

FY11



# Strategic Management Plan

Department of Defense

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December 30, 2010

The mission of the Department of Defense (DoD) is to protect the American people and advance our nation's interests. To achieve this mission we must recognize that we are in a dynamic environment that requires continuous adaptation. The 2010 Quadrennial Defense Review (QDR) was published in February 2010 and advances two clear objectives. The first is to further rebalance the capabilities of America's Armed Forces to prevail in today's wars, while building the capabilities needed to adequately address future threats. The second is to further reform the Department's institutions and processes to better support the urgent needs of the warfighter; to buy weapons that are usable, affordable, and truly needed; and to ensure that taxpayer dollars are spent responsibly. The Fiscal Year 2011 Strategic Management Plan (SMP) describes the business strategic aims and actions DoD will take to incorporate guidance from the QDR to accomplish these objectives.

Our operations in Iraq and Afghanistan and the projections of a complex future environment demand more agile, innovative, and streamlined processes. The focus of the SMP is to enable implementation of the Defense strategy to improve Department operations. Our operations in Iraq and Afghanistan and the projections of a complex future environment demand more agile, innovative, and streamlined processes.

As the DoD Deputy Chief Management Officer, I am strongly committed to supporting activities aligned with achieving our strategic goals. Together, we will improve our business processes to deliver high quality and timely results while being a good steward of taxpayer dollars.

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Elizabeth A. McGrath



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## I. Introduction

The SMP is the highest-level plan for improving DoD's business operations. The Fiscal Year (FY) 2011 plan lays out the Department's business goals, objectives, measures, and initiatives, is aligned with the 2010 QDR and the FY 2011 Performance Budget, and advances the Department's performance management activities.

### Statutory Requirement

This plan was developed pursuant to the FY 2008 National Defense Authorization Act (NDAA). Specifically, it required that the SMP include:

- Performance goals and measures for improving and evaluating the overall efficiency and effectiveness of business operations
- Key initiatives to be undertaken in meeting performance goals and measures
- Procedures to monitor the progress toward meeting performance goals and measures
- Procedures to approve plans and budgets for changes in business operations
- Procedures to oversee all budget requests for defense business systems

### Evolution of the SMP

The FY 2011 SMP is the third release of the document. The initial SMP provided an executive overview of the Department's overall strategic planning and management framework. The second edition augmented the first by describing the integrated activities that comprise the Department's performance management system and by establishing five top-level priorities for business operations along with outcomes, goals, measures, and associated key initiatives. This FY 2011 SMP includes many additional improvements.

First, this SMP fully incorporates the guidance in the 2010 QDR, including a direct mapping between the content of this document and the 5 strategic goals and 20 subordinate objectives that form the framework of the QDR. A full list of the DoD Strategic Goals and Objectives, derived from the QDR, is in Appendix II. This QDR framework is also the organizing construct for the Department's Performance Budget – submitted as part of the Secretary's budget justification materials and used to track the performance of the organization. Therefore, through the direct mapping of

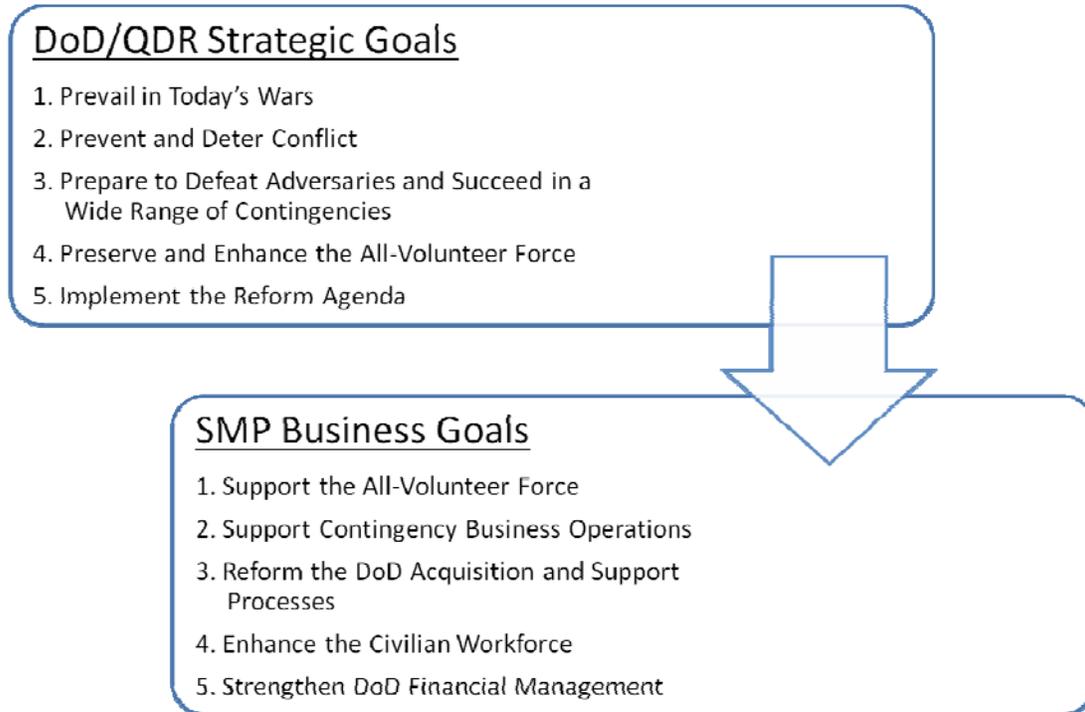
#### KEY CHANGES FROM FY 2010 SMP

- Incorporates FY 2010 QDR guidance including DoD/QDR Strategic Goals and Objectives
- Updates supporting objectives, measures, and initiatives based on lessons learned
- Adopts a common taxonomy among the QDR, Performance Budget, and SMP ensuring consistency of language
- Discusses recent advances in performance tracking methodology
- Includes the 15 End-to-End Processes from the Business Enterprise Architecture
- Further aligns the Military Department sections with the QDR



SMP content and QDR goals and objectives, as well as the reuse of business operations related performance measures between the SMP and the Performance Budget, we have brought the SMP and the Performance Budget into alignment as well. While the DoD Strategic Goals are expected to remain constant through the QDR cycle, each year the Department will assess objectives and measures to ensure continued alignment and applicability.

The five DoD/QDR Strategic Goals and the five SMP Business Goals are displayed below. The alignment between the goals is shown in the tables contained in Chapter III.



Second, the SMP is a living document. While the Department worked to ensure that the goals, objectives, measures, and initiatives were implementable and achievable, we recognized that as performance results were collected and assessed, specific content might need to be adjusted or refined to better focus organizations and business processes to strategic outcomes. Over the course of the last year, the Department has utilized lessons learned to improve the usefulness and validity of the SMP content. While the highest-level business goals remain the same, subordinate information has been largely updated to reflect the direction of the QDR and other emerging requirements such as Office of Management and Budget (OMB) High Priority Performance Goals, Government Accountability Office (GAO) High Risk Areas, other Congressional action, and the information identified as most useful to manage the Department. As part of this update, the SMP now includes all of the most recent business operations performance measures contained in the Performance Budget.

Third, the FY 2011 SMP has adopted a common organizing taxonomy with the QDR and Performance Budget. The last SMP contained a hierarchy of Business Priorities-Outcomes-



Goals-Measures-Key Initiatives. However, these naming conventions were not consistent with the QDR and Performance Budget. To enable more direct alignment of goals and objectives between the QDR, the Performance Budget, and the SMP, the FY 2011 SMP has been organized around the conventional strategic planning hierarchy of Business Goals-Objectives-Measures-Initiatives. Consequently, the terms used previously in the FY10 SMP have been translated to conform to this standard. This taxonomy will be used in subsequent SMP versions and enable more direct alignment of DoD business operations with strategic goals. Additional information about this taxonomy can be found in Chapter III.

Fourth, while the overarching priorities contained in the last SMP were quickly cascaded down into subordinate elements of the Department's "family of plans," the linkage in some cases did not extend beyond the highest-level priorities.<sup>1</sup> This SMP seeks to enable a more concrete linkage between these plans, particularly the Business Enterprise Architecture (BEA), which is used to guide and constrain our business system investments. This SMP introduces the concept of end-to-end processes, which is a key area of focus as the Department matures the BEA. Additional information about this effort can be found in Chapter II.

