4. Of those things that make you unsuccessful, which is the most detrimental?

Being late AND being inaccurate – they are equally detrimental.

5. Where do you and your staff spend most of their effort?

The senior staff spend a vast majority of their time putting out fires. At the GS-13 level and below, most of their time is spent doing scheduled activities. I see my job as

making sure my boss is successful – making sure they get everything they need to get their job done successfully.

E.5: Mr. Gregory, Director, Financial Operations

The purpose of this interview is to obtain your input for the development of customer satisfaction surveys for ASA (FM&C) as part of implementation of our strategic plan. We first would like to focus on products/services in your area.

Three of our elements are focused on what happens inside this building – Budget and CEAC...CEAC exists to primarily to support the programming and budgeting process. They work through the acquisition community – an integral and important part of the PPBES process. Business Practice is primarily focused on how to come up with better ways of doing business (e.g., third party financing, etc. focused on resourcing issues).

Our organization is at the other end of the continuum. We have very little to do with the goings on of this five sided building. Once the resources are acquired – CEAC and Budgets' job – and then distributed to accomplish the Army's mission, that's where our (FO) organization comes in. We exist really to work with the commands and installations to ensure they are getting every dollar worth of value out of that resource that was acquired for them by the budget office. There's an inside guy and an outside guy, and I'm the outside guy.

The services we provide are as follows:

We were instrumental in outsourcing organic internal finance and accounting operations to DFAS. We were responsible to orchestrate the capitalization, consolidation and movement of internal F&A operations to DFAS. What we haven't consolidated under DFAS, we are at the end of the line, and won't do. For example, our F&A operations in Korea will stay within the Army. The other area we will not consolidate is the Corps of Engineers F&A with DFAS. The Corps has done its own consolidation and has a good system in place. Given that this consolidation has been done, we are then the Contract Office Representative (COR) for DFAS – we are the guy the Army looks to to say “Are we getting what we need from DFAS?” In line with your subject matter, every year we have a customer service symposium, and we give them [DFAS] a report card. This happens usually annually, but twice – once DFAS wide, and one for Army – Indianapolis. We invite all the MACOM and installation folks. We give DFAS and Indianapolis an Army report card – tell them what we're happy about and what we're not happy about. It is really only a summary – this is a continuous process. I feel this is a good mechanism for performance assessment and feedback. We haven't quite gotten over the human dynamics – when we tell someone they're failing, we tell them so. Human relations are difficult for Finance folks. We are not always the best communicators or interactors. We are more analytical and more comfortable in our own heads. In that context, if we tell them that they did great (++)'s and one (-) then they will focus on the negative. I think this is good feedback mechanism. This is a chart based report that covers the following items. Remember, DFAS is NOT the financial manager for DoD. They are the processor. For example, if you work for me, but your paycheck came from an ADP system or service – they take what I say you worked and they deposit into your account. DFAS processes your pay and the accounting that goes along with that. They are a backroom operation, a processor. The financial management remains within the Army. The

Army budget office gets the money from the Treasury department, the Army allocates that to its MACOMS (DCRMs), who further suballocate it down to every installation. Then at every post, camp, and station, the resource managers then allocate that money again out to their program directors (DOL, Engineers). While it is centrally acquired, it is decentrally executed. What does DFAS do in all that? They get judged on how well they are paying our soldiers and civilians (how well they account for that), how well they are paying your travel, how well they are paying our vendors (and our vendors can range from companies such as General Dynamics to Ma & Pa coffee service). We judge them on their timeliness, their accuracy of their payments, and on their accounting. Our PM's and RM's in the field will say "I don't have the information I need in time to make important decisions." They don't have the accounting information they need. I then go tell DFAS – "you need to do a better job for me!"

For example the Defense Military Pay Office is giving me a briefing on a proposal for a new system that I demanded to fix a problem. We have two pay systems in the Army – Active and Reserve. For example, the active soldier has a system that pays him on the system and get leave, etc., while the reservist has a totally different system. I am trying to merge the two- train and become expert on one system, interact on one system.

The whole point of what Financial Operations are is two-fold: Our goal is to make our (ARMY) business practices as lean and efficient as possible. This means that DFAS's support to me must be very labor NOT intensive, bring down their costs, and make them efficient. Any organization that is a processing organization – their efficiency is pretty much dictated by the processes that I employ. If I have lousy processes, any contractor that we could hire would most likely tell me that if I changed business practices and/or business practices, I could do this a lot

cheaper. That is the kind of relationship I want and the kind we HAVE with DFAS. A prime example of this kind of work is the Stored Value Card.

*The Stored Value Card introduces a brand new technologically modern business process that allows me to cut cash by almost half if not more. I can reduce my cash holdings by 50% or more, because I no longer need the cash for transactions. For example, that soldier shows up at Camp McGovern – will be there for 180 days and I need some money, so he goes to the Finance Office. Those two soldiers in the finance office load his casual pay (in this case \$250) onto his card. Here is the cycle of cash – starts with the soldier – walks into the finance office and gets cash – goes to the PX and buys something and pays cash. At the end of the day, the PX manager comes in with all of his cash receipts for the day and deposits the cash with me (the finance office). Guess what? The cash is right back into the finance office. I gave out cash and I got it back again. The stored value card breaks that cycle. The PX has a point of sale machine that reads the chip – the soldier has choices to make and buys the good. At the end of the day, the store managers plug into their email system and upload their deposits directly into the federal reserve deposits on account. So at 180,000 miles a second, these electrons blow away the cycle of cash. In this business process, DFAS is not even involved. They have been eliminated completely because I partnered with the Treasury department and the Federal Reserve. DFAS is on the end of me giving you the pay advance. From the pay office, I upload my pay advances and send that directly to the pay system, and the pay system from DFAS takes that out of the soldiers pay account. DFAS is not doing the processing at this point – they are just doing the accounting. **[Is DFAS scared of losing some of their responsibilities because of this?]** No, because DFAS has a mark on the wall that says they have to get smaller, and I'm giving the*

opportunity to get there without doing something stupid. My business processes change and they become more efficient to meet their goals. If I come up with better business processes, then they can still provide me with all I need to do my job.

That's the DFAS piece – we have other situations that link DFAS but they are really Army things we do.

[Before we continue into another area, would you say that this liaison or interaction with DFAS is one of the most important processes that you provide to customers?]

Absolutely, categorically, yes!! This is one example, another example is the IMPAC card. Another example is the travel card. All card technology in the Army is run through this office (when it has a financial implication to it). Every one of those technology insertions requires business process and business rule changes. Your example of being able to do split disbursements on a travel voucher brings up a good question: "who is our customer?" Our customer is everyone in the Army. Everyone gets paid, everyone travels (just about), everyone pays or gets paid to get services done. My biggest customers in that group are the acquisitions community, the logistics community, the engineers, because those are the people who are the sustainers and supporters to the Army. I am the supporter who works with the supporters.

From the experience working with the basic training sites to use the stored value card, we found that it worked well to transfer into where it was needed – the deployed Army. This allowed us to totally get rid of military pay certificates (scrip). We need scrip to counter black market and counterfeit operations. The stored value card eliminates the need for scrip, except

for the need for local currency, which is restricted in deployed scenarios. [Has there been any thought given to allow deployed soldiers to withdraw from the card in the local currency?]

Yes – there is also work to make this a multi-functional card (e.g., to manifest for aircraft loading). I'm proving the financial function of this card. When DoD or the Army says we will move to a multi-functional card, I will give them my applications which are proven. This current card is a 4-kbyte chip – very cheap – the same size chip could hold 4 mbytes.

On a customer basis how do we deal with our customers? For example, when we put the svc into fort leonardwood, we had an IPR 30 days after we started and we asked everybody to come – the CG, garrison commander, garrison staff. Guess who the key performance personnel were? The Senior drill sergeants! We asked them to tell us whether this was a success or not. After 90 days, we asked them – “how'd we do?” They said “I beg you, don't take it away! You are the only guy with a new idea that didn't TAKE my training time – instead you gave it back!” Why? Because now the trainee doesn't have to get cash to pay for their items.

Another example of getting input from our customers was the problem the chaplains had of not getting money from the svc for their offerings – we made them their own card reader with separate selections – own buttons, (\$2, \$4, and \$9 donations) ...and the reader is as portable as the offering plate!! This turned from a problem for the chaplains into a Bonanza!!! This is a real example of satisfying our customers.

From another chaplain's perspective, he was concerned with the process of using the card reader – didn't fit well with the integration into the service – my response was that he was

having a problem with the media, not the end result....told him of my memory from the bible that offerings used to be livestock or grain, etc. It is the act of the person choosing to give that is important. I also asked them if they were NOW having any problems with theft of the offering money – response was, “Not any more!” What this gets at is that we need to educate the customer in order to get their satisfaction. This is what we do and how we do it. You have to have a perspective of taking care of people.

*Another example of getting commanders the financial information they need. The answer is never the Standard Army finance system (STAMIS). By the time they get that system it is obsolete and too late. Our problem is “how do we get him the information (reliable and on a real time basis)?” The answer is what is the technology solution to that and what can I give him in the next six months. The technology is data warehouse solutions, middleware solutions that take the normal outputs from accounting systems and puts it into a PC-based system, where all the data is pushed from the legacy systems on a daily basis into this middleware database. This middleware database has applications in it that allows me to ask simple english questions (queries) that give me the answers I need. And if I know every week that I need certain information, I can program that standard information to be created, or make it a simple process to get that particular report. We are working on three different efforts – with the Army Knowledge office, the Software Design Center Washington (SDCW) (Army design activity I’m working with that is working on the Financial Management Information System - FMIS). Same premise – how do I get information sooner, better, but how do I get it up and running within six months? **[Will that system be primarily for your function or for all the budget?]** No, that will be for the execution – for an installation or a MACOM – it really will tell them in the*

execution phase what they are doing relative to the money they have gotten. It then becomes in fact history and the basis for your next budget. For example, say I'm a commander and at midyear I want know how much of my allocated O&M money I've spent AND where it is most likely that I'm not going to accomplish what we planned to accomplish, so that I as a commander can direct - "pull some money out of here - this won't happen - move it here below the line of things I can do - number 1, 2, and 3 UFR!" Right now (today), by the time I give him that information, it is TOO LATE for him to do anything about it! How about on March 31st let's get together (I'm the commander again) with the chief of staff, the RM and the major activity directors - we'll look where we stand and make some decisions. What I'm trying to do is provide him with a system around the 5th of April where he can do that! Based on mid-year data - or on the 5th of January for the first quarter's data - you pick your time. The FMIS is going in at three locations - already in at MDW, being put in at MEDCOM, and the preliminary fielding work is being done at USARPAC.

The point is - I can provide you with the wherewithall of products - from a measurement and customer feedback, here's what I do - provide them with a product and let the customer choose between different available systems. I worked with SDCW to make this scalable, adjustable system that will give that commander exactly the tool he wants - as many people as want it, can have it. The Army Knowledge center - under AKO - under DISC4 is attempting to do the same thing with FMIS - have data pushed from legacy systems into a data warehouse or repository which can provide on a real or near-real time basis (next day, etc.) financial execution information for commanders to make decisions. They are using and working to use a web-based system. The system with SCDW is client/server system. One of the questions I have

for SCDW is “explain to me, the non-technical functional guy, the differences (capabilities, cost, reliability, etc.) between the client/server system and the web-based system” Show me the trade-offs – for example what are the bandwidth and communications infrastructure impacts between the two systems – that is information I need.

The point is in that in my line of work, my job for my customer is to provide good processes, good pay, timely pay, and then good accounting which in turn results in good information for decision-making. It is a cycle – I pay the soldiers, soldiers are paid – need to keep track of military pay appropriations –accounting - OK that’s done. Now that we’ve paid and accounted for this, I need that information to maybe say “can I move money out of military pay to move it somewhere else or request a reprogramming to more money into recruitment for example” If I’m not meeting my manpower goals, then we have a hire lag – and if we have a hire lag, I’m really not paying as many soldiers as I budgeted for. And if I don’t do anything, this money will go unspent. If I knew this early in the situation, then I could reprogram it to where I need it. The steps are from the process to the accounting to the information and from the information to the decision. Improvement of this cycle is what I owe my customers – the ability to make informed decisions.

I have different customers in the Army – the warfighters and the industrial and institutional customers. The institutional customers are AMC and the Corps of Engineers. On the warfighter side are FORSCOM, the deployed Army, etc. And sometimes the two sides are in competition often times. They are also addicted to the present (sometimes). Often they refuse to change because they have finally wiggled themselves into a place where they can use OPTEMPO

money to fund BASOPS – they found the key – but not everyone has OPTEMPO money – and what the warfighter says is that he has found a way to launder this money – move it from where it was intended to do other (good) things – Quality of life, etc.....But at the same time, the Army is transforming and needs money to put into new lighter weapons systems. There is only one pot of money, and it needs to be moved. So we do things sometimes that our customers don't like, because I have to satisfy my strategic customers – the Army and its leadership, as well as the tactical customers (MACOMs, installations, etc.). Kind of a dichotomy and competing customers. We have to implement some things that are good for the Army but not for tactical customers – we do what the CSA says.

In a snapshot, that's what we do – much of our innovation has been recognized by the private sector – they come to us, because we are the biggest single user of smart-card technology. The public is surprised that the US Army is at the forefront of doing things more efficiently and being agents of change. The Army is and will always be a change agent. One of the significant changes we've made recently is in our internal review auditors that work for all the commanders out there. We completely revamped that program over the last three years. We have a customer satisfaction survey that we put out every year to our customers to find out how well we're doing. It is part of our semi-annual reports we have to give to DOD relative to our audit effort. It is also part of our own organizational control. Under everyone of our elements we have customer satisfaction surveys done (finance and accounting, management controls, internal audit, and all of the technology aspects). We just had our first FO conference here in February – had people come from all over the Army – we did a customer survey of what subjects to cover in the conference. With that feedback, we setup the conference. Then we got feedback from the

customers who attended to provide input into next year's conference. See LeeAnn Upshur for more information on that.

[Are these customer satisfaction survey examples that can be provided to the other offices here in FM – are people knowledgeable of the specifics?] *Yes, I have given these presentations at Ms. McCoys brown-bag luncheons and during our town-hall meetings (internal to FM). The problem in our organization is the distinct separation of missions: the in-house acquisition of funds and out-of-house field performance execution. From a linear standpoint it is a continuous process, but the problem is that we are very few in numbers and we don't have the time to collegially sit down together and communicate between ourselves the way we need. People work 24/7 to get things done because they feel they have to – we are 60% smaller than we were seven years ago.*

The primary focus we must have in FO is giving commanders information in a timely basis to make decisions. If we do this, two things will happen – first, they'll be shocked. Secondly, their expectations will increase and we have to adjust for that to meet their increased demands.

