

Key Priority:

Manage all resources with the premise that “business as usual” will not work. Demand careful up-front planning and budgeting, rigorous execution and accurate reporting of results.

Actions:

- ❑ Mandate all parts of the budget be on the table – “zero basing” in the private sector
 - Challenge civilian and military numbers and force structure
 - Provide strong leadership to stop the rapid growth of health-related spending, e.g., co-pays
 - Promote shared services with the other Military Services – advance a true unified medical command
 - Reduce overhead/infrastructure costs that account for 42% of DoD spending
- ❑ Refine the Planning, Programming, Budgeting and Execution process to emphasize transparency, accuracy, and accountability
 - Harmonize metrics for key operating and financial activities with OSD and other DoD organizations
- ❑ Emphasize internal controls to achieve a clean, unqualified audit opinion
 - Recruit and develop top audit staff
 - Develop a resource sharing plan among Service Audit Agencies, DoD Inspector General & OSD Comptroller
- ❑ Redefine the role of the Assistant Secretary for Financial Management to be the Service Chief Financial Officer

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FOCUSING A TRANSITION

KEY PRIORITIES FOR THE SERVICE SECRETARIES



JANUARY 2009

Key Priority:

Lead with a vision and goals that are aligned with those of the Secretary of Defense.

Actions:

- ❑ Develop an integrated strategic plan that is aligned with the Secretary of Defense’s enterprise goals – define realistic goals with clear metrics, and clearly communicate key goals, expectations, responsibilities and authorities
- ❑ Adopt private sector hallmarks of good governance:
 - Implement an enterprise planning and management framework at the governance level that defines core processes, enables strategic trade-offs, and prioritizes resources
 - Ensure transparent decision-making using feedback and ongoing learning from outside resources
- ❑ Utilize an enterprise-level performance tracking system that links individual job standards and appraisals to organizational goals and desired outcomes – both military and civilian

Key Priority:

Build a human capital strategy that leverages human resources to accomplish Service goals.

Actions:

- ❑ Provide the Senior Executive Service (SES) with the attention they deserve as equivalents to Flag Officers
 - Ensure that there are adequate professional training programs equivalent to professional military training opportunities for flag officers
- ❑ Build personal connections between civil servants and the military
- ❑ Develop programs to attract experienced managers from the private sector
- ❑ Conduct ongoing talent assessments and promote mobility within DoD and to other agencies
- ❑ Rebuild and strengthen the civilian workforce focusing on technical areas such as financial management, acquisition, research and development and systems engineering
- ❑ Encourage innovation and prudent risk-taking, and reward behavior that drives cultural change and improves performance
- ❑ Communicate diversity as a business imperative and competitive advantage. Elevate diversity planning to the highest management level
- ❑ Advocate teamwork – Communicate expectation that everyone work cooperatively and productively across DoD

Key Priority:

Restructure the acquisition process to deliver warfighter needs on schedule and at an affordable price.

Actions:

- ❑ Address root causes of acquisition cost growth:
 - Focus on cost estimating and engineering and schedule changes, which account for 80% of Major Defense Acquisition Program cost increases
 - Establish joint metrics and maintain them for the life of the program – capture re-baselining modifications
 - Hold Service and industry leaders accountable for performance
- ❑ Upgrade the acquisition workforce’s skills, numbers, and capabilities
- ❑ Build a constructive relationship with the Defense industrial base by holding regular, open discussions to outline needed capabilities and technologies, and explain new programs and policies
- ❑ Support the Vice Chairman’s Capability Requirements Process with input regarding technology and manufacturing capability, readiness and cost estimating
- ❑ Address secondary effects of acquisition on the supply chain – define responsibilities and authorities among players to eliminate duplication, improve hand-offs and efficiency, and reduce cycle times and costs