Fifth, at the time the last SMP was published, the Department's performance management system was largely dependent on the manual collection of performance information through e-mail data calls. This caused delayed collection of performance data and maintained a high potential for error. Over the past year, the Department has automated the collection of this information, pulling from authoritative data sources wherever possible. This is giving our senior leaders access to important data faster to help inform their decisions. Additional information about this effort can be found in Chapter II.

Finally, this SMP further aligns the Military Department sections with the guidance from the QDR. Further information about this alignment can be found in Chapter V.

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<sup>1</sup> Due to its size and complexity, the Department utilizes a "family of plans" approach to cascade enterprise business priorities into functional and organizational plans. This "family of plans" includes the Enterprise Transition Plan (ETP), the Business Enterprise Architecture (BEA), the Financial Improvement and Audit Readiness (FIAR) Plan, the DoD Logistics Strategic Plan, the DoD Information Enterprise Strategic Plan, individual GAO High Risk Area Remediation Plans, and the Military Department (MilDep) Business Transformation and Transition Plans.



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## II. FY 2011 Improvements

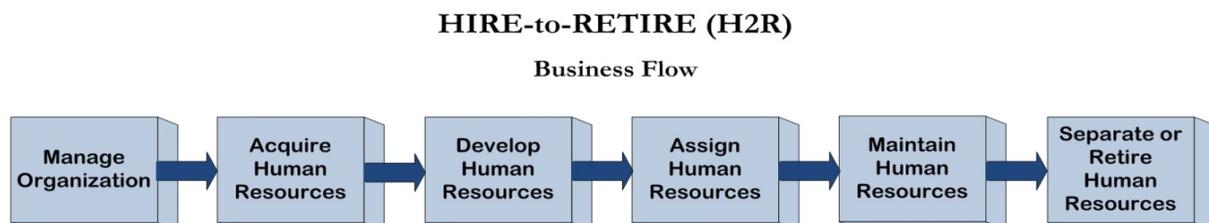
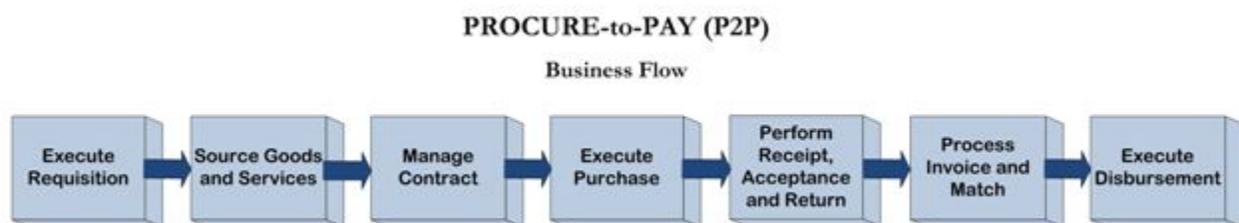
### Business Enterprise Architecture (BEA) End-to-End Processes

BEA 7.0, released in March 2010, introduced the concept of end-to-end process flows. Many of the improvements sought in this SMP require us to think about our business operations from an end-to-end perspective because the underlying processes cut across many of our traditional organizations and functional business areas.

The 15 end-to-end process flows that were defined at a high-level in BEA 7.0 are:

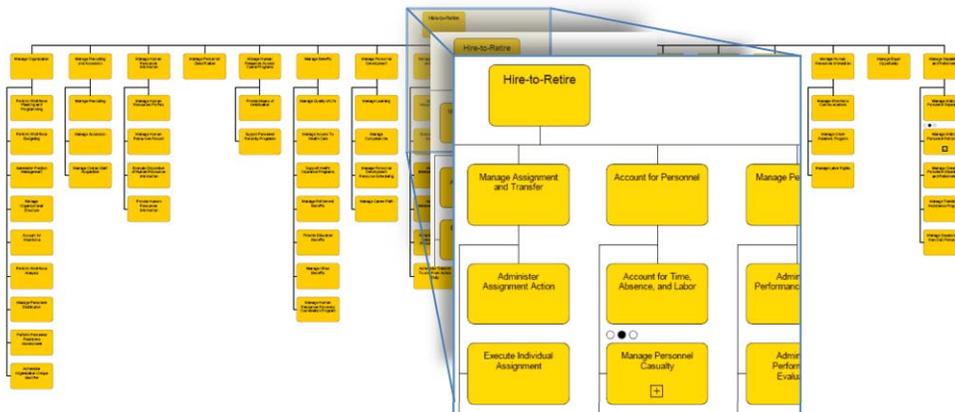
- Acquire-to-Retire (A2R)
- Budget-to-Report (B2R)
- Concept-to-Product
- Cost Management
- Deployment-to-Redeployment/  
Retrograde
- Environmental Liabilities
- Hire-to-Retire (H2R)
- Market-to-Prospect (M2P)
- Order-to-Cash (O2C)
- Plan-to-Stock – Inventory Management (P2S)
- Proposal-to-Reward
- Procure-to-Pay (P2P)
- Prospect-to-Order (P2O)
- Service Request-to-Resolution
- Service-to-Satisfaction

In FY11, BEA 8.0 will further refine two of these process flows—P2P and H2R. The figures below show the first level of the supporting processes within the P2P and H2R business flows, respectively, as they were represented in BEA 7.0. As you can see, based on the process steps the P2P process is an integral part of executing our financial operations and links directly with the SMP Business Goal of “Strengthen DoD Financial Management.” Likewise, the H2R process is an integral part of executing our human resources management functions and links directly with the SMP Business Goals of “Support the All-Volunteer Force” and “Enhance the Civilian Workforce.”



By further refining and breaking out, or decomposing, lower levels of sub-processes for each of these end-to-end flows, the Department, as a whole, will be able to determine the most efficient way of executing its business. Additionally, individual business systems will be able to align their processes with the Department's desired end state. In some cases, SMP measures will be able to be "rolled up" from the most detailed levels of the BEA to a specific SMP goal. As a result, we will begin to see further improvement in many of the key areas identified in this SMP. An example of the ongoing refinement and decomposition work underway for the H2R end-to-end process flow is shown in the figure below.

### HIRE-to-RETIRE (H2R) Revised Business Flow



### Performance Data Automation Tool

At the time the last SMP was published, the Department's performance management system was largely dependent on the manual collection of performance information through e-mail data calls. Today, the Performance Data Automation project utilizes business process modeling techniques to standardize and streamline the collection and reporting of performance measures. This user-friendly automation tool replaces individual emails and manual labor with automated calendar driven reminders and system generated display dashboards that track results on a real or near-real time basis. The tool is currently being used to track performance measures across the Department. Results are provided to the Department's leaders in a variety of customizable executive dashboards and reported quarterly at the Department's senior business governance board, the Defense Business System Management Committee (DBSMC).



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### III. Goals, Objectives, Measures, and Initiatives

While the DoD as a whole and each of the individual Components have enduring priorities and functions, the SMP highlights specific Business Goals derived from a variety of sources that require strong management attention in the near- and mid-term. The SMP consolidates these high priority Business Goals, along with their related Objectives, Measures, and Initiatives into a single document along with the aligned goals and priorities of the Military Departments. Then throughout the year, the Department monitors its progress and adjusts its course utilizing the Performance Management System described in Chapter IV.

In this chapter are tables that contain the specific objectives, measures, and initiatives associated with each of the SMP Business Goals and their mapping to the DoD Strategic Goals and Objectives from the QDR. The total number of goals, objectives, measures, and initiatives is in the figure below.

