

**Army Regulation 5-1**

**Management**

# **Management of Army Business Operations**

**Headquarters  
Department of the Army  
Washington, DC  
12 November 2015**

**UNCLASSIFIED**

# ***SUMMARY of CHANGE***

AR 5-1

Management of Army Business Operations

This major revision, dated 12 November 2015--

- o Changes the title from "Total Army Quality Management" to "Management of Army Business Operations" (cover).
- o Affixes responsibilities for managing Army Business Mission Area domains and end-to-end processes (paras 2-1a(1), 2-2, 2-3, 2-4, 2-5).
- o Defines governance activities and actions within the Business Mission Area (para 3-1).
- o Institutionalizes Army programs and requirements to optimize the Army Business Systems portfolio of information technology systems and documents the integration and relationship between the Department of Defense Business Enterprise Architecture and the Army Business Systems Architecture (para 3-2).
- o Articulates the requirement for strategic planning in the institutional Army and the effective performance management of business operations (paras 3-1d and 3-1e).
- o Articulates the Army's Business Process Re-engineering methodology (para 3-4b).
- o Defines the role of the Army's Lean Six Sigma program (para 3-4c).

## Management

### Management of Army Business Operations

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By Order of the Secretary of the Army:

**MARK A. MILLEY**  
General, United States Army  
Chief of Staff

Official:



**GERALD B. O'KEEFE**  
Administrative Assistant to the  
Secretary of the Army

**History.** This publication is a major revision.

**Summary.** This regulation establishes responsibilities and policy for the management framework of Army business operations by U.S. Army organizations. This regulation emphasizes the importance of managing Army business operations, establishment of a strategic plan, assessing performance, executing continuous improvement and effectively and efficiently executing the responsibilities under Title 10, United States Code, throughout the institutional Army. AR 5-1 directs and explains how to develop and implement sound management principles and practices.

**Applicability.** This regulation applies to the Active Army, the Army National Guard/Army National Guard of the United States, and the U.S. Army Reserve, unless otherwise stated. During mobilization,

policies contained in this regulation may be modified by the proponent, except those required by law.

**Proponent and exception authority.** The proponent of this regulation is the Under Secretary of the Army. Maintaining this regulation is the responsibility of the Army Office of Business Transformation. The proponent has the authority to approve exceptions to this regulation that are consistent with controlling law and regulation. Organizations may forward requests for exception to the proponent at Headquarters, Department of the Army, Secretary of the Army Under Secretary-Office of Business Transformation (SAUS-OBT), 102 Army Pentagon, Washington, DC 20310-0102.

**Army internal control process.** This regulation contains internal control provisions in accordance with AR 11-2, and identifies key internal controls that must be evaluated (see app C).

**Supplementation.** Supplementation of this regulation and establishment of command or local forms are prohibited without prior approval from Headquarters, Department of the Army, Secretary of the Army Under Secretary-Office of Business Transformation (SAUS-OBT), 102 Army Pentagon, Washington, DC 20310-0102.

**Suggested improvements.** The proponent agency of this regulation is the Office of the Under Secretary of the Army. Users are invited to submit comments and suggested improvements on DA Form

2028 (Recommended Changes to Publications and Blank Forms) directly to Headquarters, Department of the Army, Secretary of the Army Under Secretary-Office of Business Transformation (SAUS-OBT), 102 Army Pentagon, Washington, DC 20310-0102.

**Committee management.** AR 15-1 requires the proponent to justify establishing/continuing committee(s), coordinate draft publications, and coordinate changes in committee status with the U.S. Army Resources and Programs Agency, Department of the Army Committee Management Office (AARP-ZA), 9301 Chapek Road, Building 1458, Fort Belvoir, VA 22060-5527. Further, if it is determined that an established "group" identified within this regulation, later takes on the characteristics of a committee, as found in AR 15-1, then the proponent will follow all AR 15-1 requirements for establishing and continuing the group as a committee.