Appendix F: OASA (FM&C) Customer Survey Instrument for MACOM DCSRM_s

This customer survey consists of 3 Parts. In Part I you will be asked to rate specific products and services provided by OASA (FM&C). In Part II you will be asked to provide general ratings of customer satisfaction. In Part III you will be asked for additional comments. This copy is provided as a courtesy, and you will be contacted by phone for the actual interview.

Part I: Ratings of Specific Products/Services

See the Description of OASA (FM&C) Products and Services (page 3) and the Definitions of Performance Measures (page 4) to assist you in completing this survey.

1. Does your organization use the (OASA (FM&C) product/service - see list on page 3)?

____ No (Go to question 1a)

____ Yes (Go to question 1b)

1a. If no, why not? (Answer, then skip to next product/service and start with question 1 again).

1b. If yes, rate the OASA (FM&C) product/service using a 5-point scale where "1" is "Low" and "5" is "High" on the following:

____ Accessible (see page 4 for definitions)

____ Timely

____ Easy to use

____ Accurate

____ Useful

2. Do your organization and OASA (FM&C) communicate with each other on the OASA (FM&C) product/service?

____ No (Go to question 3)

____ Yes (Go to question 2a)

2a. If Yes, how do you communicate (check all that apply):

____ Phone

____ Email

____ Fax

____ Web

____ Electronic message

____ Postal mail

____ Other (specify): _____

3. Rate the quality of the OASA (FM&C) product/service using a 5-point scale where "1" is "Low" and "5" is "High" on the following:

____ Professional (see page 4 for definitions)

____ Responsive

____ Courteous

4. What is one idea on how to improve the OASA (FM&C) product/service?

Part II: Overall Customer Ratings of OASA (FM&C)

Consider all your experiences during the last year with OASA (FM&C). Using the 5-point scale where "1" is "very dissatisfied, and "5" is "very satisfied" on the following:

1. _____ Overall, how satisfied are you with OASA (FM&C) products and services?
2. _____ Overall, how satisfied are you with communication that occurs between your organization and OASA (FM&C)?
3. _____ Overall, how satisfied are you with OASA (FM&C)'s responsiveness?

Part III: Additional Comments

1. Are there any additional significant products/services that OASA (FM&C) provides to your organization that we haven't asked about?

2. If you were to make ONE recommendation to ASA (FM&C) on how to improve, what would it be?

3. Is there anything else you would like to add?

Thank you very much for your time and feedback. The information you have provided will assist OASA (FM&C) in their strategic initiative to become more customer focused.

Description of OASA (FM&C) Products and Services

The interviewer will be asking you about the following OASA (FM&C) products/services provided to MACOMs. A short description of each product/service is listed below.

1. Program and Budget Guidance (provided by ODASA, Budget)

Report that measures progress in functional strategic goals over 7-year period.

Helps decision makers focus attention on top-priority Unfunded Requirements (UFRs) they are trying to achieve. Issued three times annually

2. Funding Letters (provided by ODASA, Budget)

Documents describing the resources provided (OMA only) and how they should be spent. Contains key parameters that depict what the level of resources should buy

3. Financial Policies and Guidance (provided by ODASA, Budget)

Ad-hoc and formal letters and messages sent to commands that delineate the rules for using funds (e.g., procurement, Contingency Operations). May provide additional clarification and guidance to supplement Funding Letters. Policies keep MACOMs on sound legal basis to execute the budget and keep everyone consistent with overall strategic goals, specific guidance, and Army directives.

4. DFAS Liaison (provided by ODASA, Financial Operations)

Principal liaison with DFAS world-wide on multitude of issues. Provides input to the Defense Management Council on DFAS performance contracts. Interface with DFAS for systems integration with Army financial management systems.

Provide data to DFAS as required. Monitor DFAS activities through performance measures and provide necessary feedback. Coordinate with DFAS to make process improvements.

5. Joint Reconciliation Program (provided by ODASA, Financial Operations)

As part of the DOD Financial Accounting Regulations, certification process that reviews and reconciles expenditures; occurs three times a year.

6. Cost Estimating Models, Tools, and Databases (provided by Cost and Economic Analysis Center)

Models that facilitate estimating and reviewing of cost estimates (e.g., Army Cost Estimating Integrated Tools -- ACE-IT) and are supported by databases of historical life cycle costs.. Output from models feed estimates that ultimately become part of the Army Cost Position.

7. Cost Factors (provided by Cost and Economic Analysis Center)

Cost Factors are used to: (1) determine funding requirements, (2) defend funding requirements to Congress, and (3) as a resource allocation tool for MACOMs.

These tools consist of electronic databases based on historical data, trend analyses, engineering estimates and performance output.

8. Sources of Funds Guide (provided by Resource Analysis and Business Practices)

Document providing information about other than typical Army appropriation sources of funds available to resources managers. Updated every year to reflect

policies and procedures for new authorities approved in the latest Defense Appropriations and Authorization Acts.

9. Career Management (provided by Proponency)

Development of guidance and communication of career development process for FM professionals. Incorporates work experiences, education and training, and performance-enhancing job experiences. The FA45 Professional Development Guide for military personnel and the CP-11 ACTEDS Plan for civilians are the primary communication vehicles for this information and advice.

Definitions of Performance Measures

Accessible

Can be easily accessed and/or obtained as needed by the customer.

Timely

Occurring at a suitable or opportune time for the customer; the product/service is delivered when it is needed; just-in-time delivery.

Easy to use

Effort required to use the product is minimal; flexibility; customer can find the information needed; transparency of calculations; the product/service fits the customers unique needs; freedom from oversight.

Accurate

Free of errors; exact conformity to fact; deviating only slightly or within acceptable limits of a standard.

Useful

Provides information of value to the customers; relevancy to the customer; the information is clear and makes sense; meets the needs of the customer; helpful in accomplishing their mission.

Professional

Having the competence and skills to handle customer needs; inspires confidence in service delivered.

Responsive

Willingness to help customers and provide timely service, speed of service; having the ability to listen to the customer, having the qualities or the willingness to take on a responsibility.

Courteous

Consideration toward and respect for others; graciousness and good manners.

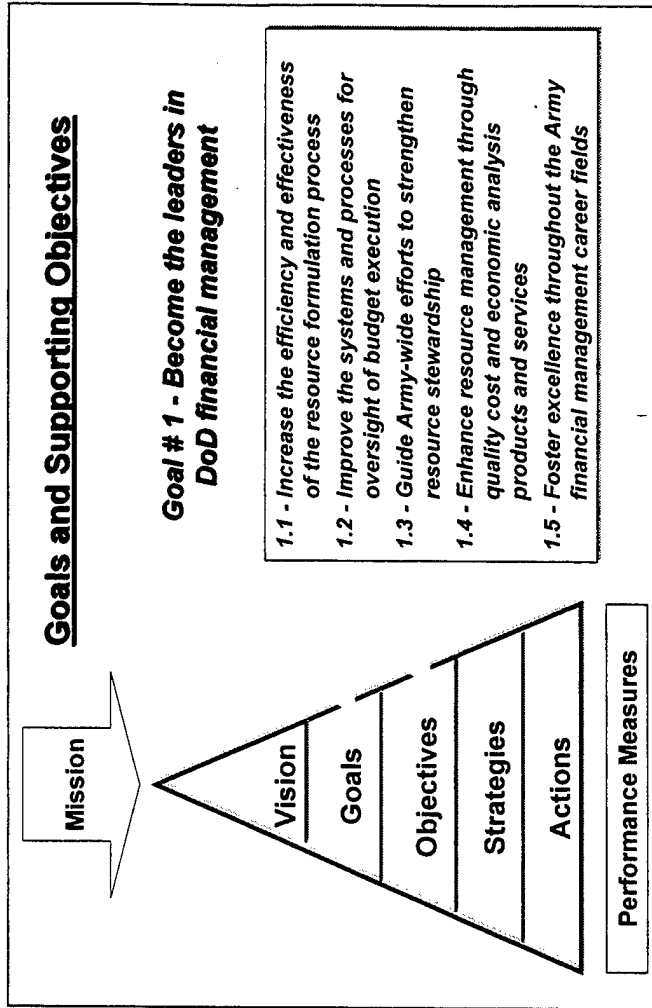
Appendix G: FY2000 Action Plans for OASA(FM&C)



Goal 1 – Become the leaders in DoD financial management

Goal 1 encompasses the majority of core financial management functions included in the mission of the Assistant Secretary of the Army (Financial Management and Comptroller), as set forth in Title 10, USC, and General Orders No. 10. Under Goal 1 are objectives, implementation strategies, actions, and performance measures that support the following key functions:

- Budget formulation and justification
- Budget execution
- Financial operations, finance and accounting policy, Chief Financial Officers Act implementation, internal review and management controls
- Cost and economic analysis activities
- Policy and oversight of the military and civilian comptroller career management programs



The five supporting objectives within Goal 1 are outlined in the figure above. Each of these objectives is supported with implementation strategies, actions, and potential performance measures. Following are the actions necessary to accomplish these objectives, and the milestones for those selected by OASA(FM&C) leadership as implementation priorities for FY 2000.



Objective 1.1 –

Increase the efficiency and effectiveness of the resource formulation process

Strategy 1.1.1 Continue reengineering the PPBES to improve linkages, streamline processes, and strengthen resource justification

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.1.1.1 Draft and publish additional volumes of the Resource Formulation Guide	Multi-volume "how to" guide through the PPBES process. Nine volumes are planned. Vols 2 (Integrated Resource Formulation Process), 4 (Preparation of the POM), and 9 (Automated Products and Processes) are published. Vols 5 (Preparation of the BES) and 6 (Formulation and Preparation of the President's Budget) are scheduled for FY 00. Status is as follows: Vol 5 -- 90 percent complete; Vol 6 -- 60 percent complete	Jun 00: Volumes 5 and 6 completed; to be published for FY 02/03 Budget cycle	- On-time publication of Vol 5 - On-time publication of Vol 6 - Customer satisfaction ratings
1.1.1.2 Continue to refine the program-to-budget linkage	HQDA-wide continuing effort in support of linking the Program Objective Memorandum (POM) and the Budget. Status: Continued through preparation of FY01 BES and PBD cycle. Additional actions planned for FY00 include software/database integration. (Refer to Action 1.1.2.4.)	Refer to Action 1.1.2.4	Refer to Action 1.1.2.4
1.1.1.3 Improve linkage between the budget and The Army Plan	Long-term effort. Completed actions include major revision of the PPBES management structure to consolidate the Strategic Planning Committee and Program and Budget Committee into the Planning, Programming and Budgeting Committee (PPBC).	No specific major actions planned for FY 00	N/A
Proponent: DASA-BU. POC: Cindy Custer, SAFM-BUC-F, 697-6241			
1.1.1.4 Implement recommended changes to the civilian manpower costing process	Status: Civilian manpower costing function transferred to CEAC; formal audit initiated to identify potential additional improvements. Process changes will begin with the FY02-07 Program Objective Memorandum (POM) cycle.	Feb 00: MACOMs use revised cost factor rates for Schedule 8 input. TBD: Identification of additional improvements and milestones.	TBD
Proponent: Dir, CEAC. POC:			

Setting the standard for financial management excellence

1 March 2000



Strategy 1.1.2 Leverage technology to improve data sharing during program and budget formulation

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.1.2.1 Integrate the Program Budget Decision (PBD) report system with the Army Resource Control (ARC) system	Integration of the systems allows analysts to immediately identify if there are differences between how PBDs have been posted. Status: Completed	N/A	Elimination of differences between hard copy and electronic postings of PBDs.
1.1.2.2 Develop the Fund Control System (FCS) for all appropriations	a) FCS-Congressional Tracking module functional at appropriation level. b) FCS Distribution module contains OMA, AFHO, RDTE, and the Procurement appropriations.		Make functional for all appropriations at detail level
1.1.2.3 Integrate FCS with the Program & Financing (P&F) system	Changes in update requirements for the P&F eliminated the need for this action. OSD now updates the execution year of the Budget Review System (BRS) directly from DFAS reports.	N/A	N/A; this action will be deleted.
1.1.2.4 Integrate Manpower (SAMAS), Equipment (EDS), and Funding (RFS) databases	Long-term effort to link PPBES software for equipment, manpower, and dollars. Includes: a) Developing a mechanism to facilitate trend analysis across the PPBES fiscal years. Status: Contract task order released. b) Upon completion of SAMAS conversion to client-server mode, link manpower.	a) TDB: Link financial execution data with the PROBE program and budget snapshots b) TBD: SAMAS conversion scheduled for CY 2000	Successful integration of equipment, manpower, and financial databases.
Proponent: DASA-BU. POC: Cindy Custer, SAFM-BUC-F, 697-6241			

Strategy 1.1.3 Reduce budget reporting requirements

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.1.3.1 Undertake major effort with OSD to streamline budget requirements from HQDA to the Under Secretary of Defense (Comptroller)	Extension of internal HQDA effort which resulted in elimination of 19 of 31 schedules required from the MACOMs. Initial review identified potential OSD-required schedules that could be considered for streamlining. Topic will be discussed with USD(C) after completion of the FY01 President's Budget.	Apr 00: Complete coordination with other Services on potential consolidation/elimination of OSD budget requirements. May 00: Initiate discussions with OUSD(C).	Number of OSD budget schedules/exhibits consolidated or eliminated for the FY02 Budget cycle.



Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.1.3.2 Continue working with Army Major Commands (MACOMs) to refine budget requirements between HQDA and the MACOMs	a) Continuing effort. Schedules are reviewed prior to each publication of Vol 3, Resource Formulation Guide. No current additional internal candidates; reviews will continue. b) Refer to Action 1.1.3.1; reduction in OSD requirements may result in corresponding reduction in HQDA requirements.	a) N/A b) Refer to Action 1.1.3.1	Number of HQDA- budget requirements eliminated.
Proponent: DASA-BU. POC: Cindy Custer, SAFM-BUC-F, 697-6241.			

Strategy 1.1.4 Engage senior Army leadership throughout the resource formulation process

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.1.4.1 Act as advocate for the Army Resources Board processes and continually seek to improve and refine them	Ongoing effort, including the Senior Review Group (SRG); no specific major actions planned for FY00.	N/A	Army senior leadership continually engaged in resource formulation process.
1.1.4.2 Provide an Executive Secretary for the Army Resources Board	Completed; Director, Management and Control, serves as the Executive Secretary.	N/A	Accurate and timely ARB/SRG minutes.
Proponent: DASA-BU. POC: Director, Management and Control.			