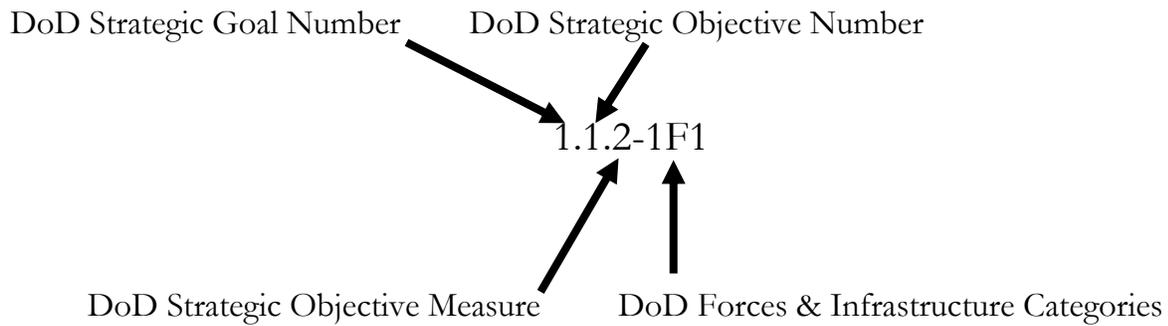
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▶ <b>SMP Objectives</b>	23
▶ <b>SMP Measures</b>	58
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As you review the tables below, you will notice that the DoD/QDR Strategic Goals are numbered 1 to 5 and each of the DoD/QDR Strategic Objectives has an alphanumeric code associated with it. Additionally, each of the SMP Measures has a similar alphanumeric codes associated with it. These codes are derived from the classification system used as part of the Performance Budget. Each of the measure in this document is contained in both the SMP and the Performance Budget. Please note however, that there are additional non-business measures contained in the Performance Budget. For each of the measures, the respective Under Secretary of Defense with overall responsibility for the measure is listed.

To understand the numeric codes, the first number represents the DoD Strategic Goal; the second number is the associated DoD Strategic Objective. The third number identifies the



Measure and the number-letter combination following the dash identifies the Forces and Infrastructure Category code (FIC). The use of the FIC code links resource allocation to the strategic objectives to demonstrate the connection between performance, strategy and budget. An example is shown below.



## Business Goal 1: Support the All-Volunteer Force

The all-volunteer force is critical to the Nation’s security. The Secretary of Defense has called our force American’s greatest strategic asset. The SMP Objectives, Measures, and Initiatives of this Business Goal highlight the Department’s commitment to improve accession and retention processes and provide Quality-of-Life support to service members and their families, including wounded warriors.

Strategic Management Plan			QDR Mapping	
SMP Objective	Performance Measure	Initiatives	DoD Strategic Goal	DoD Objective
Provide high-quality and cost-effective health care and support to the Total Force and their families	4.1.1-2M: Average percent variance in Defense Health Program annual cost per equivalent life increase compared to average civilian sector increase (USD(P&R))	Patient-Centered Medical Care	4. Preserve and enhance the All-Volunteer Force	DoD Strategic Objective 4.1-2M: Provide top-quality physical and psychological care to wounded warriors, while reducing growth in overall healthcare costs.
	4.1.2-2M: Cumulative percent of military members participating in a single, disability evaluation/transition medical exam to determine fitness for duty and disability rating (USD(P&R))	Performance-based budgeting / Prospective Payment System Standardize medical supply chain		
	*4.1.3-2M: Cumulative number of DoD sites with Virtual Lifetime Electronic Record (VLER) production capability (USD(P&R))	Reduce, medical fraud, waste, and abuse		
Demonstrate commitment to wounded warriors through high quality care and support	4.1.4-2M: Average percent of Armed Forces who meet Individual Medical Readiness (IMR) requirements (USD(P&R))	Medicare-matching payment initiative Implement Clinical and non-Clinical Care/Case Management Initiatives Design/Develop VLER		
	4.1.5-2M: Rate of Follow-up on Active Duty Service members having positive screens for Depression, based on Post-Deployment Health Assessments (PDHAs) or Post-Deployment Health Reassessments (PDHRAs) documented by a qualified professional (USD(P&R))	Complete DoD-VA Data Sharing initiatives Implementation of Improved Mental Health Screening and Referral Processes		
	4.1.6-2M: Rate of Follow-up on Active Duty Service members having positive screens for Post Traumatic Stress Disorder (PTSD), based on Post-Deployment Health Assessments (PDHAs) or Post-Deployment Health Reassessments (PDHRAs) documented by a qualified professional (USD(P&R))	Improve disability evaluation system Worldwide Integrated Disability Evaluation System (IDES) implementation		



Business Goal 1: Support the All-Volunteer Force, Continued

Strategic Management Plan			QDR Mapping	
SMP Objective	Performance Measure	Initiatives	DoD Strategic Goal	DoD Objective
Meet end strength goals	4.2.1-2P: Percent variance in Active component end strength (USD(P&R))	Streamline the accessions/transfers process – include biometrics and pre-qualification of applicants	4. Preserve and enhance the All-Volunteer Force	DoD Strategic Objective 4.2-2P: Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.
	4.2.2-2P: Percent variance in Reserve component end strength (USD(P&R))	Implement remote military entrance physical (pilot) Target percent variance in Active component end strength is 0-3%		
Eliminate the regular use of stop loss	4.2.5-2P: Number of soldiers under stop loss (USD(P&R))	Target number of military personnel subject to stop loss is 0 by the end of FY11		
Manage the deployment tempo with greater predictability	4.2.7-2P: Percentage of the Department’s active duty Army who meet the planning objectives for time deployed in support of combat operations versus time at home (USD(P&R))	Solicit volunteers to stay in-theater Capitalize upon the Civilian Expeditionary Workforce		
	4.2.8-2P: Percentage of the Department’s active duty Navy who meet the planning objectives for time deployed in support of combat operations versus time at home (USD(P&R))			
	4.2.9-2P: Percentage of the Department’s active duty Marines who meet the planning objectives for time deployed in support of combat operations versus time at home. (USD(P&R))			
	4.2.10-2P: Percentage of the Department’s active duty Air Force who meet the planning objectives for time deployed in support of combat operations versus time at home. (USD(P&R))			
	4.2.11-2P: Percent of Reserve Component (RC) Service members mobilized in the evaluation period that have dwell ratios greater than or equal to 1:5 (USD(P&R))			



Business Goal 1: Support the All-Volunteer Force, Continued

Strategic Management Plan			QDR Mapping	
SMP Objective	Performance Measure	Initiatives	DoD Strategic Goal	DoD Objective
Improve the military population's Quality of Life (QoL)	4.3.1-2R: Percent of worldwide government-owned Family Housing inventory at good and fair (Q1-Q2) condition) (USD(AT&L))		4. Preserve and enhance the All-Volunteer Force	DoD Strategic Objective 4.3-2R: Better prepare and support families during the stress of multiple deployments.
	4.3.2-2R: Percent of the inventory for government-owned permanent party enlisted unaccompanied personnel housing in United States at good and fair (Q1-Q2) condition (USD(AT&L))			
	4.3.3-2R: Percent of the inventory for government-owned permanent party enlisted unaccompanied personnel housing at foreign locations at good and fair (Q1-Q2) condition (USD(AT&L))			
	4.3.4-2R: Number of Department of Defense Education Activity (DoDEA) schools that meet good or fair (Q1 or Q2) standards (USD(P&R))			
	4.3.5-2R: Rating of Military OneSource usefulness by Service members who deployed and have dependents. (USD(P&R))			
Strengthen Total Force capability by developing people to execute current and future missions	4.4.4-2T: Percent of personnel who complete regional language skill, regional expertise, and cultural competency programs either prior to deployment or within 60 days of deployment to Afghanistan (USD(P&R))			DoD Strategic Objective 4.4-2T: Train the Total Defense Workforce with the right competencies.
	4.4.6-2T: Cumulative increase in the number of students who achieve a 2/2/1+ Defense Language Proficiency Test (DLPT) score in reading, listening, and speaking modalities, as measured by the Interagency Language Roundtable performance scale (USD(P&R))			



## Business Goal 2: Support Contingency Business Operations

Defense business operations must provide adaptable, responsive, effective support for the warfighter. Accordingly, the multifaceted objectives, measures, and initiative in this Business Goal apply lessons learned on the battlefield, adapt industry best practices to support deployed warfighters, and provide the flexibility needed to address new, future challenges at home and overseas. Because of the multifaceted nature of this Business Goal, it supports several DoD Strategic Goals.

Strategic Management Plan			QDR Mapping	
SMP Objective	Performance Measure	Initiatives	DoD Strategic Goal	DoD Objective
Provide effective business operations to support Overseas Contingency Operations	1.1.4-OCO: Percent assigned of required Contracting Officer Representatives (CORs) supporting Afghan contingency operations (USD(AT&L))	Adequacy of completed contingency operations guidance for developing Annex W, "Contract Support Integration Plan"  Fragmentary Orders	1. Prevail in Today's Wars	DoD Strategic Objective 1.1-OCO: Degrade the Taliban to levels manageable by the Afghan National Security Force (ANSF), while increasing the size and capability of the ANSF.
	1.1.5-OCO: Percent of in-theater Army central disbursements, using cash (USD(C/CFO))			
	1.1.6-OCO: Percent of contract actions tied to entitlements and disbursements in the systems of record (USD(C/CFO))			



### Business Goal 3: Reform the DoD Acquisition and Support Processes

Streamlined, focused acquisition and support processes improve rapid delivery of capability and generate savings for re-investment that help us to defeat and prevail over our enemies.