**Distribution.** The publication is available in electronic media only and intended for Army organizations at all levels of the Active Army, Army National Guard/Army National Guard of the United States, and the U.S. Army Reserve.

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\*This regulation supersedes AR 5-1, dated 15 March 2002.

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### **Glossary**

## **Chapter 1 Introduction**

### **1–1. Purpose**

This regulation prescribes policies and responsibilities for managing business operations supporting the Army's execution of its primary functions under Title 10, United States Code (USC) to organize, man, train, equip, and sustain forces. This regulation directs activities that improve governance and innovation across the Business Mission Area (BMA), implement enterprise-wide strategic planning, performance management and risk mitigation, employ business process re-engineering and/or continuous process improvement techniques, control program costs, enhance quality, and mature the Army's Business Systems Architecture.

### **1–2. References**

See appendix A.

### **1–3. Explanation of terms**

See the glossary.

### **1–4. Responsibilities**

Responsibilities are listed in chapter 2.

### **1–5. Scope**

*a.* This regulation covers the management of Army business operations, the governance of the Army's BMA, and the sustainment of the Army's Business Systems (ABS) Architecture. Army business operations are those activities that enable the Army to execute effectively and efficiently its 10 USC primary functions to organize, man, train, equip, and sustain forces. The Army's BMA governance provides a balanced strategy for making decisions and recommendations based on enterprise strategic planning, integrated architectures, and outcome-based performance measures to achieve desired mission capabilities and 10 USC directed outcomes.

*b.* Army strategic objectives are achieved through successful management of Army business operations. Successful management also improves strategic planning and improves performance management and enables effective and efficient execution of 10 USC responsibilities throughout the Army. Army leaders operating within the Army Management Framework in figure 1–1 enable their organizations to exploit higher order data enriched analytical capabilities to make quantitatively based, qualitatively better, and faster Army-wide decisions. Deliberate focus in these areas better enables the Army's ability to provide readiness at best value to the Nation.

*c.* Army leaders focus on managing their organizations to perform missions more expeditiously and more inexpensively, knowing their costs and operating procedures is essential to the Army's success. The foundation for the framework is the organization's strategy—the strategy charts the path to achieve specific outcomes. Measuring goals, objectives, and outcomes determines what is driving the operating costs of the organization. Leadership assessments of organizational performance improves processes and resourced informed decision-making; fostering a culture throughout the Army that drives out redundant or non-value added procedures and improves our stewardship of the taxpayer's money.