Objective 1.2 –
Improve the systems and processes for oversight of budget execution

Strategy 1.2.1 Enhance headquarters' execution oversight through improved data sharing

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.2.1.1 Sponsor the Army Knowledge Online (AKO) Financial Management Pilot Project to make near-real time execution data available to HQDA analysts	Initial phase of the pilot project has two components. First is the transition of month-end DFAS reports from the HQDA mainframe to a web-enabled system with standard and ad hoc query capabilities. The second, and major, component incorporates Army-wide near real-time data, aggregated for analysis at the HQDA level.	Dec 99: Complete transition and system development for certified data and initiate training for ABO/PAED personnel. Feb 00: Complete fielding throughout HQDA.	• Certified data is available via the web not less than 45 days after end of month. • Near real-time data is available at specified intervals throughout the month of execution. • Number of times system is accessed per month • Customer satisfaction ratings
1.2.1.2 Coordinate with Defense Finance and Accounting Service, Army Major Commands, and others to obtain access to total Army data	Determine most viable sources for obtaining data feeds of key Army-wide execution data. Status: Automatic DFAS month-end data feeds initiated Summer 99. Continued coordination with DFAS-IN is focused on using the Operational Data Store as a single-source for near real-time data.	Jan 00: Finalize options and schedule for obtaining real-time data feeds. TBD: Determine specific milestones by system for fielding access to near data. TBD: Complete data store development and field in HQDA.	
1.2.1.3 Provide functional subject matter experts as needed throughout the design, testing, and fielding of the prototype system.	Upon determination of beginning date for data feeds, establish formal data requirements group comprised of ABO/PAED and HQDA functional analysts.	Continuing set of actions, including: TBD: Establish data requirements group	
Proponent: DASA-BU. POC: Rick Sprague, SAFM-BUC-I, 697-5088			



Strategy 1.2.2 Provide Army-wide access to near real-time execution data

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.2.2.1 Sponsor the second phase of the Army Knowledge Online Financial Management Pilot Project to give Army MACOMs and Operating Agencies (OAs) access to a single HQDA repository of near real-time execution data	Use the DFAS data feeds to establish a repository of execution data available to all Army activities.	TBD: Determine specific milestones by system and type of data. TBD: Capture and validate data by system in accordance with milestones.	- Receipt of data feeds by system - Number of MACOM / OA downloads per month - Customer satisfaction ratings
1.2.2.2 Coordinate with Defense Finance and Accounting Service, MACOMs / OAs, and others to obtain access to total Army data	Continue dialogue with Operational Data Store program management office on retrieval of all Army accounting data, with emphasis on obligations and disbursements.	TBD: Receive direct, database-to-database transfer of execution data by MACOM, by system, in accordance with established milestones.	
1.2.2.3 Work with MACOM functional subject matter experts as needed throughout design, testing, and fielding of the prototype system	Assist and coordinate with MACOMs to ensure successful, timely, access to the data repository.	TBD: Establish schedule for making access to the repository available to MACOMs. TBD: Field in accordance with schedule. As required: Ensure responsive software updates and changes.	
Proponent: DASA-BU. POC: Rick Sprague, SAFM-BUC-I, 697-5088			

Strategy 1.2.3 Ensure effective program / budget execution review

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.2.3.1 Conduct regular review and analysis of Army programs through the Quarterly Army Performance Review (QAPR)	Conduct a quarterly review of Army programs following each quarter of the fiscal year.	16 Feb 00: 1 st Qtr QAPR 17 May 00: 2 nd Qtr QAPR 16 Aug 00: 3 rd Qtr QAPR 15 Nov 00: 4 th Qtr QAPR	Reviews scheduled by 15 Nov each year.



Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.2.3.2. Assure feedback and responses to inquiries arising at QAPRs are provided to the Secretary of the Army and other senior leaders	Publish minutes following each QAPR that contain taskings; follow up to ensure each task is accomplished.	Minutes: 23 Feb 00: 1 st Qtr QAPR 24 May 00: 2 nd Qtr QAPR 23 Aug 00: 3 rd Qtr QAPR 22 Nov 00: 4 th Qtr QAPR Task Responses: 17 May 00: 1 st Qtr QAPR 16 Aug 00: 2 nd Qtr QAPR 15 Nov 00: 3 rd Qtr QAPR 14 Feb 01: 4 th Qtr QAPR	Minutes published within five working days of each meeting Responses to taskings provided prior to next review
1.2.3.3 Continually refine the Quarterly Army Performance Review process	Implement refinements to the QAPR process as requested by the Secretary of the Army, the ASA(FM&C), and other Army leaders.	N/A	
Proponent: DASA-RB. POC: Reid Rogers, SAFM-RB, 697-8789			



**Objective 1.3 –
Guide Army-wide efforts to strengthen resource stewardship**

Strategy 1.3.1 Implement the intent and requirements of the Chief Financial Officers Act throughout the Army

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.3.1.1 Execute the tasks in the Army Chief Financial Officers Strategic Plan	Continuous actions, including: a) Coordinate and work with functional activities to accomplish tasks b) Hold quarterly IPRs with all functional elements; update Plan as needed c) Report status of implementation of CFO related actions and strategies at Quarterly Army Performance Reviews	a) Review tasks and modify as needed b) Conduct quarterly IPRs c) Keep leadership advised on status/progress	a) Modification of tasks b) Quarterly IPRs c) Leadership feedback on status/progress
1.3.1.2 Market CFO to foster understanding and buy-in of the requirements	a) Distribute the Army Annual Financial Report (AFR) to SES personnel, general officers, resource managers, schools, etc. b) Provide CFO briefings at schools, Army working groups, and Army / DoD conferences c) Distribute copies of the annual CFO Strategic Plan to functional partners and to Army and DoD leadership	a) Month X: Distribution of FY99 Annual Financial Report b) Continuous c) Month Y: Distribution of CFO Strategic Plan	a) Distribution of FY99 AFR b) Number of CFO briefings c) Distribution of CFO Strategic Plan
1.3.1.3 Work with OSD and other Military Departments to support CFO Act goals	Continuous actions, including: a) Participate as a member of the oversight committee on contractor efforts in valuing real property and personal property and equipment b) Identify and report critical feeder systems for CFO compliance	a) Disseminate and support DoD Implementing Strategies. b) Lead real property and personal property working groups. c) Clarify and disseminate OSD policy guidance as needed.	Demonstrated Army support of DoD Implementing Strategies.
Proponent: DASA-FO. POC: Jeffrey Rubin, SAFM-FOI, 697-3971			



Strategy 1.3.2 Support implementation of the Government Performance and Results Act through all phases of the PPBES

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.3.2.1 Work with DCSOPS and functional program managers to ensure appropriate GPRA linkages in Army planning documents (BU)	DoD GPRA corporate goals and performance measures have been linked into the Major Mission Areas outlined in The Army Plan (TAP) FY 02-17, Army Planning Guidance Section.	- Review final drafts to ensure GPRA provisos are incorporated into the final version of the TAP. - Assist OSD with Army performance statistics as they assemble the FY 99 GPRA Performance Report for the submission to Congress in the SECDEF's Annual Report to the President and the Congress - Assist OSD with Army performance objectives as they assemble the FY 01 GPRA Performance Plan for the submission to Congress in the SECDEF's Annual Report to the President and the Congress	GPRA provisions in TAP.
1.3.2.2 Integrate performance information during the transition from programming to budget formulation (BU)	FY 99 Performance Report and FY 00-01 Performance Plan GPRA processes indicate this is not a viable action. To be deleted.	N/A	N/A
Proponent: DASA-BU. POC: Jim Anderholm, SAFM-BUC-I, 697-5088 1.3.2.3 Link execution with results and incorporate GPRA performance measures in the Department of the Army Annual Financial Report (FO) Proponent: DASA-FO. POC: Jeffrey Rubin, SAFM-FOI, 697-3971	Performance measures are incorporated into the Army Annual Financial Report	Mar 00: Published Annual Financial Report includes GPRA performance measures	Performance measures included in the Army Annual Financial Report



Strategy 1.3.3 Establish the policies and procedures for ensuring an effective management control process

Actions		Description / Status	FY 2000 Milestones	Performance Measures
1.3.3.1	Develop the Secretary of the Army Annual Assurance Statement	Annual requirement; completed each November.	Nov 99: Annual Assurance Statement is signed	- Statement submitted to OSD on time and with minimal changes - Number of material weaknesses reported by internal sources (commander/manager and Internal Review) exceeds the number reported by external sources (USAAA, DoDIG, GAO). Target is 70 percent reported by internal sources.
1.3.3.2	Conduct annual assessments of Major Command and Headquarters, Department of the Army staff agency management control efforts	Annual requirement; assessments conducted each March.	Mar 00: Complete assessments and provide feedback to MACOMs and HQDA Staff Principals	Letters of commendations for management control efforts.
1.3.3.3	Conduct annual reviews of the Army's management control process	Annual assessment; conducted by the Auditor General each October.	Oct 99: Auditor General assessment completed.	Positive assessment.
Proponent: DASA-FO. POC: Mike Petty, SAFM-FOI, 695-3225				

Strategy 1.3.4 Ensure Army compliance with the DoD Financial Management Improvement Plan (FMIP)

Actions		Description / Status	FY 2000 Milestones	Performance Measures
1.3.4.1	Ensure that FMIP requirements are incorporated in the Army's Chief Financial Officers Act Strategic Plan	Cyclical requirement, following USD(C) FMIP update.	Jul 00: Provide new FMIP requirements to the CFO Strategic Plan contractor	Requirements provided within one month of identification
Proponent: DASA-FO. POCs: Debra Rinderknecht / Jeffrey Rubin, SAFM-FOI, 697-3971				



**ASA(FM&C)
Strategic Plan**

**Appendix G: FY 2000 Action Plans
Goal 1 – Become the Leaders in DoD Financial Management**

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.3.4.2 Coordinate and work with functional activities to help ensure critical feeder systems are identified and meet CFO reporting requirements	Coordinate with feeders system proponents, various working groups, the Finance and Accounting Oversight directorate (SAFM-FOF), HQ DFAS, and OUSD(C) to ensure current CFO requirements are identified, actions are promptly initiated to bring feeder systems into compliance, and progress toward this goal is systematically monitored.	Continuous action	Demonstrated progress toward achieving goal of feeder system CFO compliance.
1.3.4.3 Report to OSD annually on the status of Army financial management improvement initiatives and the CFO status of Army critical feeder systems	Annual requirement, each June. Task feeder system proponents to evaluate their systems for CFO compliance and provide status update/input. Compile all Army input into the final report and submit to OSD.	Jun 00: Submit annual report to OSD.	Timely, comprehensive submission to OSD.
Proponent: DASA-FO. POC: Debra Rinderknecht, SAFM-FOI, 697-3971			

Strategy 1.3.5 Provide effective oversight of Army finance and accounting operational activities

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.3.5.1 Conduct operational reviews of Army-owned OCONUS finance and accounting offices	Status: Completed	Nov 99: Complete reviews	Reviews completed
Proponent: DASA-FO. POC: Ron Carlson, DSN 699-7954			
1.3.5.2 Provide oversight of financial management activities of classified operations, including compartmented programs	Continuing action; no specific milestones	N/A	Effective financial management oversight of classified programs
Proponent: DASA-FO. POC: Mr. Varchetti, DSN 699-2998			



Strategy 1.3.6 Support command missions by facilitating a full range of internal audit and analytical services

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.3.6.1 Oversee Army-wide efforts to ensure decision-makers have objective, reliable, and timely information via a state-of-the-art internal audit function	Continuous actions. Includes establishing and using a Customer Steering Group to ensure IR products and services continue to meet customer needs	29 Feb 00: Field Army Internal Review policies, procedures, and training materials on control Self-Assessment (CSA)	On-time fielding of CSA materials
1.3.6.2 In conjunction with US Army Audit Agency, upgrade training to better prepare IR auditors to meet current customer needs	Continuous actions, including: a) Identify auditor training needs, develop and field revised training programs, and monitor auditor training through the Joint Auditor Training Advisory Committee. b) Conduct an annual IR training symposium to keep Army IR offices current on developments in the internal auditing profession and changes in Army programs and systems.	a) Continuous process b) Month/Year: Conduct symposium	a) Training program evaluations b) Symposium critiques
1.3.6.3 Market Internal Review	Continuous actions, including: a) Establish a Process Action Team to review current IR Marketing Plan and make necessary revisions b) Develop modules for Army schoolhouses to ensure future leaders are provided a good understanding of IR capabilities	Continuous, including: a) Make presentations to Army and joint schools on the benefits and assistance available from local IR offices b) Maintain an up-to-date web site to promote the use of IR services.	a) Number of presentations b) Timeliness of web site information

Proponent: DASA-FO. POC: Bob Barnhart, SAFM-FOI, 695-7693



Objective 1.4 –

Enhance resource management through quality cost and economic analysis products and services

Strategy 1.4.1 Support statutory Independent Life Cycle Cost Estimates and Component Cost Analyses for weapons and C4 systems

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.4.1.1 Provide timely, tailored cost and economic analysis to support the PPBES and other decision making processes	a) For each analysis, frame assumptions, become familiar with users and processes, and employ sound cost estimating techniques. b) CEAC will serve as the technical expert on cost issues and determine reasonableness; Prepare estimated costs used in the development of the various budgets, program management documentation and special studies	Dec 99: MILSTAR Mar 00: EPLRS NCS Mar 00: WARSIM EA Mar 00: LOGMOD EA Mar 00: NMD Mar 00: LBA Mar 00: Army Transformation - Medium Armored Vehicle Candidates Mar 00: Crusader, 31 Mar 00	- Customer Satisfaction - Coordination with users and appropriate HQDA organizations
Proponent: Dir, CEAC. POCs: (1) John Carroll, 681-9170; (2) Edward McCauley, 681-3326			
1.4.1.2 Ensure that life cycle cost estimates are available for review by major program decision consults	a) For each estimate identify significant cost drivers; collect data from users, frame assumptions, and identify appropriate methodologies b) CEAC will serve to ensure that the ACP is developed and approved within the required timeframes to support major milestones and other major program decisions.	a) ACPs: Dec 99: FBCB2 Mar 00: MCS Jun 00: TADLP Sep 00: WIN-T Sep 00: PROPHET Sep 00: JSTARS CGS Mar 00: THAAD Mar 00: Comanche Mar 00: TOW F&F b)	- For ACAT 1C, 100 percent of Milestone Decisions ASARCs supported with ICE - Army Cost Position (+/- 10 %) sustained by Decision Authority - Current ACP available to support budget.
Proponent: Dir, CEAC. POCs: (1) John Carroll, 681-9170; (2) Edward McCauley, 681-3326			
1.4.1.3 Represent the ASA(FM&C) at Overarching Army and DOD Integrated Product Teams for Major Materiel and AIS systems	a) Articulate FM&C position on cost and affordability for information and weapon systems b) CEAC will serve as the advisor / representative for Army for all cost issues on major system IPTs.	As required	- OIPT participants clear on ASA(FM&C) position - Customer Satisfaction - CEAC represented on 100% of IPTs where cost is discussed.
Proponent: Dir, CEAC. POCs: (1) John Carroll, 681-9170; (2) Edward McCauley, 681-3326			



Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.4.1.4 Conduct cost risk analyses for selected systems	Continuous actions, including: Identify critical risk areas; define assumptions; interview managers; apply distribution; run assimilation	- One week prior to major decision brief - Various weapon system milestone review - Information and Weapon Systems	- Leadership feedback on status/process of the Army Systems as they move from one milestone to another - ACP submitted to OSD CAIG on time and with minimal changes - Successful PPBES execution - ACP reflects results of risk analysis
Proponent: Dir, CEAC. POC: Mort Anvari, 681-3330 1.4.1.5 Maintain a database of historic life cycle estimates of Army systems	Continuous actions, including: Update files with current ACP; Quick Analysis Drills; Develop Methodology/Cost Estimating Relationship (CER)	Continuous	- Leadership feedback on status/process of the Army Systems as they move from one milestone to another - ACP submitted to OSD CAIG on time and with minimal changes - Successful PPBES execution - ACP added to Weapons Systems Division common drive within 60 days of approval.
Proponent: Dir, CEAC. POC: Mort Anvari, 681-3330			
1.4.1.6 Conduct environmental cost analyses for selected systems	Continuous actions, including: Establish an In-Process Team to review requirements; develop assumption and methodology; utilize environmental costing model	Continuous Various weapon system milestone review; Information and weapon systems	- Leadership feedback on status/process of the Army Systems as they move from one milestone to another; ACP submitted to OSD CAIG on time and with minimal changes - Successful PPBES execution.
Proponent: Dir, CEAC. POC: Mort Anvari, 681-3330			



Strategy 1.4.2 Promote cost management Army-wide

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.4.2.1 Serve as the ASA(FM&C) proponent for Activity Based Costing (ABC)	a) Maintain Consortium for Advanced Manufacturing International (CAMI) membership b) Conduct Army MCSC meetings c) Ensure compliance with Army Cost Management / Activity Based Costing (CM/ABC) plan d) Purchase ABC software	a) Pay FY00 CAMI dues b) Conduct MCSC meetings c) Review 11 Business Area (BA) plans d) - Obtain software funding	- Number of approved BA plans - Number of plans using ABC - Percent of software requirements met
1.4.2.2 Market ABC to foster understanding and buy-in	a) Provide the Army with briefings b) Participate in conferences	a) Brief BA staff by mid-year b) Participate in three conferences	Increased ABC awareness throughout Army
1.4.2.3 Develop managerial cost policy, guidelines, and training tools	a) Execute the Army CM/ABC plan b) Develop policy	- Update CM/ABC Compact Disc (CD) - Update Cost Handbook on CM/ABC - Get BA plans approved	- Distribution of CD's Army-wide - Complete handbook articles - OSD approved plans
1.4.2.4 Assist in implementing Army-wide Standard Service Costing (SSC), Service Based Costing (SBC), and ABC	a) Develop SSC methodology b) Conduct SBC/ABC training	- Participate in quarterly After Action Reviews (AARs) - Assist BASOPS implementation plans	- Number of AARs attended - Percent of 95 Services having Cost Estimating Relationships (CERs)

Proponent: Dir, CEAC. POC: Steve Bagby, 681-3335

Strategy 1.4.3 Develop and promulgate Army cost analysis, cost risk, and economic analysis policy

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.4.3.1 Revise and publish, as needed, Army Cost And Economic Analysis regulations, pamphlets, and manuals, including AR 11-18, the Army Cost Analysis Manual, The Army Economic Analysis Manual, and other related publications	a) Update the Army Cost Analysis Manual b) Update the Army Economic Analysis Manual	30-Sep-00	- Timely update of manuals - Army cost policy is responsive and consistent with OSD policies



Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.4.3.2 Establish policies and procedures for implementing Army Contractor Cost Data Reports	Army Contractor Cost Data Report. Policy was completed May, 1999	As needed	Army CDR policy is consistent with OSD policy
Proponent: Dir. CEAC. POC: Ruth Johnson, 681-3347			

Strategy 1.4.4 Foster use of standard cost estimating and economic analysis models, tools, and databases

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.4.4.1 Serve as the Army's clearing house for cost research contract information	Advisor to ASA(FM&C) on all Army cost and economic analysis activities. Utilize a suite of databases -- AMCOS, FORCES, OSMIS -- in developing cost estimating models for selected Army programs.	N/A	N/A
1.4.4.2 Identify customers and their needs for quality, timely cost management information, tools, and products	Direct new customers to the CEAC website and ensure they are informed of online tools and products. Conduct training sessions at major subordinate commands.	N/A	N/A
1.4.4.3 Encourage customer participation in the development of tools and databases	Encourage comments from customers at training sessions, on the website, etc. Provide email links on each screen to solicit suggestions for improvement. Implement development feedback.	N/A	Customer feedback
1.4.4.4 Sustain and broaden the Operating and Support Management Information System (OSMIS) database of Army historic actual O&S costs for weapon and AIS systems	Manage the Army's implementation of the DoD Visibility and Management of Operating Support Cost (VAMOSOC) Program to include OSMIS, the Army's source of historical O&S cost information for projecting future systems O&S cost, to include TOC, CCA, POE, EA, and COEA.	N/A	Accurate, updated, and expanded cost data.
1.4.4.5 Improve accessibility and use of OSMIS as the Army standard database through latest IT processes	OSMIS relational database, allowing O&S cost data queries, provides registration and access to government and contractors via the World Wide Web.	N/A	Ease of use Query processing reliability
Proponent: Director, CEAC.			



**Objective 1.5 –
Foster excellence throughout the Army financial management career fields**

Strategy 1.5.1 Design programs to acquire the Army financial management workforce

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.5.1.1 For commissioned officers, recommend entry requirements, positive education prerequisites, accession numbers by year, and maximum percentages by grade to be designated into FA 45, Comptroller	Coordinate input on all such actions with FA 45 assignments officer.	Continuing process	Numbers of FA 45 officers on promotion, command and school selection lists, compared to total Army numbers
1.5.1.2 For civilian employees, determine and defend annual funded workyear requirements (under all types of appointments) for new Comptroller Civilian Career Program (CP 11) interns	Annually review work year requirements for CP 11 DA interns and Presidential Management Interns (PMIs)	- DA interns – continuing process - PMIs – Jan 00 - Quarterly review execution	Percent (goal=80%) of interns who complete their internships
1.5.1.3 Coordinate and expedite approved CP 11 intern recruiting and selection actions Army-wide	Track status of intern recruiting from receipt of referral list to entry on duty	Continuing process	Time interval (goal=3 working days) to forward received lists to selectors
Proponent: Chief, PO. POC: Terry Placek, 697-2350			



Strategy 1.5.2 Guide training and education programs

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.5.2.1 Plan the training and education of FA 45 officers in all grades	a) Assess numbers of officers available for training b) Identify criteria for training c) Identify education opportunities from civilian sources. Status: Revised ACTEDS Plan d) Determine requirements for development / revision of FA 45 training and education Develop, manage, and fund processes by which officers are selected for and attend: Professional Resource Management Course (PRMC), Professional Military Comptroller Course (PMCC), and the Army Comptroller Course (ACC). (Ongoing action)	a) Continuing process b) Apr 00 c) Mar 00 d) Apr 00 e) Continuing process	• Extent of fill of military quotas (goals are 75% quota fill, 90% fund execution) for PRMC, PMCS & ACC • Degree of program participation, commensurate with funding—execution of training requirements: training quotas and dollars
1.5.2.2 Publish and maintain a FA 45 career field professional development guide	Publish Guide on ASA(FM&C) homepage and distribute printed copies. Status: • Homepage – Published Sep 99 • Printed copies – Target Oct 99; complete.	Oct 99: Distributed printed copies of FA 45 Professional Development Guide.	Frequency of review (goal= biennially)
1.5.2.3 Plan the training and education of CP 11 employees in all grades	a) Assess numbers of employees needing available training courses b) Determine requirements for development / revision of training and education c) Develop, manage, and fund processes by which civilian employees are selected for and attend: PRMC, PMCC, ACP, the Graduate Level Financial Management Program, university / college short- and long-term training, and competitive professional development at Historically Black Colleges and Universities (HBCUs) and Hispanic Serving Institutions (HSIs). Status: Complete	a) Jun 00 b) Apr 00 c) Continuing process	a) Reported numbers supportable by accurate personnel database info b) Evaluation completed on schedule c) Degree of program participation, commensurate with funding—execution of training requirements: training quotas and dollars



Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.5.2.4 Publish and maintain the CP 11 Army Civilian Training, Education and Development System (ACTEDS) plan, including Master Training and Master Intern Training Plans for all career program areas, including Business Management and Multi-disciplined Financial Analysis	a) Compile info on competency groupings course b) Compile training and development source list c) Coordinate plan with Executive, Jr. Councils d) Develop Individual Development Plan forms package for documenting previous credentials e) Develop draft Multi-Disciplined Financial Analyst position descriptions; staff, and finalize f) Final copy of document to printer g) Printed product distributed	a) Sep 99 – Done b) Oct 99 – Done c) Nov 99 – Done d) Dec 99 – Done e) Jan 00 – Done f) Apr 00 g) Feb 00 h) Mar 00	Quality and timeliness of completed, distributed product

Proponent: Chief, PO. POC: Terry Placek, 697-2350

Strategy 1.5.3 Plan and oversee effective professional development programs

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.5.3.1 Plan the development of FA 45 officers	a) Establish FA 45 career progression patterns (FA 45 Professional Development Guide) b) Coordinate on personnel actions, job assignments, and policy documents that affect FA 45 officers c) Advance FA 45 interests within initiatives such as OPMS XXI and Financial Management Corps feasibility study	a) Aug 99 - Done b) Conduct quarterly in-progress reviews (IPRs) c) Continuing process; IPRs Mar/Apr 00	• Perceived quality of product • Frequency of actual IPRs • Numbers of officers seeking FA 45 as their specialty • Army Leadership Approval



Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.5.3.2 Plan the development of CP 11 employees	a) Compile, publicize, fund, and coordinate the filling of civilian employee developmental assignments. b) Develop, manage, and fund processes by which employees are selected for and participate in opportunities such as: fellowships, exchanges, Training with Industry, private association institutes and symposia, and Federal Executive Institute programs (ongoing action) c) Provide functional proponent assessment of the order of merit, and arrange post-training utilization assignments, for employees competing for leadership programs: Sustaining Base Leadership and Management Program (AMSC), Defense Leadership and Management Program (DLAMP), and Senior Service College programs. (Ongoing action)	a) Oct 99: Announcement published b) Continuing process c) As required or directed; continual	a) Degree of program participation, commensurate w/funds b) Degree of program participation, commensurate w/funds c) Merit-based supportability of rank-orders assigned; number and quality of prospective post-training utilization assignments offered to SSC participants.
1.5.3.3 Manage the Army Civilian Career Evaluation System (ACCES) for CP 11	a) Revise functional proponent subject matter portions of the system to reflect Multi-Disciplined Financial Analyst initiative b) Convert registrants' existing ACCES scores c) Decide career program policy questions on career position classification, registration and referral	a) Continuing process b) Apr 00 c) Continuing process	• Extent of top leadership "customer satisfaction" • Timeliness (goal=30 days after leadership approval) • Recommendations / decisions in 14 calendar days
1.5.3.4 Maintain and coordinate an Army-wide formal mentoring program for developing FA 45 officers and CP 11 careerists	a) Publish announcement inviting applications b) Match mentor and to-be-mentored applicants c) Announce selections and pairings	a) Apr 00 b) Jul 00 c) Aug 00	• Perceived clarity of memo • Participant acceptance • Participants' written and oral feedback on program
1.5.3.5 Develop, implement, and execute awareness programs and oversee special emphasis programs	Ongoing action	Continuing process	Extent of top leadership "customer satisfaction"
Proponent: Chief, PO. POC: Terry Placek, 697-2350			



Strategy 1.5.4 Manage programs for recognition of the financial management workforce

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.5.4.1 Document and recognize proficiency of FA 45 officers	a) Personally recognize all individual officers selected for promotion, command, and Senior Service College. Status: Ongoing b) Propose FA 45 functional selection criteria for use by Army boards. Status: Ongoing c) Maintain functional proponent portions of the annual Qualification, Validation and Reclassification (QVR) process affecting FA 45 officers, to include coordinating on board membership and administration. Status: Ongoing	a) Continual process b) Continual process c) Continual process	• Congratulatory notes for signature prepared within 3 workdays of list releases • QVR board results reported within 3 workdays of board adjournment
1.5.4.2 Develop, publicize, and enforce criteria for accrediting and certifying financial management competencies throughout the Army workforce	a) Prepare 1 st draft of handbook b) Staff w/FCR, OASA(M&RA), CP 11 Exec Council c) Complete final draft of handbook d) Publish handbook e) Conduct accreditation workshops as needed	a) Jan 00 – Done b) Mar 00 c) Apr 00 d) May 00 e) May-Aug 00	• Perceived clarity of document; field comprehension • Workforce and supervisory leadership feedback
1.5.4.3 Formally recognize and reward professional accomplishments by members throughout the Army financial management workforce	a) Administer and maintain an annual Army-wide resource management awards program which fosters professional excellence through competition b) Establish the Army program as an underpinning to support recognition of workforce members' accomplishments by professional associations, DoD, OPM, and other federal departments / agencies.	a) Feb 00: Awardees Announced; RM Pub article published; Award plaques, certificates distributed May 00 – Capstone award winners recognized b) Continuing process	• Timeliness of award announcements / presentations • Feedback from awardees and top leadership (Mar 00 and May 00)
Proponent: Chief, PO. POC: Terry Placek, 697-2350			



**ASA(FM&C)
Strategic Plan**

**Appendix G: FY 2000 Action Plans
Goal 1 – Become the Leaders in DoD Financial Management**

Strategy 1.5.5 Keep the Army-wide financial management workforce informed

Actions	Description / Status	FY 2000 Milestones	Performance Measures
1.5.5.1 Edit and publish an official quarterly professional bulletin, in printed and on-line formats, for the exchange and distribution of literature, accomplishments, and innovation throughout the workforce	Ongoing action.	Mar 00 – 1 st Qtr issue distr May 00 – 2 nd Qtr issue distr Aug 00 – 3 rd Qtr issue distr FY 01 – 4 th Qtr issue distr	• Acknowledged receipt by readers, NLT 23d day of month • Format, style & content conform to AP Style Manual • "Factual" material not successfully challenged
1.5.5.2 Publicize mission, functions, projects, and services of the Army Comptroller Proponency Office through a coordinated program of printed pamphlets and brochures, on-line documents, training workshops, computer-based training products, instructional presentations, and marketing exhibits in professional forums	a) Provide office briefing and display exhibit at Army Financial Operations, Internal Review, and RM conferences, and at similar gatherings b) Set up and staff Proponency exhibit at Army Day and ASMC PDI	a) Conference dates b) PDI dates	• Number of Proponency briefings and exhibits per year • Level of demand for future exhibits and briefings

Proponent: Chief, PO. POC: Terry Placek, 697-2350

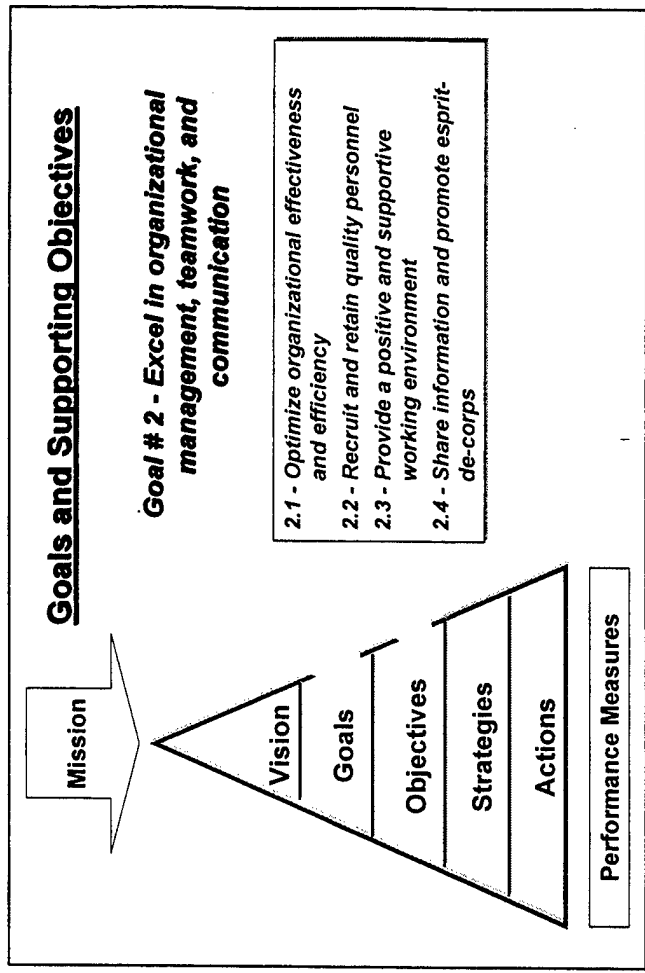


Goal 2 – Excel in organizational management, teamwork, and communication

Goal 2 addresses organizational structure, staffing, and internal communication in the Office of the Assistant Secretary of the Army (Financial Management and Comptroller).