Accordingly, the objectives, measures and initiatives to reform acquisition processes focus on developing the workforce, eliminating waste, improving business processes, logistics efficiencies, and the management of real property and the industrial base.

Strategic Management Plan			QDR Mapping	
SMP Objective	Performance Measure	Initiatives	DoD Strategic Goal	DoD Objective
Improve the export control process	3.3.1-1F2C: Percent of Munitions and Dual-Use License applications adjudicated back to State and Commerce Departments within statutory timelines (USD(P))			DoD Strategic Objective 3.3-1F2C: Enhance U.S. capabilities to train, advise, and assist foreign security forces and their sustaining institutions to operate with or in lieu of U.S. forces.
Speed technology transitions focused on warfighting needs	3.5.1-2D: Percent of completing demonstration programs transitioning each year (USD(AT&L))	Track programs that will transition within the next calendar year  Review programs that report no transition or fall below requirement, but still receive Research, Development, Test, and Evaluation funds  Understand investment drivers and strategies to sustain technology leadership and identify opportunities / barriers to collaboration with DoD	3. Prepare to defeat adversaries and succeed in a wide range of contingencies	DoD Strategic Objective 3.5-2D: Maintain a strong technical foundation within the Department's Science and Technology (S&T) program.
Improve Real Property Installation Management	5.1.1-2A: Average facilities sustainment rate (USD(AT&L))	Implement real property inventory data standards, data elements, and sustainable DoD business processes  Implement a standard DoD real property inventory reconciliation process and tool for use across all DoD  Track actual expenditures at the asset level for real property and installations support	5. Implement the Reform Agenda	DoD Strategic Objective 5.1-2A: Increase use of renewable energy and reduce energy demand at DoD installations.
Increase energy efficiencies	*5.1.2-2A: Cumulative average percent reduction in building energy intensity (USD(AT&L))  *5.1.3-2A: Percentage of renewable energy produced or procured based on DoD's annual electric energy usage (USD(AT&L))			



Business Goal 3: Reform the DoD Acquisition and Support Processes, Continued

Strategic Management Plan			QDR Mapping	
SMP Objective	Performance Measure	Initiatives	DoD Strategic Goal	DoD Objective
Protect DoD IT infrastructure	5.2.1-2C: Percent of applicable IT and National Security Systems (NSS) that are Certification and Accreditation (C&A)-compliant (ASD(NII/CIO))			DoD Strategic Objective 5.2-2C: Protect critical DoD infrastructure and partner with other critical infrastructure owners in government and the private sector to increase mission assurance.
Improve acquisition performance	*5.3.1-2E: Number of Major Defense Acquisition Program (MDAP) breaches equal to or greater than 15 percent of current Acquisition Program Baseline (APB) unit cost or equal or greater than 30 percent of original APB unit cost (USD(AT&L))	Acquire MDAPS and MAIS programs at original cost schedule and performance	5. Implement the Reform Agenda	DoD Strategic Objective 5.3-2E: Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items.
	*5.3.2-2E: Percentage of contract obligations that are competitively awarded (USD(AT&L))	In FY2011, Competition advocates are to develop a plan to improve both the overall rate of competition and the rate of effective competition.		
	*5.3.5-2E: Average percent increase from the Approved Program Baseline (APB) cycle time for Major Defense Acquisition Programs (MDAPs) starting in FY 2002 and after (USD(AT&L))	Establish data governance for the key data elements used to report status and make actionable decisions on MDAPs		
	*5.3.6-2E: Percent of Major Defense Acquisition Programs certified, as required by the Weapon Systems Acquisition Reform Act of 2009 (USD(AT&L))	Milestone decision reviews		
Improve IT acquisition performance	*5.3.7-2E: Percent of enterprise level Information Technology (IT) software and hardware deployed as business services within 18 months of the capability business cases approval (DCMO)	Implement Business Capability Lifecycle policy for MAIS at have primary business application		
	*5.3.8-2E: Number of Major Automated Information System (MAIS) "significant" breaches (equal to or greater than 15 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages greater than six months) (DCMO)	Acquire systems through evolutionary acquisition Competitive Prototyping Preliminary design review before Milestone B Independent technical readiness assessments		
	*5.3.9-2E: Number of Major Automated Information System (MAIS) "critical" breaches (equal to or greater than 25 percent of Acquisition Program Baseline (APB) total cost or with schedule slippages of one year or more) (DCMO)	Establish program governance and DoD sustainment metrics reporting (materiel availability, materiel reliability, total ownership costs) in accordance with DoD lifecycle management policy Implement 2009 DoD Product Support Assessment recommendations to apply next-generation sustainment strategies to achieve affordable weapon system readiness		



Business Goal 3: Reform the DoD Acquisition and Support Processes, Continued

Strategic Management Plan			QDR Mapping	
SMP Objective	Performance Measure	Initiatives	DoD Strategic Goal	DoD Objective
Ensure effective logistics support to the warfighter	5.4.1-2L: Perfect Order Fulfillment rate for Defense Logistics Agency (DLA) stock items (POF) (USD(AT&L))	Implement Total Asset Visibility / In-Transit Visibility solutions to facilitate warfighter effectiveness	5. Implement the Reform Agenda	DoD Strategic Objective 5.4-2L: Provide more effective and efficient logistical support to forces abroad.
	5.4.2-2L: Army Customer Wait Time	Improve demand plan accuracy through improved forecasting techniques		
	5.4.3-2L: Navy Customer Wait Time	Implement Economic Movement Model to improve stock positioning		
	5.4.4-2L: Air Force Customer Wait Time	Fully implement automatic identification technologies into supply-chain business systems		



## Business Goal 4: Enhance the Civilian Workforce

The Department of Defense employs more than 700,000 civilians in vital positions across the globe, including those currently deployed to Iraq and Afghanistan. Civilians are valued members of the Department’s Total Force and critical to achieving DoD’s mission. The objectives, measures, and initiatives associated with this business objective focus on sustaining and improving the DoD civilian workforce’s quality and competence, especially for developing skills and capabilities.

Strategic Management Plan			QDR Mapping	
SMP Objective	Performance Measure	Initiatives	DoD Strategic Goal	DoD Objective
Implement DoD-wide in-sourcing initiative	4.2.3-2P: Cumulative number of DoD civilian and/or military authorizations added as a result of in-sourcing (USD(P&R))	DoD-wide in-sourcing initiative	4. Preserve and enhance the All-Volunteer Force	DoD Strategic Objective 4.2-2P: Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.
Streamline the hiring process	*4.2.6-2P: Number of days for external civilian hiring (end-to-end timeline) (USD(P&R))	Meet Office of Personnel Management guidelines and targets		
Reinvigorate the acquisition workforce	*4.4.1-2T: Percent of acquisition positions filled with personnel meeting Level II certification requirements (USD(AT&L))	Grow the acquisition workforce	5. Implement the Reform Agenda	DoD Strategic Objective 4.4-2T: Train the Total Defense Workforce with the right competencies.
	*4.4.2-2T: Percent of acquisition positions filled with personnel meeting Level III certification requirements (USD(AT&L))			
	*5.3.3-2E: Cumulative number of DoD civilian and/or military authorizations added as a result of in-sourcing acquisition functions (USD(AT&L))	Establish and fill 10,000 acquisition positions through in-sourcing and 9,887 positions using the Defense Acquisition Workforce Development Fund.		
	*5.3.4-2E: Cumulative increase in the number of DoD civilian and military end strengths performing acquisition functions (USD(AT&L))			