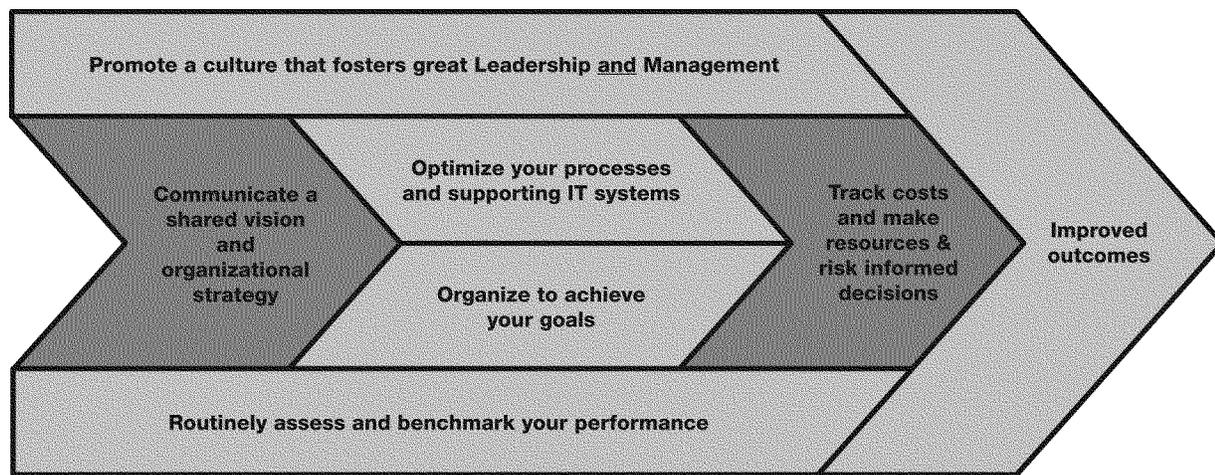


Figure 1–1. The Army Management Framework

d. Mission areas represent major capability areas of the Department of the Army and integrate with Department of Defense (DOD) mission areas. They are the Warfighter mission area (WMA), the DOD portion of the Intelligence Mission Area (DIMA), the Enterprise Information Environment Mission Area (EIEMA), and the BMA. This regulation applies to the BMA and integration with other Army mission areas and DOD mission areas.

(1) The Under Secretary of the Army, as the Chief Management Officer (CMO), presides over the Army’s BMA and is the pre-certification authority for Defense Business System (DBS) investments to the DOD Deputy CMO. The Army Management Action Group (AMAG) and subordinate Army Business Council (ABC) integrate the activities of Headquarters, Department of the Army (HQDA) principal officials as BMA domain leads, and coordinate with other Army mission areas (Warfighter, intelligence, and enterprise information environment).

(2) Specific to the BMA, principal officials of HQDA, subject to the direction and control of the Secretary of the Army (SECARMY), are authorized and directed to act for the SECARMY with regard to specific functions and responsibilities. The Under Secretary of the Army as the CMO advises the SECARMY on business operations, business transformation, and business systems architecture. The Under Secretary of the Army as the CMO assists HQDA principal officials in developing and supervising the development of Army policies, plans, and programs within their assigned functions and responsibilities. HQDA principal officials exercise authority, direction, and control over organizations tasked with executing specific functions within their scope of responsibilities. They also develop and supervise the application of performance goals, metrics, and measures for assessing program performance and improvement consistent with the SECARMY’s strategy and guidance.

(3) The ABC exercises management authority over the Army’s BMA portfolio, establishes standard business processes and practices, ensures Army compliance with the DOD Business Enterprise Architecture (BEA), and prioritizes ABS investments. Additionally, the ABC exercises other integrating functions across other Army mission areas or BMA, domains as required or as specified by the SECARMY or Under Secretary of the Army as the CMO.

(4) The Army aligns and integrates mission area capabilities along with their supporting processes and systems through enterprise architecture (EA). The Army’s EA is a strategic capability that organizational leaders use for enterprise planning, resource investment, decision-making, and process execution. The HQDA develops architectures in segments aligned with WMA, DIMA, EIEMA, and BMA. This regulation applies to the sustainment of the BMA’s enterprise architecture, the Business Systems Architecture.

(5) The Business Systems Architecture aligns to the DOD BEA and interfaces with the operational, systems, and technical architectures of the other Army mission area segments. The Business Systems Architecture provides the architectural reference that captures the Army’s end-to-end business processes supporting ABS. End-to-end processes are primarily transactional in nature, comprising critical human resources management, logistics, acquisition, materiel, installations, training, and financial management functions.

e. The Business Systems Architecture and BMA governance provide the management structure used for assessing compliance to law, regulations and policies, establishing performance measures, becoming audit ready, and identifying opportunities for comprehensive business process re-engineering (BPR) or continuous process improvement (CPI) activities. At the direction of the SECARMY or the Under Secretary of the Army as the CMO, the Army may undertake business initiatives that address specific operational or process concerns. Further, leaders are encouraged to

seek innovative ideas within their organizations or make recommendations for innovative opportunities to the appropriate governing body.

## **Chapter 2 Responsibilities**

### **2-1. Commands and organizations at the two-star general officer or senior executive service level and above**

Commands and organizations at the two-star general officer (GO) or senior executive service (SES) level and above will—

*a.* Employ the Army management of business operations programs, methods, and processes contained in this regulation to efficiently achieve the readiness of Army forces and—

(1) Provide clearly defined missions, visions, goals, objectives, and organizational performance criteria, which support the next higher headquarters and Army strategic objectives.