The broad objectives supporting this goal were first identified in interviews with senior OASA(FM&C) personnel and from the results of a survey administered to OASA(FM&C) employees.

The initial recommended implementation strategies and action steps were developed in a series of employee workgroups comprised of personnel from throughout the organization. The employee workgroups, in turn, presented recommendations to the Assistant Secretary and ASA(FM&C) senior staff. Final approved strategies and actions reflect this collaborative, organization-wide approach, and establish a solid foundation for continued actions in support of the goal of organizational excellence.



The four supporting objectives within Goal 2 are outlined in the figure above. Each of these objectives is supported with implementation strategies, actions, and potential performance measures. Following are the actions necessary to accomplish these objectives, and the milestones for those selected by OASA(FM&C) leadership as implementation priorities for FY 2000.



**Objective 2.1 –
Optimize organizational effectiveness and efficiency**

Strategy 2.1.1 Determine mission priorities

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.1.1.1 Define mission requirements (statutory, inherently governmental, appropriately managed / performed by ASA(FM&C)) 2.1.1.2 Identify organizational products / services and supporting processes / systems 2.1.1.3 Link products and services to mission requirements and identify mismatches 2.1.1.4 Raise awareness to enable supervisors to identify priorities 2.1.1.5 Take steps to eliminate unnecessary products / services Proponent: TBD	This set of actions is intended to improve effectiveness and efficiency by focusing on <u>what</u> the organizational does -- both its products / services and the supporting business processes and systems. The actions taken in support of Goal 4. Focus on Customers, to identify key OASA(FM&C) products and services and measure their value to customers provide one of the principal starting points for implementing these actions.	Although individual organizational elements may elect to pursue aspects of this strategy, there are no collective OASA(FM&C) milestones for FY 2000.	TBD

Strategy 2.1.2 Determine optimal organizational structure and staffing (how we should organization and what skills are needed)

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.1.2.1 Form a cross-organizational team 2.1.2.2 Review mission requirements and identify needed job skills	This set of actions is intended to improve effectiveness and efficiency by focusing on <u>how</u> the organization accomplishes its missions -- i.e., how it is structured and what skills are needed. Many of the actions to identify needed job skills will be accomplished in the context of overall CP-11 / FA 45 professional development initiatives.	Although individual organizational elements may elect to pursue aspects of this strategy, there are no collective OASA(FM&C) milestones for FY 2000.	TBD



Actions		Description / Status	FY 2000 Milestones	Performance Measures
2.1.2.3 Determine options for accomplishing missions (e.g., single DASA or functional office, cross-organizational teams, outsourcing) and define minimum required staffing		This is a longer-term strategy which will likely begin with intra-functional teams and then expand to cross functional and organizational elements		
Proponent: TBD				

Strategy 2.1.3 Match staffing to workload

Actions		Description / Status	FY 2000 Milestones	Performance Measures
2.1.3.1	Assess current skills and competencies	This set of actions is intended to align staffing with the organizational structure and job skills identified as essential for successful mission accomplishment. This is also a longer-term strategy which will likely begin with intra-functional teams and then expand to cross functional and organizational elements.	Although individual organizational elements may elect to pursue aspects of this strategy, there are no collective OASA(FM&C) milestones for FY 2000.	TBD
2.1.3.2	Redistribute and/or retrain personnel to match skills with operational requirements			
2.1.3.3	Offset short-term skill shortages through term appointments, developmental assignments, borrowed labor, outsourcing, etc.			
Proponent: TBD				

Strategy 2.1.4 Manage formal and ad hoc work inquiries and work requests

Actions		Description / Status	FY 2000 Milestones	Performance Measures
2.1.4.1	Assess impact of informal / nonrecurring taskings	This set of actions evolved from employee workgroup sessions in which informal ("drive by") taskings were identified as a major impact on productivity. There are no formal, organization-wide actions planned in the short term.	N/A	TBD
2.1.4.2	Establish broad parameters for determining priorities			
2.1.4.3	Ensure action officers are aware of policies / priorities within their offices			
Proponent: TBD				



**Objective 2.2 –
Recruit and retain quality personnel**

Strategy 2.2.1 Explore all opportunities to ensure successful recruiting and staffing strategies

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.2.1.1 Review policies and procedures for recruiting, training, and placing DA Career and Presidential Management Interns		Jun 00: Complete review	
2.2.1.2 Assess potential utility of co-op and student hire programs		Jun 00: Complete assessment	
2.2.1.3 Identify ways to make the intern programs more useful for ASA(FM&C) (e.g., structured IDPS, field / staff rotations)		Mar 00: Identify potential intern program initiatives	
2.2.1.4 Identify potential marketing strategies to attract new personnel		Sep 00: Complete identification of potential recruiting strategies	
2.2.1.5 Explore potential recruiting partnerships with other agencies		Sep 00: Identify potential recruiting partners	
2.2.1.6 Review alternatives to using the current referral system	Potential action if other actions do not contribute to improved recruiting and retention. No specific actions planned.		
Proponent: PO, with PDASA oversight. POC:			

Strategy 2.2.2 Promote policies and programs to enhance retention

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.2.2.1 Identify possibilities for upward mobility / target grade level positions			



Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.2.2.2 Encourage matching personnel skills / interests with positions			
Proponent: PO, with PDASA oversight. POC:			

**Objective 2.3 –
Provide a positive and supportive working environment**

Strategy 2.3.1 Implement procedures to capture and address workplace issues

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.3.1.1 Determine appropriate responsibilities for gathering and assessing issues, and developing recommendations	The OASA(FM&C) Advisory Council was determined to be the appropriate forum for capturing and addressing workplace issues. The initial meeting of the Council was held on 20 Oct 99; bylaws were published and the Council formally established as a one-year pilot project on 17 Nov 99.	Nov 99: Publish bylaws Dec 99: Publicize Council purpose and membership Jan 00: Complete research and evaluation of initial issues presented to Council Feb-Sep 00: Receive, research, review, and present decision briefs on recommendations for all issues presented to the Council in accordance with published by-laws.	
2.3.1.2 Evaluate feasibility of implementing an organizational Advisory Council; implement as a pilot program if determined to be feasible			
Proponent: POC:			

Strategy 2.3.2 Explore opportunities for workplace innovations

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.3.2.1 Encourage flexibility in evaluating innovations (e.g., telecommuting)	The OASA(FM&C) Advisory Council will serve as the initial forum for evaluating and making recommendations on potential workplace innovations.	N/A	
2.3.2.2 Identify / benchmark with other agencies using similar business practices	Coordination / benchmarking with other agencies will be based on specifics associated with each proposal.	N/A	



Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.3.2.3 Establish organizational ground rules / policies	Policies and procedures for any innovations approved innovations will be managed organization-wide through normal administrative channels.		
2.3.2.4 Implement uniformly across the organization	Any innovations approved for implementation will be managed organization-wide through normal administrative channels.		
Proponent: POC:			

Strategy 2.3.3 Ensure workplace policies are clearly and consistently communicated

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.3.3.1 Reiterate leadership commitment to flexible work schedule policies	Update OASA(FM&C) Compressed Work Schedule (CWS) Memorandum and incorporate into OASA(FM&C) Policy Letter Ensure all newly assigned personnel receive a copy of the Compressed Work Schedule Policy Letter	Publish Compressed Work Schedule Policy Letter NLT 30 April 2000. Distribute CWS Policy Letter after publication at each new employee orientation session	Signed Policy Letter distributed to work force NLT 15 May 2000 Signed CWS Policy Letter distributed to each new employee at orientation.
Proponent: Administrative Support Office, with PDASA oversight. POC: Min Kang/Joan Smith 695-2320			
2.3.3.2 Restate or establish other organizational ground rules / policy	Review / update current OASA(FM&C) Policy Letters. Develop procedures to provide electronically to all OASA(FM&C) employees	All policy letters reviewed and updated NLT 30 April 2000 and submitted to ASA(FM&C) for signature Policy Letters posted on Intranet or Shared Drive NLT 31 May 2000.	OASA(FM&C) employees able to access all policy letters via Intranet / Shared Drive NLT 31 May 2000.
Proponent: Administrative Support Office, with PDASA oversight. POC: Joseph Smith/Joan Smith 697-3388			



Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.3.3.3 Ensure consistent implementation across the organization	Coordinate with OASA(FM&C) Advisory Council and obtain feedback on administrative policy	Sit in on meetings and/or communicate with Advisory Council Chairperson after each meeting	PDASA is advised of any potential policy inconsistencies
Proponent: Administrative Support Office, with PDASA oversight. POC: Joan Smith 693-6845			

Strategy 2.3.4 Improve the professional work atmosphere and space

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.3.4.1 Determine or validate requirements for physical space, furniture and equipment, individual offices / privacy, etc.	Review Pentagon Renovation Plan to ensure efficient use of space	Validate physical space by office NLT 30 June 2000 or as required by the Pentagon Renovation Office in preparation for move in FY2001.	Renovation Plan has been validated NLT 30 June 2000
Proponent: Administrative Support Office, with PDASA oversight. POC: Patricia Johnson 697-2320			
2.3.4.2 Implement improvements whenever and wherever possible	Identify excess furniture and equipment Develop personnel In- and Outprocessing sheets	Request offices complete paper-work for turn-in NLT 30 May 2000 Develop checklist NLT 1 April 2000 and provide checklist on "Intranet" / Share Drive	Removal of excess non-ADPE within four working days In- and outprocessing procedures are streamlined and are available to all employees
Proponent: Administrative Support Office, with PDASA oversight. POC: Patricia Johnson/Min H. Kang/Joan Smith 693-6845			



**Objective 2.4 –
Share information and promote esprit-de-corps**

Strategy 2.4.1 Communicate openly and often through town hall meetings, an internal newsletter, and other forums

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.4.1.1 Determine appropriate intervals and structure for town hall meetings	"Town hall" meetings bring together all available OASA(FM&C) personnel in the Pentagon auditorium. The purpose is to acknowledge personnel (new employees, recent promotions, etc.) and to highlight issues of functional and / or organizational-wide interest. Regularly scheduled town hall meetings were introduced during development of this plan -- i.e., in May 1999.	FY 2000 town hall meetings: Oct 99 and May 00	Participation in town hall meetings Comments / ratings
2.4.1.2 Identify information currently available and potential newsletter topics	The long-term objective is to establish a web-enabled "newsletter" for sharing administrative, personnel, and professional news. Preferred implementation would be on an Intranet.	No specific milestones	TBD
2.4.1.3 Identify potential newsletter "editors" (e.g., volunteers or rotating office responsibility)			
2.4.1.4 Determine the best vehicle for an ASA(FM&C) newsletter			
2.4.1.5 Solicit topics from leadership and employees			
- Professional / organizational news - Employee recognition (awards, promotions, hail and farewell) - Upcoming events - Personal topics (births, birthdays, retirements, etc.)			
2.4.1.6 Identify other opportunities to share information throughout the organization	The intent is to ensure every possible forum for increasing communication within the organization is explored. Informal "brown bag lunch" sessions are one such forum.	No specific milestones	TBD
Proponent:	POC:		



Strategy 2.4.2 Develop a better understanding of esprit-de-corps by measuring satisfaction

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.4.2.1 Evaluate results of climate survey as potential source of baseline ratings	The intent of this action is to implement a formal and continuing feedback system for gauging employee satisfaction, determining appropriate concerns / issues, and measuring the results of actions.	No specific events planned.	TBD
2.4.2.2 Implement an employee feedback system (via surveys, Intranet, etc.); ensure employee confidentiality, as appropriate			
2.4.2.3 Present employee satisfaction results in a timely manner			
Proponent: POC:			

Strategy 2.4.3 Implement informal internal training programs

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.4.3.1 Implement brown bag lunches and other informal forums to share information and conduct informal training	"Brown bag lunches" provide an opportunity for employees to meet with senior members of the OASA(FM&C) organization for the purpose of personal and professional development. Brown bag lunches were introduced by the ASA(FM&C) in late FY 1999, and continue through FY 2000.	No specific date-reliant milestones. The goal is for there to be recurring brown bag sessions, on a variety of topics, well attended by OASA(FM&C) employees.	TBD
2.4.3.2 Explore opportunities for computer-based / on-line references, training, etc.	Long-term initiative intended to make personal and professional development information available to the widest possible range of employees.	No specific milestones	When operational: • Number of hits per month • Employee feedback
2.4.3.3 Use email, newsletters, homepage, etc., to disseminate information	Expanded use of current resources (e.g., email and homepage), plus new initiatives to make promote employee development.	No specific milestones	TBD
Proponent: POC:			



Strategy 2.4.4 Embed the tenets of the ASA(FM&C) Strategic Plan throughout the organization

Actions	Description / Status	FY 2000 Milestones	Performance Measures
2.4.4.1 Obtain management and employee buy-in to the Strategic Plan and make it a priority			
2.4.4.2 Require managers and supervisors to discuss implementation with all employees			
Proponent: . POC:			