Business Goal 4: Enhance the Civilian Workforce, Continued

Strategic Management Plan			QDR Mapping	
SMP Objective	Performance Measure	Initiatives	DoD Strategic Goal	DoD Objective
Enhance the Security Cooperation Workforce	*4.4.3-2T: Cumulative percent of incumbents that have been trained in security cooperation in positions that require security cooperation training (USD(P))		4. Preserve and enhance the All-Volunteer Force	DoD Strategic Objective 4.4-2T: Train the Total Defense Workforce with the right competencies.
Reform the DoD Personnel Security Clearance Process	*4.4.5-2T: Cumulative percent of certified DoD adjudicators (USD(I))	Implement adjudicator certification policy		
	*5.5.8-2U: Average number of days required to adjudicate the fastest 90 percent of initial top secret and secret personnel security clearance cases (USD(I))	Increase the number of investigations that are electronically adjudicated	5. Implement the Reform Agenda	DoD Strategic Objective 5.5-2U/2V: Improve financial management and increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.
	*5.5.9-2U: Cumulative percent of Single Scope Background Investigations (SSBIs) and Top Secret (TS) reinvestigation files that meet 2009 adjudicative documentation standards (USD(I))	Implement adjudication documentation		
Champion a Strong Financial Management Workforce		<p>Continue aggressive recruitment initiatives to acquire the best and brightest new staff</p> <p>Promote continual professional development of staff to enable employees to grow and meet challenges associated with changes in financial management technology, process, and regulation or law</p> <p>Develop leaders at all staff levels to ensure greater professional behavior and leadership skills</p> <p>Explore options to require professional certifications for key job series.</p>		



## Business Goal 5: Strengthen DoD Financial Management

The Department of Defense leaders need access to timely, relevant, and reliable financial and cost information to make informed decisions and ensure that resources are optimally aligned to priority tasks. This Business Goal supports the fifth Strategic Goal of the DoD to Implement the Reform Agenda by providing a focus on improving financial information for fact-based, actionable management decisions. Initiatives to address these management challenges include improving the operation and auditability of DoD financial activities.

Strategic Management Plan			QDR Mapping	
SMP Objective	Performance Measure	Initiatives	DoD Strategic Goal	DoD Objective
Acquire the resources necessary to meet national defense objectives and Ensure the legal, effective, and efficient use of DoD resources.	*5.5.1-2U: Percent DoD Statement of Budgetary Resources Appropriations Received (line 3A) validated (USD(C/CFO))	Continue to execute the Financial Improvement and Audit Readiness (FIAR) strategy	5. Implement the Reform Agenda	DoD Strategic Objective 5.5-2U/2V: Improve financial management and increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.
	*5.5.2-2U: Percent of DoD Funds Balance with Treasury validated (USD(C/CFO))	Ensure synchronization of Enterprise Transition Plan milestones to support a revised FIAR strategy		
	*5.5.3-2U: Percent of DoD Statement of Budgetary Resources validated (USD(C/CFO))	Develop alternative methods for asset valuation and conduct business case to select the appropriate approach		
	*5.5.4-2U: Percent of DoD mission-critical assets (Real Property, Military Equipment, General Equipment, Operating Materials and Supplies, and Inventory balances) validated for existence and completeness (USD(C/CFO))	Continue Configuration Control Board (CCB) process for Defense Joint Military Pay System (DJMS), Marine Corps Total Force System (MCTFS), and DCPS		
	5.5.5-2U: Percent of improper military pay payments (USD(C/CFO))	Continue development of the Military Services' Integrated Personnel and Pay Systems		
	5.5.6-2U: Percent of improper civilian pay payments (USD(C/CFO))	Continue resolution of the primary military and civilian pay improper payment errors		
	5.5.7-2U: Number of late formal Anti-Deficiency Act investigations from the FY 2009 baseline of 25 (USD(C/CFO))	Fiscal Law training is required on a more frequent basis		



## IV. Performance Management System

The performance management framework the Department employs aligns matrixed enterprise Business Goals to overarching Strategic Goals and cascades Objectives, Measures, and annual performance targets throughout the organization. In turn, progress against these Goals, Objectives, Measures and targets is monitored quarterly to identify appropriate corrective actions.

### Framework Steps

The following sections describe the overall management framework used to monitor and assess performance results throughout the year, as well as the key governance bodies responsible for cascading business priorities to supporting organizations.

#### STEP 1: PLAN

A key input for this step is the defense-wide strategic objectives defined by the National Defense Strategy and the Quadrennial Defense Review, which serves as the Department's overarching strategic plan. Other inputs include the OMB High Priority Performance Goals, the GAO High Risk Areas, and other Congressional direction.

Led by the Chief Management Officer (CMO) and the Deputy Chief Management Officer (DCMO), this annual review is a collaboration among the Military Departments and the relevant Under Secretaries of Defense. The intent is to develop a set of integrated business priorities that address key performance issues of importance to all stakeholders. Supporting objectives, measures, and key initiatives are selected based on their probability of overcoming a significant management challenge, their ability to drive needed change, or their importance to improving support to the Combatant Commanders.

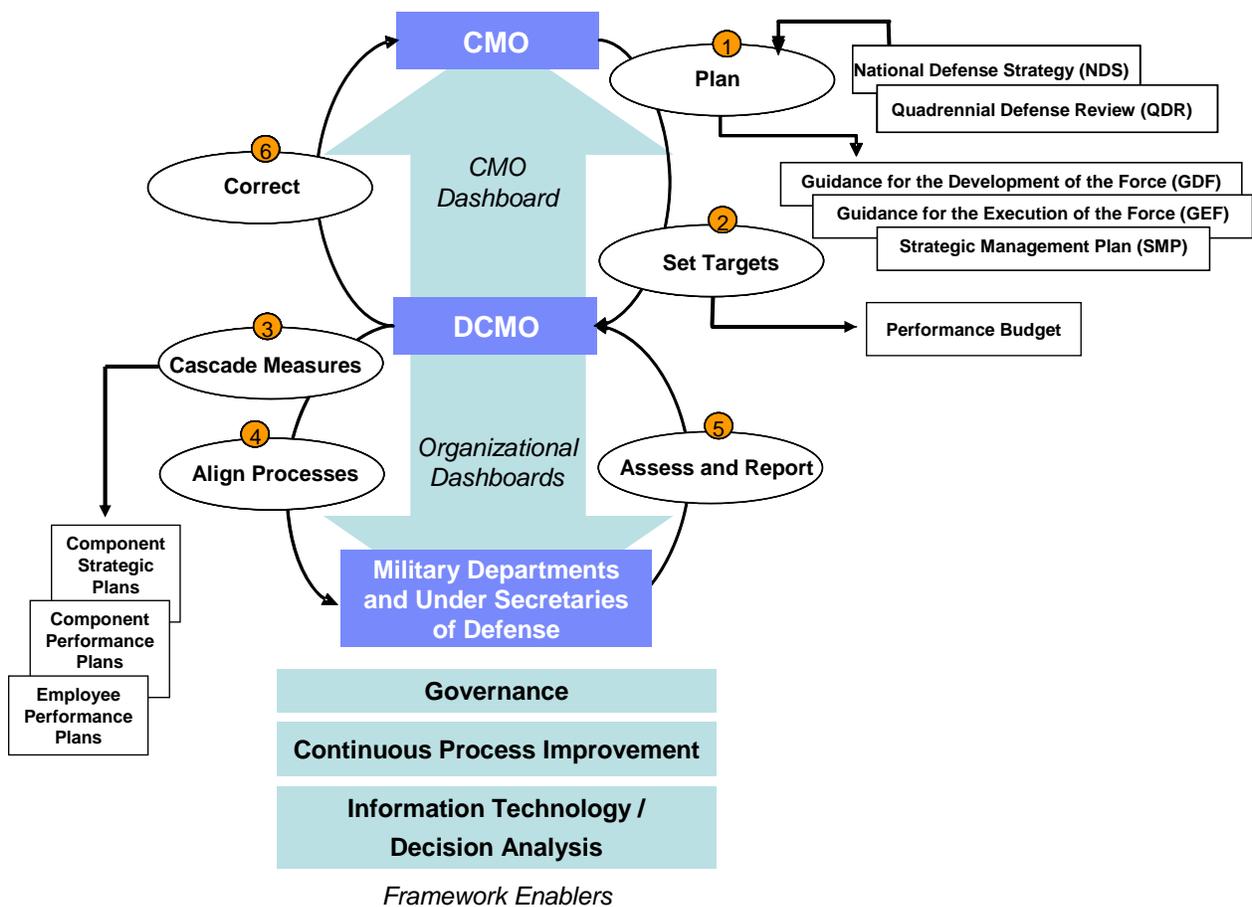
The main output of this step is the Department's annual SMP, which in turn drives the content of the Department's "family of plans." The SMP promotes strategic leadership and focuses the Department on working together to improve the efficiency and effectiveness of the targeted business operations. The Department's Performance Budget then reflects the resources needed to achieve the priorities for enterprise business operations. As described previously, this SMP has created a greater linkage between the QDR, SMP, and Performance budget and has greatly improved the usefulness and validity of the Objectives, Measures, and Initiatives that it contains.