(2) Use baselines and benchmarks from industry and other Federal organizations to determine the low, normal, and high return on investment business practices for analyzing their organization's performance levels.

(3) Develop metrics to measure business-process performance and inform decision-makers.

(4) Analyze performance of business operations to determine where improvements will increase effectiveness and achieve higher levels of efficiency.

(5) Drive Army business operations toward performance excellence using CPI/Lean Six Sigma (CPI/LSS) and BPR methods and tools.

(6) Maximize funding efficiencies by conducting internal control evaluations of business operations.

*b.* Conduct planning to establish business initiatives and operational goals with tangible objectives in support of the organization's mission and vertically align with the next higher echelon's strategy.

*c.* Understand the fully burdened costs of the activities and processes under their control.

*d.* Reinforce the importance of stewardship of Army resources and cost-culture.

*e.* Conduct performance management efforts by measuring, assessing, analyzing, and evaluating programs and portfolios. Wherever suitable and feasible, establish financial targets in conjunction with performance goals and then routinely assess against both. Use performance measures to assess the organization's effectiveness and efficiency against planned outcomes.

*f.* Employ program, security, and operational risk management to identify, assess, and prioritize risks to the organization's strategic plan.

*g.* Foster a culture of innovation that rewards the principle of readiness at best value.

*h.* Execute management-level internal control programs and internal quality audit programs. An organizational internal control evaluation checklist for management of business operations is listed in appendix C.

*i.* Prior to developing any materiel information technology (IT) solution within the BMA, follow the BPR approach in paragraph 3-4b.

*j.* If developing a new ABS, follow guidelines outlined in paragraph 3-2b(3).

*k.* Provide centralized Army visibility of internal business processes influencing external operations, organizations, or Army enterprise IT solutions, following the business process model and notation standard through the BMA architecture repository.

### **2-2. Army Secretariat**

*a. Under Secretary of the Army as the Army's Chief Management Officer.* The Under Secretary of the Army as the CMO will—

(1) Serve as the senior advisor to the SECARMY on all business operations and business transformation matters, and in this role—

(*a*) Provide guidance and oversight on behalf of the SECARMY's business transformation activities.

(*b*) Oversee the development of formal business transformation plans.

(*c*) Recommend methodologies and measurement criteria to better synchronize, integrate, and coordinate the business operations of the Department of the Army.

(*d*) Report to Congress on the Army's business transformation activities and the ABS portfolio as required.

(2) As co-chair of the Army Management Action Group—

(*a*) Serve as the pre-certification authority for the Army annual DBS certification, (also called Organizational Execution Plan) submission to Office of the Secretary of Defense (OSD) (hereafter referred to as annual certification).

(*b*) Conduct annual business system portfolio reviews and assert compliance with the requirements of 10 USC 2222.

(*c*) Provide guidance on the issues, problems, and equities presented through ABC meetings.