Goal 3 – Foster and recognize quality in the ASA(FM&C) workforce

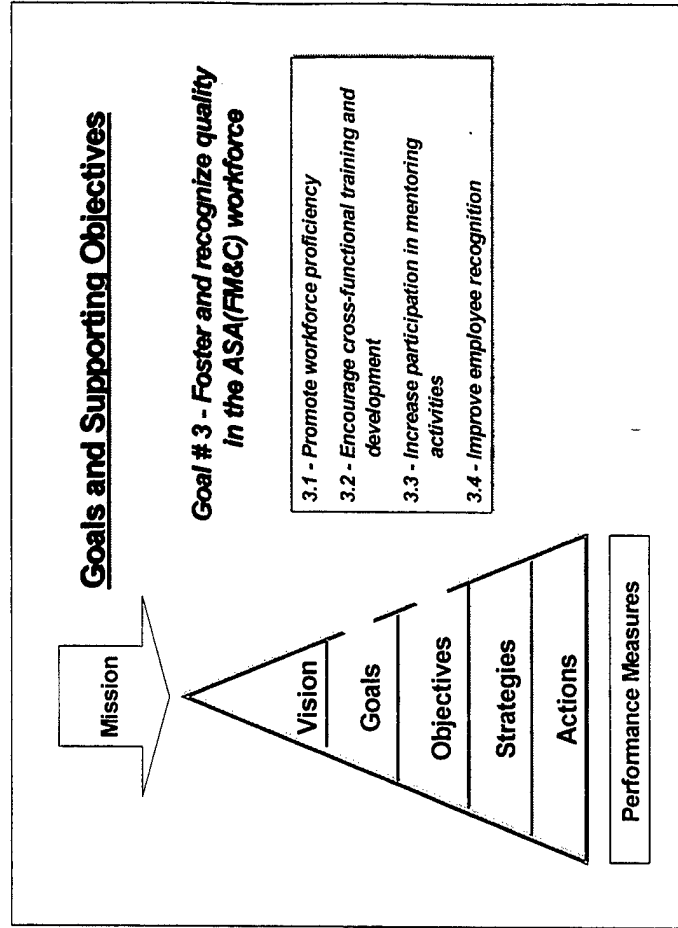
Goal 3 focuses on the employees of the Office of the Assistant Secretary of the Army (Financial Management and Comptroller).

As with Goal 2, the supporting objectives were first identified from interviews with senior personnel and from the results of a survey administered to OASA(FM&C) employees.

The initial recommended implementation strategies and action steps were developed in a series of employee workgroups comprised of personnel from throughout the organization. The employee workgroups then presented their recommendations to the Assistant Secretary and OASA(FM&C) senior staff. Final approved strategies and actions reflect this collaborative, organization-wide approach, and establish a solid foundation for continued actions in support of the goal of workforce quality.

Many of the actions included under this goal are long-term, and begin with informal actions of encouragement and support for employee professional development, certification, and participation in professional organizations.

The four supporting objectives within Goal 3 are outlined in the figure above. Each of these objectives is supported with implementation strategies, actions, and potential performance measures. Following are the actions necessary to accomplish these objectives, and the milestones for those selected by OASA(FM&C) leadership as implementation priorities for FY 2000.





**Objective 3.1 –
Promote workforce proficiency**

Strategy 3.1.1 Support employee training, education, and assignments for improved job skills and career progression

Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.1.1.1 Publicize CP11 / FA45 career progression tracks throughout OASA(FM&C) (PO) - Identify appropriate career information topics - Include mandatory, semi-annual career information presentations in town hall meetings - Encourage two-way electronic distribution (exchange) of career information	Contribute to all aspects of workforce professional development by publicizing career progression tracks - Continuous effort - Ongoing: CP-11/FA 45 topics are considered for all town hall meetings - Ongoing; Continuing effort to keep OASA(FM&C) personnel informed and involved	Continuing efforts; no specific milestones	Customer satisfaction ratings on Communication
Proponent: PO. POC: Terry Placek, 697-2350 3.1.1.2 Require supervisor review of individual job skills and career progression training, education, and experience needs	Informal effort to ensure supervisors are engaged and proactive in supporting employees' professional development	No specific actions or milestones for FY 2000	N/A
Proponent: Supervisors / Careerists. POC: N/A 3.1.1.3 Require formal Individual Development Plans (IDPs) as part of the TAPES process	Formal effort to ensure supervisors are engaged in identifying necessary / appropriate employee training on an annual basis. Implemented by the PDASA(FM&C) in FY 99, effective with the 1999-2000 rating cycle. POC: N/A	N/A	Organization-wide compliance with requirement for IDPs
Proponent: Supervisors / Careerists, with PDASA(FM&C) oversight. POC: N/A 3.1.1.4 Encourage employees to register in ACCES (PO, Supervisors, All)	Informal effort to increase participation of ASA(FM&C) employees in the Army Civilian Career Evaluation System for referrals	Ongoing process; no specific milestones	ASA(FM&C) employees registered in ACCES
Proponent: Supervisors / Careerists. POC: N/A 3.1.1.5 Support employee reassignments as part of long-term training	Informal effort to increase opportunities for employees to move to new assignments upon completion of long term training.	Ongoing process; no specific milestones	Reassignments upon completion of long-term training
Proponent: Supervisors / Careerists. POC: N/A			



Actions		Description / Status	FY 2000 Milestones	Performance Measures
3.1.1.6	Promote employee participation in achieving civilian education	Informal effort to emphasize importance of continuing education and support employees participation	Ongoing process; no specific milestones	Percentage of employees with AA, undergraduate, and graduate degrees
Proponent: Supervisors / Careerists . POC: N/A				
3.1.1.7	Encourage management to review workload schedules, course offerings and quotas, training funds, etc., and to develop training priority lists	Long-term informal effort to increase training opportunities for ASA(FM&C) employees by encouraging supervisors to take long-term structured approach	Ongoing process; no specific milestones	Increases in training of ASA(FM&C) personnel
Proponent: Supervisors / Careerists . POC: N/A				

Strategy 3.1.2 Support participation in professional organizations

Actions		Description / Status	FY 2000 Milestones	Performance Measures
3.1.2.1	Identify and publicize relevant professional organizations	Effort to increase participation in professional organizations by publicizing opportunities	Ongoing process; no specific milestones	Percentage increase in employee memberships
Proponent: PO. POC: Terry Placek, 697-2350				
3.1.2.2	Exploit opportunities for free / discount memberships (organizational / corporate sponsorship, volume membership discount, etc.)	The intent is to facilitate employee participation in professional organizations by determining opportunities for free or discounted memberships.	Jun 00: Identify opportunities	Percentage increase in employee memberships in professional organizations
Proponent: PO. POC: Terry Placek, 697-2350				
Support employee participation in meetings and events by granting administrative time, coordinating transportation, etc., as appropriate		Informal effort to increase opportunities for ASA(FM&C) employees by encouraging a structured and consistent approach	Ongoing process; no specific milestones	Employee ratings on managerial support of employee training
Proponent: Supervisors, with PDASA(FM&C) oversight. POC: N/A				
3.1.2.4	Equitably distribute or rotate participation in conferences / training	Long-term action which support employees, but requires a structured approach	N/A	Employee ratings on perceived equity of training
Proponent: Supervisors, with PDASA(FM&C) oversight. POC: N/A				



Strategy 3.1.3 Encourage employees to pursue professional certification

Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.1.3.1 Identify and publicize relevant certification programs (PO)	Effort to increase participation in professional organizations by publicizing opportunities	Ongoing process; no specific milestones	Percentage increase in professional certifications
3.1.3.2 Establish policy for granting time to pursue certification (PDSASA)	Formal effort which will document consistent guidelines and policies	No specific milestones for FY 00	Employee ratings on management support of employee efforts to gain certification
3.1.3.3 Nominate / sponsor employees, as appropriate (All)	Applies only to some limited programs which require nomination	N/A	N/A
Proponent: PDASA oversight. POC: N/A			

Strategy 3.1.4 Support participation in leadership / management development programs

Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.1.4.1 Ensure leadership / management programs are considered in IDPs - Identify and publicize appropriate programs (PO) - Emphasize importance of training beyond normal career courses (All)	Combination of formal and informal actions intended to convey organizational value placed on leadership and management development	Ongoing actions; no specific FY 00 milestones	Percentage participation by OASA(FM&C) employees in leadership/management programs
3.1.4.2 Create opportunities for program graduates to exercise leadership / management skills (assignments as team leaders, to task forces, etc.)	Long-term action which will begin with proactive supervisors and extend throughout the organization; will require a structured approach to ensure cross-organizational opportunities	No specific FY 00 milestones	Post-training utilization of program graduates
3.1.4.3 Explore opportunities for 360° assessments	Long-term action to explore new appraisal / assessment methodology	N/A	Evaluation of 360° assessment methodology
Proponent: PDASA oversight			



Strategy 3.1.5 Empower employees

Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.1.5.1 Create an environment for success; foster and accept creativity	These are long-term actions which will be subjective in interpretation, but may be assessable through employee satisfaction surveys	N/A	N/A
3.1.5.2 Match employee skills and abilities to assigned tasks			
3.1.5.3 Encourage supervisory flexibility and sharing of successes			
Proponent: TBD			



**Objective 3.2 –
Encourage cross-functional training and development**

Strategy 3.2.1 Increase participation in cross-functional classroom training

Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.2.1.1 Institutionalize requirements for cross-functional training - Develop FM-wide performance standard statement - Include in supervisor and employee performance standards - Make mandatory for new employees; phase in for current employees	All actions included in this strategy also support implementation of the multi-disciplinary financial analyst. Development of FM-wide performance standard statement was completed in FY 1999.	Ongoing: Include cross-functional training requirement in supervisor and employee standards Mar 00: Implement mandatory cross-functional training for new employees Jun 00: Program established	Implementation of cross-functional training program
3.2.1.2 Develop a "Cross-functional Education and Training Program" to create opportunities for interested employees to receive cross-functional education and training within a three-year period	This action provides additional information for employees and facilitates opportunities for cross-functional education and training.		Employee participation in program

Proponent: PO, Admin Office, with PDASA oversight. POC:

Strategy 3.2.2 Increase opportunities and participation in cross-functional developmental assignments

Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.2.2.1 Institutionalize requirements for cross-functional developmental assignments (PO, Admin Office) - Develop FM-wide performance standard statement - Include in supervisor and employee performance standards (mandatory for new employees; phased in for current employees)	Strategy 3.2.1 above addresses cross-functional training and education. The actions in this strategy address cross-functional training assignments. Development of FM-wide performance standard statement was completed in FY 1999.	Ongoing: Include cross-functional training requirement in supervisor and employee standards Mar 00: Implement mandatory cross-functional training for new employees	Implementation of cross-functional training program



Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.2.2.2 Develop a "Cross-functional Developmental Assignment Program" to create opportunities for interested employees to receive a cross-functional developmental assignment within a three-year period (PO, Admin Office)	This action provides additional information for employees and facilitates opportunities for cross-functional developmental assignments.	Sep 00: Program established	Employee participation in program
3.2.2.3 Foster and develop pairs of mutual developmental assignment opportunities within ASA(FM&C); develop process to institutionalize (All)	Facilitates development assignments by creating offsetting "pairs" that	Sep 00: Developmental pairs established	Developmental assignment pairs identified / filled
3.2.2.4 Expand the current developmental assignment opportunity listing to include current vacancies and job swap opportunities (PO)	Long-term initiative to increase developmental assignments by increasing awareness and publicizing opportunities; to be addressed in FY 2001.	N/A	OASA(FM&C) vacancies filled with development assignments OASA(FM&C) job swap opportunities created / filled
3.2.2.5 Better publicize all developmental assignment opportunities for ASA(FM&C) employees (PO)	Part of multiple ongoing efforts to ensure employees are kept better informed above professional development opportunities.	Mar 00: Publication initiative complete	Publication within OASA(FM&C) of developmental assignment opportunities
Proponent: PO, Admin, Supervisors, Careerists, with PDASA oversight			



**Objective 3.3 –
Increase participation in mentoring activities**

Strategy 3.3.1 Promote participation in the Resource Management Mentorship Program

Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.3.1.1 Clarify criteria for RMMP nomination and acceptance to program	DoneDe	N/A; completed in FY 99	Employee comments / ratings on clarity of program guidance
3.3.1.2 Publicize RMMP within OASA(FM&C) - Distribute one copy of computer based training CD to each office - Make computer based-training available on ASA(FM&C) LAN (IMO)	Ongoing effort to ensure OASA(FM&C) employees are aware of RMMP. - CD distributed to each office, Aug 99 - Completed in FY 99	N/A; completed in FY 99	Outcome measure: Increased participation in RMMP
3.3.1.3 Provide forum for mentor and associate testimonials	Possibilities include brown bag lunch sessions, town hall meetings, publications, and (long term) an OASA(FM&C) intranet	Jun 00: Identify possible forums	Shared RMMP results
Proponent: PO. POC: Terry Placek, 697-2350			

Strategy 3.3.2 Foster and promote informal mentoring

Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.3.2.1 Encourage supervisors and employees to participate in informal mentoring	Ongoing, informal effort to increase mentoring within OASA(FM&C)	Continuing process; no specific milestones	Employee ratings on mentoring within OASA(FM&C)
3.3.2.2 Promote informal mentoring by identifying topics of interest and sharing information and resources (via the FM LAN, town hall meetings, office bulletin boards, etc.)	Ongoing efforts	Continuing process; no specific milestones	
Proponent: N/A			



**Objective 3.4 –
Improve employee recognition**

Strategy 3.4.1 Publicize and encourage nominations for OSD, Army, ASMC, and other formal award programs

Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.4.1.1 Identify organizational options for increasing employee recognition - Formal: Employee-managed "board" - Informal: DASA recommendations; employee reminders to supervisors	Ongoing effort to increase participation in recognizing OASA(FM&C) employees - Oct 99: Board established - Continuous process; no specific milestones	- N/A; Board established in FY99 - N/A	Overall: Employee ratings of recognition efforts
3.4.1.2 Publicize award criteria and timelines (PO)	Effort to increase nominations of OASA(FM&C) employees by ensuring supervisors are aware of criteria and timelines	Oct 99: Publish criteria and timelines	Employees nominated for formal awards
3.4.1.3 Link employee performance with award nominations (All)	Long-term effort which requires synchronization of appraisal / nomination processes and results	N/A for FY 00	TBD
3.4.1.4 Emphasize timeliness of award nominations and presentations (All)	Follow-on effort to ensure nominations and awards are recognized on a timely basis	No specific FY 00 milestones	Timely acknowledgment of OASA(FM&C) aware nominees and recipients
3.4.1.5 Publicize accomplishments / nominations / awards through various media (websites, articles, newsletters, etc.) (PO)	Possibilities include town hall meetings, publications, and (long term) an OASA(FM&C) intranet	No specific FY 00 milestones	Announcements of award nominees and recipients
3.4.1.6 Provide feedback to management on status of nominations (PO)	Action intended to support management nominations by providing feedback on status, selections, etc.	No specific FY 00 milestones	Supervisor comments on feedback timing and substance
Proponent: PO, Admin, Supervisors and Careerists, with PDASA oversight			



Strategy 3.4.2 Implement informal organizational recognition programs

Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.4.2.1 Implement an employee-managed "employee of the [quarter, year]" program	Potential long-term action which requires evaluation and developing guidelines, processes, etc.	N/A; no action anticipated before FY 01	TBD
3.4.2.2 Explore methods of "token" awards / recognition	Potential action to identify way(s) of acknowledging employees informally	N/A; no action anticipated before FY 01	TBD
3.4.2.3 Encourage presentations / recognition during informal meetings	Informal action; ongoing in most organizational elements	N/A	N/A
3.4.2.4 Share recognition / accomplishments via FM-wide email	Publicize informal recognition using vehicles identified for 3.4.1.5, above	N/A; no action anticipated before FY 01	TBD
Proponent: PDASA oversight.			