#### STEP 2: SET TARGETS

After the top-level enterprise Business Goals, Objectives, Measures, and Initiatives are established, specific performance targets are set for each Measure. These targets explicitly define what the Department expects to achieve.

Typically, targets are established for both efficiency measures (e.g., reducing cycle times or full-time-equivalent positions) and effectiveness measures (e.g., fewer safety mishaps or better-trained workforce). Performance targets should be measurable indicators of progress toward achieving desired end-states.





### STEP 3: CASCADE MEASURES

After each update of the DoD SMP, each Military Department and the relevant Under Secretaries of Defense are expected to review their own organizational strategic plans and associated objectives, measures, and targets, revising them as needed to reflect the broader direction set in the SMP. In addition, each organization is also expected to modify its incentive and accountability structure to ensure that proper attention is paid to the most important priorities. Over the past months, many of these organizations have already begun to incorporate the strategic direction of the new QDR into their operations. This process will continue following the publication of this SMP.

### STEP 4: ALIGN PROCESSES

As performance goals and measures are cascaded to supporting organizations and management processes, the Under Secretaries of Defense and Military Departments may find it necessary to re-align operations or organizational structures to better integrate functional activities with larger, defense-wide end-to-end processes. As organizations identify process choke points, they can target Continuous Process Improvement (CPI) efforts or Lean-Six Sigma (LSS) projects to remove these barriers to success.



## STEP 5: ASSESS & REPORT

Improved defense-wide business operations are the expected outcome of active performance management. To verify that results are being achieved, data on actual progress against each top-level performance target is collected and reported via the Performance Data Automation Tool, described previously. Results are reported quarterly at the Department's senior business governance board, the DBSMC.

Additionally, each DoD Component assesses the performance of their organization against the goals and measures that cascade from the SMP to their Component specific strategic plans or against goals and measures that represent important organizational priorities that align with the Department's strategic goals.

## STEP 6: CORRECT

Taking corrective action is the final step in the Department's performance management process. The information collected through the steps above allows the Department to quickly identify performance problems, drill down to analyze contributing factors, and act decisively to correct and close performance gaps. When flat or negative performance trends appear, the accountable Under Secretaries of Defense and CMOs of the Military Departments identify and implement corrections. In cases where corrective action requires collaborative action across various organizations, the CMO may initiate longer-term change initiatives.

## Framework Enablers

Throughout the performance management system, the CMO, DCMO and key stakeholders rely on enablers such as governance, CPI, decision analysis and information technology to inform their decisions and actions. Together, these key enablers provide the management and improvement backbone necessary to effectively execute the Department's business operations.



## V. Military Departments

Section 904 of the FY 2008 NDAA, Public Law No. 110-181, designated the Under Secretary of each Military Department to serve as its CMO, with primary responsibility for business operations. Each CMO is responsible for developing a comprehensive business transformation plan for his or her Military Department. This plan is required to contain measurable performance goals and objectives to track progress toward achieving an integrated management system for business operations and should align with the SMP.

The following pages provide a brief overview of the steps each Military Department has taken to institutionalize the role of their CMO as a leader for business transformation. Each department's top priorities for achieving integrated management of business operations are also listed. Over the past months, each Military Department has begun to incorporate the strategic direction of the new QDR into their operations. This process will continue following the publication of this SMP.



## Department of the Army

The Under Secretary of the Army, as the Army CMO, submitted an initial report to Congress on the Army's compliance with Section 908, of the FY 2009 NDAA (Public Law 110-417) in March 2010, and its Business Transformation Plan in October 2010. The report and plan outlined the actions taken and the actions planned to be taken to carry out the business transformation of the Army. The Army CMO leverages the Army Campaign Plan to assess and unify the operational and transformational performance of the Army in a unified, outcome-focused effort. The objective is to improve effectiveness and efficiency while retaining the Army's combat power. This performance-based approach enhances alignment to the QDR and the SMP and allows strategic assessments and discussion among Army leaders. The Secretary of the Army's overarching requirement transcending all outcomes, priorities and objectives is to build an adaptive Generating Force that successfully prioritizes, balances and integrates Army activities and resources in the present and postures for success in the future. As the sector of the Army charged with preparing, training and educating our Soldiers, the Generating Force must now become an engine of change and adaptation as well - a force driven by innovation, able to quickly develop and field all that our Soldiers and their Families may require. Army efforts to achieve the intent for efficiencies should also set conditions for our longer-term efforts to transform the way our Army provides trained and ready forces for the future. The Army CMO is also aligning Army outcomes with the Department of Defense and is using the DoD-wide performance framework to track results for associated performance targets and measures.

The Army has identified broad priorities to guide its transformation, specific outcomes/ goals, and objectives. All of these can be found below:

### Department of the Army—Business Priorities

Sustain soldiers, families and civilians in era of persistent conflict by recruiting and retaining quality men and women and growing the Army; improving the quality of life for soldiers, families, and civilians; and providing world-class care for Wounded Warriors.

Prepare to succeed in the current conflicts, by improving the processes for readying soldiers, units, and equipment for deployment.

Reset the Army for future deployments and other contingencies by recapitalizing, applying lessons learned, providing integrated supply-chain support, and increasing time soldiers spend with families.

Transform the Army into a force capable of meeting diverse challenges by reorganizing into modular organizations, using advanced technologies to provide global-response capabilities, re-station and realign to support the new global posture, and re-engineer business processes to improve performance.

Effectively and efficiently allocate and use resources to build the best possible force by incorporating cost management and by developing a cost culture across the Army.



- Army strategic outcome/goal 1: An All-Volunteer Force of High Quality Soldiers, Civilians, and Leaders
  - Objective 1-0. Man the Army & Preserve the All-Volunteer Force. Build and shape an All-Volunteer Army by recruiting and retaining competent, adaptive, and confident Soldiers and Civilians to meet the Nation's demands both today and tomorrow at best value.
  - Objective 2-0. Provide Facilities, Programs & Services to Support the Army and Army Families. Provide capacity to station the Army and adjust the global footprint to better execute the National Defense Strategy, while continuing to support required Army Title 10 operations. Provide Soldier, Family, infrastructure support services at installations and for all components to enable support of Army Force Generation processes and mitigate the stress of repeated deployments.
- Army strategic outcome/goal 2: Trained and Ready Units Delivered on Time for COCOMs
  - Objective 3-0. Support Global Operations with Ready Landpower. Train, mobilize, deploy, sustain and RESET (reconstitute) whole, cohesive units and headquarters with Joint and expeditionary capabilities to provide a predictable and sustained flow of ready and modernized, Full Spectrum Operations (FSO) capable land power to combatant commanders as part of the Joint or Combined Force, to meet National Command Authority requirements.
  - Objective 4-0. Train the Army For Full Spectrum Operations. Produce trained and ready Soldiers and Civilians, led by adaptive leaders who are strategic, creative thinkers capable of operating within a Joint, Interagency, Intergovernmental, and Multinational (JIIM) environment in and with foreign cultures. Support the training of units and the development of leaders prepared to operate across the full spectrum of operations in an environment of persistent conflict against a hybrid threat.
- Army strategic outcome/goal 3: Soldiers, Equipment, and Units Restored and Reconstituted for Full Spectrum Operations
  - Objective 5-0. Equip the Army For Full Spectrum Operations. Equip the Army to produce a sustained flow of forces ready to support combatant commanders across the full spectrum of operations in an environment of persistent conflict. Equip Operating and Generating Forces to enable the Army to provide Landpower to accomplish the objectives of the National Defense and National Military Strategies.
  - Objective 6-0. Sustain the Force For Full Spectrum Operations. Provide the Generating and Operating Force with requisite sustainment functions to successfully execute the Army Strategy.
- Army strategic outcome/goal 4: An Agile, Disciplined Warrior Team that Dominates Across the Spectrum of 21<sup>st</sup> Century Operations
  - Objective 7-0. Transform the Operating Force. Organize forces (Active and Reserve Component) into modular, capabilities-based units centered on flexible, modernized, brigade sized organizations. Increase Army capabilities to operate as



- part of the Joint Force, across the full spectrum of military operations in both expeditionary and campaign settings, to enable adaptive soldiers to perform in more versatile ways and to implement evolving operational concepts.
- Objective 8-0. Transform the Generating Force. Adapt Generating Force (GF) capabilities and structure to generate and sustain trained, ready and available forces for employment by Joint Force commanders. Ensure that GF processes support ARFORGEN and build readiness in the force. Ensure that capabilities development, acquisition and sustainment process, policies and procedures provide capabilities required in a JIIM environment.
  - Objective 9-0. Transform Business Operations. Transform business operations, to include the policies, processes, information and systems relating to the end-to-end financial, logistics, facility management, human capital, acquisition, administrative, and other such functions that support the warfighter. This does not include policies, procedures and decisions that relate primarily or exclusively to combat operations or collective training for combat operations.