- (d) Direct ABC members to develop products needed for issue resolution and presentation to the ABC for decision.
- (e) Establish subordinate forums such as ABC Three-Star Review Group, ABC Two-Star Working Group, Enterprise Integration Council (EIC), Enterprise Integration Working Group (EIWG) for Sensitive Activities (SA), Domain Council, integrated project teams, or working groups to provide analysis, advice, and support to the ABC.
- (f) Establish and maintain Army policies on BMA governance activities, domain implementation strategies, and IT investment input through established governance forums.
- (g) Approve recommendations for disposition of business initiatives or endorse recommendations that require SECARMY approval.
  - (3) Develop and implement enterprise-wide business systems architecture and transition plan, capable of providing accurate and timely information in support of business decisions that encompass end-to-end business processes.
  - (4) Serve as the Army's representative to the DOD Defense Business Council (DBC).
  - (5) Deputy Chief Management Officer. The DCMO will—
    - (a) Oversee business operations, processes, and policies for the Under Secretary of the Army as the CMO.
    - (b) Represent the Under Secretary of the Army as the CMO at the DBC.
    - (c) Validate alignment of annual certification to DOD functional strategies and Army priorities as a component of annual portfolio reviews.
    - (d) Serve as co-chair for the ABC.
    - (e) In coordination with the HQDA Chief Information Officer, G-6 (CIO/G-6) and with advice of the ABC, recommend validation of all IT enterprise services requirements to the Under Secretary of the Army as the CMO.
    - (f) Serve as the assistant pre-certification authority for the Army DBS annual and out-of-cycle certification submissions to OSD.
    - (g) Make recommendations to the OSD DCMO and Chief Information Officer (CIO) regarding ABS and BMA functions, as required.
  - (6) Director, Army Office of Business Transformation. The Director OBT will—
    - (a) Promulgate Department of the Army policy and guidance for managing the BMA.
    - (b) Under the direction of the Under Secretary of the Army as the CMO, execute the SECARMY's business transformation initiatives.
    - (c) Lead the Army OBT.
    - (d) Maintain Army Regulation (AR) 5-1.
    - (e) Maintain the Army Business Management Strategy (ABMS).
    - (f) Ensure domain policies and guidelines are aligned and consistent.
    - (g) Serve as co-chair for the ABC.
    - (h) Report to the Under Secretary of the Army as the CMO, the status of enterprise-level business transformation initiatives, performance management, and senior leader reviews.
      - (i) In coordination with the Deputy Chief of Staff, G-3/5/7 and the Commanding General, U.S. Forces Command, serve as a process co-champion for the deploy to redeploy/retrograde (D2RR) end-to-end process.
      - (j) Represent the Army at the Joint Global Force Management Data Initiative (GFM DI) General Officer Steering Committee and any meeting where GFM DI is a topic of discussion.
      - (k) Be the supported Army lead and program management office for the Army's Business Systems Architecture.
      - (l) Serve as the functional manager for the BMA architecture repository.
      - (m) Assist process champions, domain leads, and Army organizations with BPR to enable an enterprise view of business processes and identify Army-wide improvement opportunities.
      - (n) Identify a subject matter expert who will serve as a data steward for business enterprise data under the direction of the chief data officer; the data steward will—
        - 1. Be responsible to identify, develop, implement, and enforce Federal, Army, and organizational data standards, processes, and procedures.
        - 2. Facilitate the identification and registration of authoritative data sources.
        - 3. Facilitate implementation of the Army Data Management Program as determined by the Army Data Board.
        - 4. Appoint functional data manager(s) to support the data steward and participate in Army Data Council.
    - (o) Support HQDA principal officials improving business operations directed within the Army Business Management Strategy and current Army forums.
    - (p) Direct the Army's LSS Program Office.
    - (q) Direct the Army's Strategic Management System (SMS) Program Office.
    - (r) Serve as the executive secretary of the ABC, responsible for—
      - 1. Researching, identifying, evaluating, and preparing technical reports, white papers, or other documentation on issues as requested by ABC members or directed by the chair.
      - 2. Developing and coordinating ABC agenda items and ensuring proper representation, scheduling ABC meetings at

the direction of the chair, preparing and distributing minutes of meetings, and approving summaries of meeting proceedings.

3. Providing advance materials for the chair and members; assembling, preparing, and distributing material on matters under consideration by the ABC; and preparing documents reflecting the recommendations made by members or the decisions of the chair.

4. Tracking and reporting to the chair the status of actions, ensuring proper implementation of decisions reached and assignments made by the chair, disseminating specific requirements for data and other actions on behalf of the ABC, and disseminating decisions reached by the chair to appropriate Army officials.