Strategy 3.4.3 Increase timeliness of tenure awards

Actions	Description / Status	FY 2000 Milestones	Performance Measures
3.4.3.1 Identify actions to increase timeliness of award presentation (e.g., years of service, HQDA staff badge)	Develop database for years-of-service awards	30 May: Database developed	Awards submitted for ASA(FM&C) signature NLT the first working day of the month each employee is eligible
3.4.3.2. Share news of tenure awards	Communicate information on awards received via appropriate forum (i.e., newsletter, intranet, etc.)	TBD: Information provided to newsletter or other forum	Employees informed of all personnel receiving awards
Proponent: Administrative Support Office. POC: Min H. Kang, 697-0431			

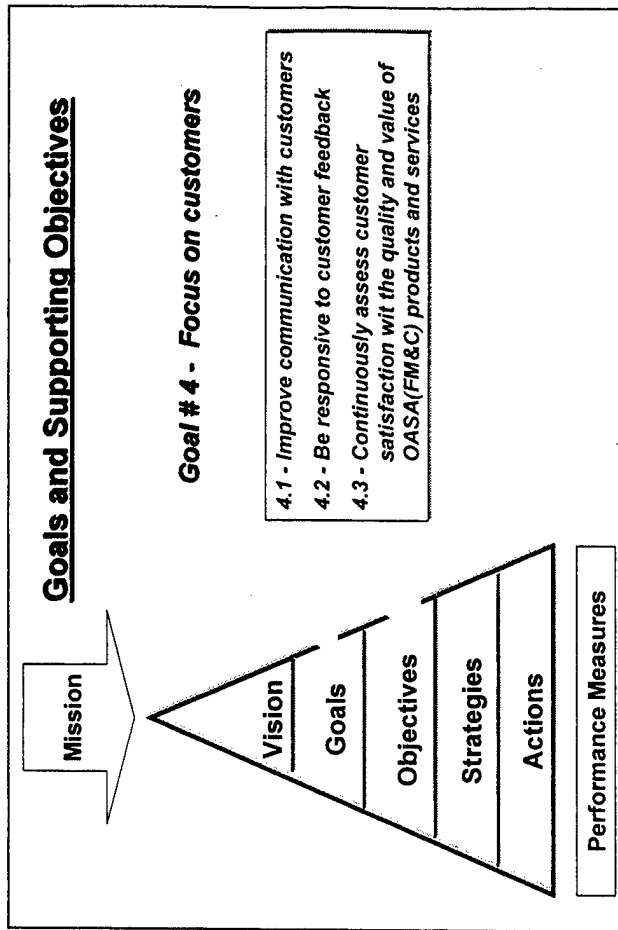


Goal 4 – Focus on customers

Goal 4 addresses issues related to how the Office of the Assistant Secretary of the Army (Financial Management and Comptroller) communicates with customers and measures satisfaction with OASA(FM&C) products and services.

The organization-wide interest in customer focus and product / service satisfaction was first identified in both the interviews with senior OASA(FM&C) personnel and the results of the employee survey.

The initial proposed implementation strategies and action steps were developed with the outstanding support of the OASA(FM&C) strategic planning partners – the US Army Audit Agency, the United States Military Academy Operations Research Center (ORCEN), and the Army Personnel Survey Office of the Army Research Institute (ARI). Key products and services, and factors impacting customer satisfaction, were then refined through joint ARI / ORCEN interviews with the organization's senior leaders.



The three supporting objectives within Goal 4 are outlined in the figure above. Each of these objectives is supported with implementation strategies, actions, and potential performance measures. Following are the actions necessary to accomplish these objectives, and the milestones for those selected by OASA(FM&C) leadership as implementation priorities for FY 2000.



**Objective 4.1 –
Improve communication with customers**

Strategy 4.1.1 Establish a baseline for customer needs and satisfaction

Actions	Description / Status	FY 2000 Milestones	Performance Measures
4.1.1.1 Develop a preliminary list of OASA(FM&C) customers.	Preliminary list developed in late FY 1999, based on written input from OASA(FM&C) senior leaders. Customer segments (i.e., MACOMs, HQDA, OSD, OMB, etc.) and product/service listing refined in FY 2000 through ARI/ORCEN interviews.	Mar 00: Complete interviews of OASA (FM&C) senior leaders	Updated product/service matrix for external customers
4.1.1.2 Develop survey instruments to measure customer satisfaction	Describe the components of an instrument to collect customer satisfaction information. Include the ability to collect both quantitative and qualitative data.	May 00: Draft general customer survey to use as model for OASA (FM&C) assessment effort	Identification of customer satisfaction considerations
4.1.1.3 Determine which customer groups and corresponding products / services should be selected for assessment of customer satisfaction.	Initial customer segment to be surveyed (MACOMs) determined by senior leadership. Corresponding products/services for initial assessment refined through OASA(FM&C) senior leader interviews.	Jun 00: Complete identification of products / services to be included in MACOM survey	Completed MACOM survey instrument , methodology, and feedback mechanisms
4.1.1.4 Determine appropriate survey methods for target customer groups.	Review and select the best method for each customer segment to be assessed (e.g., telephone interviews, in-person interviews, or surveys).	Jun 00: Determine appropriate survey methodology for MACOMs	
4.1.1.5 Determine methods for collecting data for each target customer group.	Identify those to be contacted in the first customer survey, and all specifics of the data collection process (when, where, how, and by whom).	Jun 00: Develop list of MACOMs, interviewees, phone numbers, etc.	



**ASA(FM&C)
Strategic Plan**

**Appendix G: FY 2000 Action Plans
Goal 4 –Focus on customers**

Actions	Description / Status	FY 2000 Milestones	Performance Measures
4.1.1.6 Develop specific survey questions targeted to each group	Develop specific surveys tailored to each customer segment that will: - Gather ratings for overall customer satisfaction, as well as ratings for satisfaction with key products and services; - Include open-ended questions allowing customers to provide their own input.	Jun 00: Develop MACOM Customer Survey	
4.1.1.7 Determine options and responsibilities for providing feedback by customer group and / or by key product or service	Discuss with senior leadership the need to provide customers with feedback from the survey, and mechanisms to accomplish this.	Sep 00: Determine feedback mechanisms	
Proponent: PDASA(FM&C) POC: Barbara Bonessa, 697-5071			

Strategy 4.1.2 Survey customers, analyze results, and provide feedback

Actions	Description / Status	FY 2000 Milestones	Performance Measures
4.1.2.1 Determine responsibility for coordinating survey administration	Identify who will contact customers and collect data from them.	Jun 00: Interviewer(s) identified	Results of MACOM interviews
4.1.2.2 Conduct survey(s) among targeted customer group(s)	Conduct initial survey of MACOMs	Jul 00: Initial survey conducted	
4.1.2.3 Summarize survey results; develop baseline ratings by customer group and key product / service	Analyze quantitative data and summarize graphically, review comments, and synthesize ideas.	Sep 00: Prepare MACOM Customer Survey briefing	
4.1.2.4 Provide timely feedback to customers and stakeholders		TBD (FY01 Milestone): Deliver MACOM Customer Survey briefing to stakeholders	
Proponent: PDASA(FM&C) POC: Barbara Bonessa, 697-5071			



**Objective 4.2 –
Be responsive to customer feedback**

Strategy 4.2.1 Determine target areas for customer service improvements

Actions	Description / Status	FY 2000 Milestones	Performance Measures
4.2.1.1 Develop criteria for selecting target customers key products / services	Use structured process to review customer feedback results and determine where to focus improvement efforts. Possible criteria include: • Is change feasible? • What will be the impact of change? • What are the costs and timelines associated with change? • What is the probability of success?	N/A; these actions are tentatively targeted for FY 01.	Formal customer service improvement plan with targeted improvement goals
4.2.1.2 Select target customer groups and / or key products and services; validate baseline ratings	Meet with process owners within the targeted customer groups to validate that the ratings provided by customers accurately reflect meaningful indicators of products/services; tie those product/service indicators back to processes; map current processes.		
4.2.1.3 Determine numerical or other target goals for improvement	Establish methods to change processes that provide products/services as outputs and measure the impact of those improvements.		
Proponent: PDASA(FM&C) POC: Barbara Bonessa, 697-5071			

Strategy 4.2.2 Develop and implement action plans to improve customer service

Actions	Description / Status	FY 2000 Milestones	Performance Measures
4.2.2.1 Prioritize customers' needs and develop action plans to improve service	Implement plans to make improvements that will have the most pay-off in terms of customer satisfaction.	N/A; these actions are tentatively targeted for FY 01.	TBD; performance measures will address both the overall process and functional goals



Actions	Description / Status	FY 2000 Milestones	Performance Measures
4.2.2.2 Assign functional or other oversight responsibility for managing targeted customer service improvement actions	Determine process owners who can manage change and measure the effects of change.		
4.2.2.3 Develop numerical target goals for overall customer satisfaction and key customer service performance areas	When possible, have process owners develop specific goals for performance and improvement.		
4.2.2.4 Implement action plans; ensure feedback provisions, and monitor progress	Develop timelines and responsibilities for implementing and monitoring action, feedback, and results.		
4.2.2.5 Use survey and feedback results to modify business practices and to help with decision making	Incorporate customer feedback into decisions relating to business practices and processes.		
4.2.2.6 Publicize actions and provide feedback to customer groups	Ensure customers receive information on initial satisfaction ratings, actions taken, and results.		
Proponent: PDASA(FM&C) POC: Barbara Bonessa, 697-5071			

Strategy 4.2.3 Measure and report results

Actions	Description / Status	FY 2000 Milestones	Performance Measures
4.2.3.1 Determine appropriate method, frequency, and format for collecting data to evaluate success of customer satisfaction improvement actions	Conduct follow-up assessments to determine if customer satisfaction has improved.	N/A; these actions are tentatively targeted for FY 01.	TBD; performance measures will address both the overall process and functionally specific actions
4.2.3.2 Measure results and report to responsible proponents, customers, and stakeholders	Report on actions taken and the impact of those changes on customer satisfaction; Also report on other positive organizational outcomes as a result of customer assessment and improvement efforts.		
Proponent: PDASA(FM&C) POC: Barbara Bonessa, 697-5071			



Objective 4.3 –

Continuously assess customer satisfaction with the quality and value of OASA(FM&C) products / services

Strategy 4.3.1 Implement a system to routinely solicit customer comments

Actions	Description / Status	FY 2000 Milestones	Performance Measures
4.3.1.1 Determine methods for continual assessment of customers' needs and feedback into the future.	Repeat the process described in Strategies 4.1.1 – 4.2.3 for each customer segment of OASA (FM&C).	N/A	TBD
4.3.1.2 Maximize use of technology for information flow and communication with customers	Investigate the expanded use of the Internet and email as means of communicating with customers and collecting/disseminating customer satisfaction information.		
Proponent: PDASA(FM&C) POC: Barbara Bonessa, 697-5071			

Strategy 4.3.2 Provide feedback to customers and stakeholders

Actions	Description / Status	FY 2000 Milestones	Performance Measures
4.3.2.1 Determine appropriate method, frequency, and format for collecting data to evaluate success of customer satisfaction improvement actions	Develop customer satisfaction data collection plan for ongoing assessment and improvement.	N/A	TBD
4.3.2.2 Measure results and report to responsible proponents, customers, and stakeholders	Prepare a Report on the Implementation of Strategic Goal 4, <i>Focus on Customers</i> , for delivery to senior OASA (FM&C) leadership and distribution to interested stakeholders and customers.		
Proponent: PDASA(FM&C) POC: Barbara Bonessa, 697-5071			



Goal 5 – Be a recognized leader in innovation in the federal government

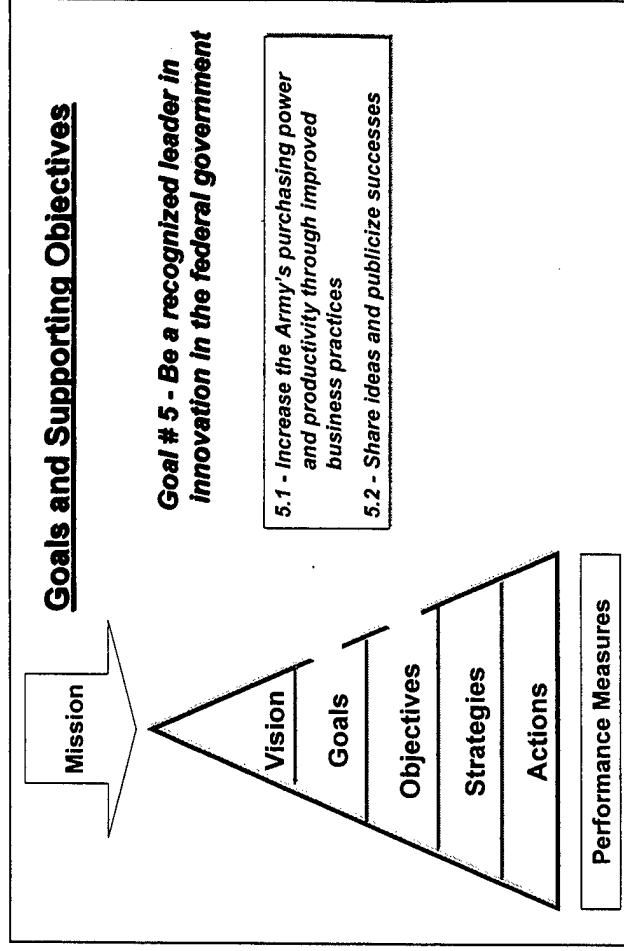
Goal 5 encompasses a wide variety of policies, programs, and individual initiatives by which the Army financial management community – often in partnership with others from both the public and private sectors – is increasing Army purchasing power and productivity.