## Department of the Navy

As the Department of the Navy's (DON's) CMO, the Under Secretary of the Navy supervises the Deputy Under Secretary of the Navy and Deputy Chief Management Officer (DUSN/DCMO) and is the principal driver of Business Transformation within the Department. DUSN/DCMO is also designated as the Director of the Office of Business Transformation. The Navy CMO submitted an initial report to Congress on the Navy's compliance with Section 908, of the FY 2009 NDAA (Public Law 110-417) in March 2010.

The DON's business priorities, aligned with the QDR, focus on key issues that significantly impact business operations across the Department. Most of these priorities are coordinated via the DON's senior business enterprise governance body, the Business Transformation Council, which is chaired by the DON CMO. Many of these priorities span multiple years and will continue to be high priorities until achieved. Each of these priorities is supported within the Navy by objectives and sub-objectives contained in the FY 2011:

### Department of the Navy—Business Priorities

Transform DON Business Operations by implementing governance structures and processes that enable effective strategic leadership of business operations.

Successfully deliver DON Business Systems through improved requirements development and validation, program execution and management.

Identify and Capture Organizational and Operations Efficiencies within the DON to transfer “tail to tooth.”

Optimize the total force management capability to provide strategic workforce management of DON military, civilian, and contractor personnel across the Department.

Achieve Acquisition excellence by improving program execution, rebuilding the acquisition workforce, and maintaining a healthy industrial base.

Improve Financial Management and Achieve Audit Readiness.

Improve the DON's Energy Posture by Reducing the use of Petroleum and Increasing the Percentage of Energy Derived from Alternate Sources



- Transform DON business operations:
  - Implement governance structures and processes that enable effective strategic leadership of business operations
  - Develop and implement business enterprise architecture (BEA)
  - Promote management best practices: Continuous Process Improvement (CPI), Business Process Reengineering (BPR), Enterprise Risk Assessment, Performance Management
- Successfully deliver DON Business Systems through improved program execution and management.
  - Implement the Navy ERP program of record
  - Execute the transition of the Navy/Marine Corps intranet to the Next Generation Enterprise Network (NGEN)
  - Assure that the Navy has an acceptable pay and personnel system
  - Execute the DON transition plan for implementing the enterprise architecture for defense business systems.
- Identify and capture organizational and operations efficiencies within the DON to transfer “tail to tooth”
- Optimize the total force management capability to provide strategic workforce management of DON military, civilian and contractor personnel across the Department.
  - Produce and employ the right people with the right skills, at the right time and place, and at the best value, to support or accomplish 21st Century naval missions.
  - Use workforce planning and utilization tools to shape and manage the Total Naval Force.
  - Implement key Total Force transformation enablers that focus on taking care of our people, and managing and shaping our force
- Deliver acquisition excellence
  - Improve program execution
  - Maintain a healthy industrial base
  - Rebuild the acquisition workforce
- Improve financial management and achieve audit readiness
  - Eliminate abnormal balances at the appropriation level and reduce program-level abnormal balances
  - Increase Navy’s full electronic processing rate
  - Reduce problem disbursements including Unmatched Disbursements and Negative Unliquidated Obligations
  - Identify and reduce the universe of aged unliquidated obligations by category
  - Realize and recoup savings from accelerated efficiency efforts
  - Assert audit readiness for business processes in accordance with the Office of the Under Secretary of Defense, Comptroller Financial Improvement and Audit Readiness Plan
  - Eliminate Anti-Deficiency Act violation investigations over 12 months old
  - Complete inventory of variations to similar/identical processes
  - Formulate and begin DON-wide Standardization Communications



- Prioritize business processes to be reviewed and begin analysis
- Improve the DON's energy posture by reducing fossil fuel use and increasing the percentage of energy derived from alternative sources
  - Enhanced Energy Security is achieved by utilizing sustainable alternative sources that meet tactical, expeditionary, and shore requirements and force sustainment functions, and have the ability to protect and deliver sufficient energy to meet operational needs.
  - Enhanced Energy Independence is achieved when Naval forces obtain at least half of their energy from alternative sources. Enhanced energy independence increases operational effectiveness making Naval forces more energy self-sufficient and less dependent on vulnerable energy production and supply lines.



## Department of the Air Force

The Under Secretary of the Air Force (in the role as Air Force CMO and as designated by the Secretary of the Air Force), has primary management responsibilities for Air Force business operations. The Air Force CMO represents business transformation issues at CORONA, a senior leadership forum that brings the Secretary and Chief of Staff of the Air Force, key senior executives, and military leaders of major commands together for strategic planning and assessments three times a year. The CMO duties include directing and overseeing activities of the Air Force Office of Business Transformation. In addition, the Under Secretary serves as our senior energy official and coordinates Secretariat oversight of readiness. The Under Secretary also represents the Air Force in DoD-level committees chaired by the Deputy Secretary of Defense, to include the Deputy's Advisory Working Group (DAWG), Defense Business Systems Management Committee (DBSMC), Senior Oversight Committee (SOC), and the Senior Readiness Oversight Council (SROC). The Air Force CMO also co-chairs the Air Force Council (AFC) with the Air Force Vice Chief of Staff, to ensure business transformation issues are integrated into routine AFC management reviews. The AFC forum includes Headquarters Air Force staff principals and the Council directly advises the SAF, CSAF and the CORONA forum. The Air Force CMO, submitted an initial report to Congress on the Air Force's compliance with Section 908, of the FY 2009 NDAA (Public Law 110-417) in March 2010.

The Air Force's business priorities, which have been aligned with the QDR and SMP, include:

Department of the Air Force—Business Priorities
Continue to Strengthen the Nuclear Enterprise
Develop and care for airmen and their families
Modernize Air Force air and space inventory, organizations, and training
Recapture acquisition excellence
Increase energy efficiency by reducing aviation fuel use, installation energy intensity, and (non-tactical) vehicle fleet petroleum



- Continue to strengthen the Nuclear Enterprise
  - Continue to maintain and demonstrate a viable and credible capability to execute nuclear deterrent and strike operations
  - Advance the scientific, research and development, and human capital efforts necessary to field robust, sustainable nuclear missile and bomber forces well into the future
- Develop and care for Airmen and their families
  - Enhance development of our Total Force Airmen by adjusting policies, programs, and systems to more effectively utilize education, training and experience
  - Improve commander involvement in the care of Wounded Warriors, focusing on recovery, rehabilitation and re-integration
  - Improve resiliency of our Airmen, exceptional family member support and community educational initiatives, and reduction in our suicide rate
- Modernize Air Force air and space inventory, organizations, and training
  - Improve Air Force Financial Management and auditability by executing the Air Force Financial Improvement and Audit Readiness (FIAR) Plan to improve business processes, address internal control weaknesses, develop and implement financial management systems, while achieving and sustaining financial statement audit readiness
  - Implement reengineered logistics processes for enterprise-wide supply chain management and visibility and achieve streamlined logistics inventory reductions and associated savings
  - Improve Total Force integration and implement military and civilian hire-to-retire process improvements and enabling systems
  - Assess Air Force installation infrastructure and target improvements to reduce cost of ownership over the installation lifecycle
- Recapture acquisition excellence
  - Deliver products and services that perform as promised – on time, within budget, and in compliance with all laws, policies and regulations
  - Rebuild our acquisition workforce focusing on program management, cost estimation, program control, financial management, and systems engineering
  - Improve transparency and accountability in acquisition programs and their financial management
- Increase energy efficiency by reducing aviation fuel use, installation energy intensity, and (non-tactical) vehicle fleet petroleum
  - Reduce fuel consumption through improved operational planning, alternative training concepts, and installation modernization and management



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## VI. Conclusion

The FY 2011 Strategic Management Plan describes a structured approach for establishing common management goals for business operations driven by the Department's overarching strategic goals and objectives. As the first SMP created after the release of the 2010 QDR, it incorporates objectives from the QDR, while retaining the cross-functional Business Priorities of the FY 2010 SMP. It serves as a bridge by providing continuity with existing Business Goals and initiatives and the performance management system for business operations while moving toward closer integration with the Department's overarching strategic planning and decision framework. It provides clear, measurable information about the results achieved by business programs and activities, which can be used by the Department's Planning, Programming, Budgeting and Execution System and executive leaders to make better-informed decisions.