The Army's innovative business practices include efforts in such diverse areas as:

- Cash and asset management
- Smart card technologies
- TDY and per diem policies
- Legislative initiatives
- Economic and financial analyses

The Army has received significant public recognition for its innovative business practices, and is committed to continued leadership.

The five supporting objectives within Goal 5 are outlined in the figure above. Each of these objectives is supported with implementation strategies, actions, and potential performance measures. Following are the actions necessary to accomplish these objectives, and the milestones for those selected by OASA(FM&C) leadership as implementation priorities for FY 2000.





Objective 5.1 –

Increase purchasing power and productivity through improved business practices

Strategy 5.1.1 Gain efficiencies, reduce costs, and generate revenue through new policies and business processes

Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.1.1.1 Conduct annual assessments to ensure effective management improvement and business practices efforts Army-wide	- Assess management improvement/business practice efforts Army-wide - Identify potential study efforts - Research efforts to determine candidates having greatest payback for the Army	Oct-Nov 99: Conduct assessment	Annual assessment completed.
5.1.1.2 Review and evaluate Army policies and business processes for opportunities to streamline operations, generate funding, and reduce costs; identify optimum candidates to pursue	- Army SSF: Propose and analyze changes in support of Army-wide deployment - Identify at least three candidate areas to pursue during FY00. Status: Three areas documented and approved by leadership. - Housing Privatization: Develop policies and procedures for servicing loans and loan guaranties. - Energy Savings Program: Develop financial policies and procedures	- Nov 99: Identify candidates and obtain leadership approval. - Dec 99: Draft - Mar00: Publication - Nov 99: Working group - Mar00: Publication	- Approved candidates - Financial systems and policies support a successful demonstration of revised Army SSF - Policy and procedures implemented
Proponent: DASA-RB. POCs – Candidate areas: Sharon Weinhold, 693-6562; Lisa Jacquet, 695-5951; Paula Rebar1614-6186. POC – Housing privatization, Roderick Bricksin, 614-6814. POC – Energy Savings Program, Roderick Bricksin, 614-6814.			



Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.1.1.3 Develop proposals; present to the functional proponent(s); obtain consensus, and agree on recommended implementation strategies	- On-post lodging policies - Propose ways to improve policies/business practices for on-post lodging - Gain OSD/State Dept approval to increase foreign student room rates from \$10 per room night to actual on-post rate. - Review "recall" policy for on-post lodging and gain approval to recall students from off-post lodging in certain circumstances. - Housing Privatization: Develop post-award procedures (payments to soldiers and contractors)	- On-post lodging policies: - Jan 00: Develop ideas - Oct 99: Implement increased foreign student room rates - Feb 00: Gain approval for revised recall policy - Nov 99: Notice to proceed Jan 00: First payment to contractors	- On-post lodging policies: - Ideas completed - Implementation of revised foreign student room rates - Implementation of revised recall policy by 30 Sep 00 - Number of process steps eliminated
Proponent: DASA-RB. POC - On-post lodging policies, Sharon Weinhold, 693-6562. POC – Housing Privatization, Rod Bricksin, 614-6814 5.1.1.4 Finalize and ensure changed / new policies are published in Army procedures, regulations, etc., as appropriate	1) Policies developed and fully staffed. 2) Policies finalized and approved.	N/A - Upon completion.	1) Approved final policies. 2) Policies published/disseminated.
5.1.1.5 For each proposal, develop a test plan and criteria to measure success; conduct the test; measure results, and develop lessons learned	Meal Check Initiative 1) Develop test plan and gain approval. 2) Prepare MOA outlining the concept and roles and responsibilities of all players. 3) Develop evaluation criteria and data collection strategy. 4) Prepare Internal Control Plan.	1) Nov 99: Prepare all documentation prior to test start 2) Nov 99 – Feb 00: Conduct test 3) Mar 00: Analyze test results 4) Mar 00: Prepare lessons learned	1) Completed documentation 2) Completed documentation of test results / analysis 3) Decisions on full-scale implementation
Proponent: DASA-RB. POCs: Sharon Weinhold, 693-6562; Lisa Jacquet, 695-5951. 5.1.1.6 Monitor performance / execution for the first full year of implementation	Military Training Specific Allotment 1) Continue to monitor performance and identify new areas for improvement (travel card, funding for medical courses) 2) Assist U.S. Military Academy with implementation of credit cards for cadets. 3) Review schoolhouse procedures to incorporate use of travel cards IAW new legislation.	1) N/A 2) Mar 00: Complete action 3) Mar 00: Complete action	1) N/A 2) Implementation of credit cards by Mar 00 3) Travel card use incorporated by Mar 00.
Proponent: DASA-RB. POCs: Sharon Weinhold, 693-6562; Lisa Jacquet, 695-5951; Paula Rebar1614-6186.			



Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.1.1.7 Once proven successful, develop procedures for transferring the initiative to the functional proponent / customer and transfer responsibility	1. Draft and coordinate procedures to transfer initiative. 2. Gain approval of all stakeholders. 3. Officially transfer responsibility.	N/A; As required	Successful, documented transfer of initiative and performance by functional proponent.
5.1.1.8 Update the Sources of Funds Guide annually to reflect new opportunities for generating funds and disseminate Guide throughout the Army	1. Review Appropriations and Authorization Acts to identify new funding sources. 2. Draft text describing new funding sources. 3. Staff guide/update 4. Update HQDA POCs listing	Dec 99: Complete review/staff update Feb 00: Gain approval, publish/disseminate updated version	Sources of Funds Guide approve and disseminated on time.
Proponent: DASA-RB. POC:			

Strategy 5.1.2 Transform Army financial processes, financial instruments, and cash management practices through new technologies

Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.1.2.1 Institutionalize the use of commercial credit card technologies in Army businesses and business practices to simplify payments to vendors and individuals and reduce the volume of cash-based transactions	- Pilot C.A.R.E. software for web-based management, reconciliation and payment of the government purchase card program at Class I installations for OMA activities. Pilot US Bank PowerTrack electronic commerce software for the transportation business area in conjunction with DCSLOG and DFAS.	- Complete by Feb00 - Jun00	(All/percentage/number?) of transactions processed end-to-end at the pilot site via electronic interface - Number of Army sites (effectively?) using PowerTrack
Proponent: DASA-FO. POC: Anne Butler, Claire Nelson			
5.1.2.2 Develop commercial technologies to simplify, streamline, and automate intra-Army and inter-governmental transaction accounting			
Proponent: DASA-FO. POC:			



Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.1.2.3 Extend the technological capability for automated travel arrangements, processing, and settlement to all areas of travel, to include Permanent Change of Station and Reserve Component travel Proponent: DASA-FO. POC: Barbara Jefferson	Pilot DTS at Fort Campbell, KY as soon as software approved by DOD PMO for DTS	Jun00	Successful deployment of DTS to Ft. Campbell
5.1.2.4 Incorporate Public Key Infrastructure (PKI) capabilities into systems design and fielding initiatives Proponent: DASA-FO. POC:			
5.1.2.5 Leverage leading-edge technologies to reduce costs of handling cash and cash-like instruments	- Stored Value Card (SVC) Pilots: Standardize all basic training sites to include: -- One bank to issue all cards -- One system (open or closed) at all sites - Stored Value Card (SVC) Bosnia: Use SVC technology to reduce cash in area of operation. -- Establish one pilot at Camp McGovern -- One system (open or closed) at all sites	- Stored Value Card Pilots: - Sep 00: All basic training sites standardized - Stored Value Card Bosnia: - Dec 99: Establish one pilot at Camp McGovern - Feb 00: Review technology performance - Sep 00: If successful, deploy the SVC Balkan-wide	- Stored Value Card Pilots: -- Reduced administration time for processing trainees -- Fewer checks issued; cash operations reduced -- Improved barracks security -- Increased understanding of benefits of smart cards in peace and during military operations. - Stored Value Card Bosnia -- Currency in theater reduced 50-70 percent -- Cash Collection Vouchers issued by AAFES to disbursing officer reduced by 50 percent -- Quantifiable measure of viability of using SVC as an alternative to Military Pay Certificates and US currency in the area of operation
Proponent: DASA-FO. POC: Juan DeJesus, DSN 791-4442.			



Strategy 5.1.3 Explore opportunities to generate new sources of funds through legislation

Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.1.3.1 Review DoD Authorization and Appropriation Acts and other new legislation to identify available sources of funds to supplement the Army appropriations Proponent: DASA-RB. POCs: Sharon Weinhold, 693-6562; Lisa Jacquet, 695-5951.	Review FY 00 Appropriations and Authorization Acts to identify new sources of funds for the Army for publication in the Sources of Funds Guide.	Dec 99: Complete review	On-time completion of review.
5.1.3.2 Review current processes and procedures to determine where changes in legislation would benefit the Army through streamlined operations and / or reduced costs	1. Complete review of processes/procedures. 2. Document where legislative changes would streamline operations/reduce costs	Dec 99/Jan 00: Complete review and documentation	On-time completion of review.
5.1.3.3 Research and evaluate opportunities; work with functional proponents to ensure potential candidates would generate funds and / or reduce costs	Prepare proposed write-up of potential opportunities and coordinate with functional areas.	Jan 00: Coordinated write-up of potential opportunities completed	On-time completion of coordinated write-up
Proponent: DASA-RB. POCs: Sharon Weinhold, 693-6562; Lisa Jacquet, 695-5951.			
5.1.3.4 If appropriate, request and coordinate legislative amendments through proper channels	Prepare and market legislative proposal for Enhanced Use Leasing.	Jan 00: Legislative proposal completed/submitted to OMB. Feb 00: Proposed legislation submitted to Congress	Passage of bill.
Proponent: DASA-RB. POCs: Sharon Weinhold, 693-6562; Lisa Jacquet, 695-5951.			
5.1.3.5 Once approval is gained, disseminate information Army-wide and / or publish in Sources of Funds guide Proponent: DASA-RB. POCs: Sharon Weinhold, 693-6562; Lisa Jacquet, 695-5951.	Gain final approval of updated Sources of Funds Guide and disseminate.	Feb 00: Gain approval and publish Sources of Funds guide.	Sources of Funds Guide approved and disseminated on time.



Strategy 5.1.4 Use proven, state-of-the-art information technology to improve financial management processes

Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.1.4.1 Identify opportunities to facilitate real-time data collection, reporting and analysis within Headquarters, between Headquarters and MACOMs / OAs, and between commands.	Determine candidates for demonstration prototypes (acquisition data, ownership data, performance / results data, etc.) Develop and test prototypes; publish results Pilot the Defense Joint Accounting System at an Army installation.	For CEAC: 30 Sep 00 • For FO: Oct00	• Level of Coordination between Army and DFAS (customer/team feedback?)
5.1.4.2 Foster easy, secure access to headquarters' databases	Determine candidates for demonstration prototypes (acquisition data, ownership data, performance / results data, etc.) Develop and test prototypes; publish results	For CEAC: 30 Sep 00	
Proponent: FO: Marlin Erickson			

Strategy 5.1.5 Support Army-wide management and business improvements through economic / financial analyses

Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.1.5.1 Review customers' submissions of economic / financial analyses and management improvement initiatives to ensure they are procedurally correct and add value to enhance Army resource management; recommend approval or disapproval, and provide feedback to customers	Utilities privatization: Review of feasibility studies	For each study: two-week turnaround	Timely completion of reviews. Acceptance of findings.
Proponent: DASA-RB. POC: Roderick Bricksin, 614-6184.			



Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.1.5.2 Reduce recurring BRAC installation support costs by reviewing BRAC-related business plan documents, recommending risk remediation actions to Base Transition Teams (BTT), and reviewing documentation involved with Economic Redevelopment Conveyances Proponent: DASA-RB. POCs: Sharon Weinhold, 693-6562; Lisa Jacquet, 695-5951.	- Develop financial policy for no-cost EDCs. - Review new EDC business plans for economic feasibility	- Jan 00 (T): Complete financial policy for no-cost EDCs. - For each study, two-week turn-around	- Published Army guidance. - Timely completion of reviews and acceptance of conclusion
5.1.5.3 Review utilities and housing privatization, public-private partnering projects, and competitive sourcing A-76 economic / financial analyses documents to ensure they are procedurally correct and add value to enhance Army resource management Proponent: DASA-RB. POC: Roderick Bricksin, 614-6184.	- Housing privatization: Review RFQs for financial management issues. - Develop innovative practices for leveraging assets	- Housing privatization: Nov 99: Issues Jun 00: Publish guidance - TBD	- Housing privatization: Number of issues resolved. - TBD



**Objective 5.2 –
Share ideas and publicize successes**

Strategy 5.2.1 Participate actively in conferences, seminars, and other professional forums

Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.2.1.1 Screen requests for speaking engagements and ensure presentations meet the needs of the organization and address issues appropriate for the audience			
5.2.1.2 Pursue opportunities to participate in panels, other organizational conferences, etc.	• Deliver presentations and participate in panels and conferences in the financial management arena. Provide feedback to leadership. • Organize and sponsor the first annual Army Financial Operations conference •	• For RB: At least two in FY00 • Feb00	RB: • Number of presentations. • Comments/ratings on presentation. FO: • Number of Attendees (target >=200)
5.2.1.3 Provide feedback to leadership regarding outcomes			
Proponent: FO: Ms. LeeAnn Upshur			



Strategy 5.2.2 Prepare articles on successful Army business practices initiatives

Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.2.2.1 Research appropriate subject matter for articles that enhance the understanding of Army resource management			
5.2.2.2 Write articles; obtain necessary approvals, and submit for publication	- Write pertinent resource management articles that have been approved by senior leadership, and submit to proper forum for publication. - Publish FO newsletter at least bi-monthly – both paper and web-based versions.	- For RB: At least two in FY00 - FO: Start Nov99	- Final approved articles submitted for publication - FO: Number of editions of "The Leader" published (target >=6)
Proponent: All FO: Ms. LeeAnn Upshur			

Strategy 5.2.3 Update Good Ideas Bulletin Board with initiatives that generate savings, reduce costs, and gain efficiencies

Actions	Description / Status	FY 2000 Milestones	Performance Measures
5.2.3.1 Research source documents to obtain good ideas for generating savings/efficiencies and reducing costs	Research publications for ideas and bulletin board items on efficiencies, income generators, and reducing costs within government agencies.	Weekly	Identification of acceptable candidates for drafting into final bulletin board items.
Proponent: DASA-RB. POCs: Sharon Weinhold, 693-6562; Paula Rebar, 614-6186.			
5.2.3.2 Write articles on best candidates; obtain appropriate approvals	Prepare "Sharing Good Ideas" bulletin board items.	Weekly	Two approved bulletin board items submitted per week.
Proponent: DASA-RB. POC: Paula Rebar, 614-6186.			
5.2.3.3 Follow up to ensure that submissions for bulletin board are posted	Submit approved bulletin board items to website administrator for posting.	Weekly	Bulletin Board items are posted to website weekly.
Proponent: DASA-RB. POC: Paula Rebar, 614-6186.			