The DoD enterprise-level SMP Business Goals, Objectives, and Measures contained in this document represent the strategic guidance for the Department. Additionally, a subset of the high-level performance improvement activities are included as a representation of those actions undertaken across the Department to transform and improve defense business operations. Some performance goals, objectives, measures and initiatives in this FY 2011 SMP focus on resolving enduring management challenges and represent interim steps on a long-term improvement path, while others represent near-term innovations that can quickly achieve positive change. They were all selected because they are leading indicators of success for important enterprise outcomes.

Over the course of the coming months, a comprehensive analysis of DoD Strategic Goals and DoD Strategic Objectives will take place as its direction is interpreted and further integrated into SMP Business Goals and SMP Objectives as appropriate.



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## Appendix I: Acronym List

**A2R:** Acquire-to-Retire

**ANSF:** Afghan National Security Force

**APB:** Approved Program Baseline

**ASD(NII/CIO):** Assistant Secretary of Defense for Networks and Information  
Integration/Chief Information Officer

**B2R:** Budget-to-Report

**BCL:** Business Capability Lifecycle

**BEA:** Business Enterprise Architecture

**BPR:** Business Process Reengineering

**C&A:** Certification and Accreditation

**CCB:** Configuration Control Board

**CMO:** Chief Management Officer

**COCOM:** Combatant Command

**COR:** Contracting Officer Representative

**CPI:** Continuous Process Improvement

**DBSMC:** Defense Business Systems Management Committee

**DCMO:** Deputy Chief Management Officer

**DCPS:** Defense Civilian Pay System

**DJMS:** Defense Joint Military-Pay System

**DLA:** Defense Logistics Agency

**DLPT:** Defense Language Proficiency Test

**DoD:** Department of Defense

**DoDEA:** DoD Education Activity

**DON:** Department of the Navy

**E2E:** End-to-End

**FIC:** Forces & Infrastructure Category Code

**FIAR:** Financial Improvement and Audit Readiness

**FY:** Fiscal Year

**GAO:** Government Accountability Office

**GDF:** Guidance for the Development of the Force

**GEF:** Guidance for the Execution of the Force

**H2R:** Hire-to-Retire

**IDES:** Integrated Disability Evaluation System

**IMR:** Individual Medical Readiness

**IT:** Information technology

**LSS:** Lean Six Sigma

**M2P:** Market-to-Prospect

**MAIS:** Major Automated Information System

**MCTFS:** Marine Corps Total Force System

**MDAP:** Major Defense Acquisition Program

**NDAA:** National Defense Authorization Act

**NDS:** National Defense Strategy

**NGEN:** Next Generation Enterprise Network

**NSS:** National Security Strategy

**O2C:** Order-to-Cash

**OMB:** Office of Management and Budget

**P2O:** Prospect-to-Order

**P2P:** Procure-to-Pay

**P2S:** Plan-to-Stock

**PDHA:** Post-Deployment Health Assessment

**PDHRA:** Post-Deployment Health Reassessment

**QoL:** Quality of Life

**QDR:** Quadrennial Defense Review

**RC:** Reserve Component

**S&T:** Science and Technology

**SMP:** Strategic Management Plan

**SOC:** Senior Oversight Committee

**SSBI:** Single Scope Background Investigation

**TS:** Top Secret



**USD(AT&L):** Under Secretary of Defense for Acquisition, Technology and Logistics

**USD(C/CFO):** Under Secretary of Defense (Comptroller)/Chief Financial Officer

**USD(I):** Under Secretary of Defense for Intelligence

**USD(P):** Under Secretary of Defense for Policy

**USD(P&R):** Under Secretary of Defense for Personnel and Readiness

**VA:** Veterans Affairs

**VLER:** Virtual Lifetime Electronic Record

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## Appendix II: QDR Goals and Objectives

The five Strategic Goals for the Department of Defense (DoD) are:

- 1) Prevail in Today's Wars
- 2) Prevent & Deter Conflict
- 3) Prepare to Defeat Adversaries and Succeed in a Wide Range of Contingencies
- 4) Preserve & Enhance the All-Volunteer Force
- 5) Implement the Reform Agenda

Listed below are the twenty subordinate DoD Strategic Objectives, which support the five DoD Strategic Goals:

### **DoD Strategic Goal 1 - Prevail in today's wars**

DoD Strategic Objective 1.1.OCO: Degrade the Taliban to levels manageable by the Afghan National Security Force (ANSF), while increasing the size and capability of the ANSF.

DoD Strategic Objective 1.2.OCO: Execute a responsible drawdown of the U.S. military presence in Iraq.

### **DoD Strategic Goal 2 - Prevent and deter conflict**

DoD Strategic Objective 2.1.1F1: Extend a global posture to prevail across all domains by increasing capacity in general purpose forces and enhancing stability operations and foreign security force competency.

DoD Strategic Objective 2.2.1F2A: Maintain a safe, secure, and effective nuclear arsenal to deter attack on the U.S. and on our allies and partners.

DoD Strategic Objective 2.3.1F3: Strengthen cooperation with allies and partners to develop and field robust, pragmatic, and cost-effective missile defense capabilities.

DoD Strategic Objective 2.4.1X2: Ensure sufficient Intelligence, Surveillance, and Reconnaissance (ISR) collection and analysis capacity for full spectrum operations and ensure resiliency of ISR operations.

### **DoD Strategic Goal 3 - Prepare to defeat adversaries and succeed in a wide range of contingencies**

DoD Strategic Objective 3.1.1F2B: Improve the responsiveness and flexibility of consequence management response forces.

DoD Strategic Objective 3.2.1F2C: Enhance capacity to locate, secure, or neutralize weapons of mass destruction, key materials, and related facilities.

DoD Strategic Objective 3.3.1F2C: Enhance U.S. capabilities to train, advise, and assist foreign security forces and their sustaining institutions to operate with or in lieu of U.S. forces.

DoD Strategic Objective 3.4.1X1: Expand capacity to succeed against adversary states armed with anti-access capabilities and/or nuclear weapons and improve capabilities to conduct effective operations in cyberspace and space.

DoD Strategic Objective 3.5.2D: Maintain a strong technical foundation within the Department's Science and Technology (S&T) program.

#### **DoD Strategic Goal 4 - Preserve & Enhance the All-Volunteer Force**

DoD Strategic Objective 4.1.2M: Provide top-quality physical and psychological care to wounded warriors, while reducing growth in overall healthcare costs.

DoD Strategic Objective 4.2.2P: Ensure the Department has the right workforce size and mix, manage the deployment tempo with greater predictability, and ensure the long-term viability of the Reserve Component.

DoD Strategic Objective 4.3.2R: Better prepare and support families during the stress of multiple deployments.

DoD Strategic Objective 4.4.2T: Train the Total Defense Workforce with the right competencies.

#### **DoD Strategic Goal 5 - Implement the Reform Agenda**

DoD Strategic Objective 5.1.2A: Increase use of renewable energy and reduce energy demand at DoD installations.

DoD Strategic Objective 5.2-2C: Protect critical DoD infrastructure, including in space and cyberspace, and partner with other critical infrastructure owners in government and the private sector to increase DoD mission assurance.

DoD Strategic Objective 5.3.2E: Improve acquisition processes, from requirements definition to the execution phase, to acquire military-unique and commercial items.

DoD Strategic Objective 5.4-2L: Provide more effective and efficient logistical support to forces abroad.

DoD Strategic Objective 5.5-2U/2V: Increase efficiencies in headquarters and administrative functions, support activities, and other overhead accounts.