5. Serving as the entry point to the ABC for other Army organizations.

6. Supporting and coordinating the activities of the ABC's subordinate forums.

7. Leading the ABC in the absence of the DCMO.

8. Providing liaison between the ABC and the governing councils of the other mission areas, as required.

(s) Provide the Army's BMA chief architect. The responsibilities of the BMA chief architect are:

1. Be the supported Army lead for maintaining the Business Systems Architecture and advancing business process re-engineering. Update the Army Business Systems Architecture and provide comments to the DOD Enterprise Transition Plan to inform the target architecture.

2. Maintain an Army BMA architecture repository to aggregate and store the domain architectures as the basis for the Business Systems Architecture; publish annual instructions for evolving the Business Systems Architecture (business processes and ABS).

3. Maintain the business process architecture continually to enable cross-domain capability reuse, help grow existing capabilities, and simplify data integration among ABSs.

4. Assess annually Army Business Systems Architecture efforts using the Enterprise Architecture Management Maturity Model Framework (EAMMF); annually refine core elements, stage targets, and implementation plans until the Army achieves stage six (6) of the EAMMF.

5. Establish certification standards for architects supporting the BMA; update annually the human resources plan that guides architectural support to the BMA.

6. Supporting the EIC, provide a chair to the EIWG for SA.

7. Establish and oversee performance metrics to improve ABS management.

8. Generate or forward BMA problem statements into the ABC process.

9. Identify cross-mission area and cross-domain synchronization and integration issues to the appropriate architect leads as required and facilitate resolution.

10. Be the program manager and marshal resources and support for BMA architecture development and integration activities.

11. Provide oversight and configuration control of the BMA architecture repository.

(t) Coordinate the Army's BMA compliance, synchronization, and alignment activities:

1. Ensuring Army business transformation efforts maintain consistency with the DOD BEA, DOD Standard Financial Information Structure, GFM DI, and applicable laws and regulations.

2. Assisting Army BMA Domain leads' and process champions' interactions with the DOD DCMO.

3. Analyzing Army Audit Agency, U.S. Government Accountability Office, Department of the Army Inspector General, and Department of Defense Inspector General reports relevant to the Army's BMA to identify issues and make recommendations for corrective action. Provide recommendation to the Under Secretary of the Army as the CMO for potential BPR, IT system application or design modification, or assistance from OBT subject matter experts to accomplish report recommendations.

(u) More information on the OBT is at <http://www.army.mil/obt>. Governance products for the BMA are at <https://www.milsuite.mil/book/groups/army-obt>.

b. *Assistant Secretary of the Army (Acquisition, Logistics, and Technology)*. The ASA(ALT) will—

(1) Be the process champion for acquire to retire (A2R) for Army equipment and all acquisition-associated end-to-end processes.

(2) Support other process champions to ensure acquisition considerations are incorporated into relevant end-to-end business processes.

(3) Ensure business systems performing acquisition functions, regardless of domain; comply with DOD BEA and Army Business Systems Architecture requirements.

(4) Comply with DOD BEA and Army Business Systems Architecture requirements by registering, integrating, and maintaining all business process and IT system investment management documentation for acquisition activities and associated sub-domains in the Army BMA architecture repository.

(5) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.

(6) Be the supported BMA domain lead for the acquisition domain.

(7) Advise the ABC forums on the acquisition of business systems while retaining all authority granted by the

Under Secretary of Defense for Acquisition, Technology and Logistics for acquisition, logistics, and technology matters in accordance with AR 70-1 10 USC, and related guidance.

(8) Advise the ABC forums on the ASA(ALT) functions for acquisition domain business systems (such as, acquisition domain BEA development and management).

(9) Be the Army's functional sponsor for acquisition domain business systems.

(10) Ensure all applicable systems in the Warfighter, business, and defense intelligence mission areas comply with GFM DI force structure data as applicable.

(11) Provide standing members to the EIWG to represent acquisition equities and strategies; represent Program Executive Office-Enterprise Information Systems (PEO-EIS) as required.

(12) Provide system of systems engineering (SOSE), SOSE integration guidance, and advice for integrating ABS architecture with the systems architectures of the WMA and EIEMA, as required.

(13) Incorporate the BMA into the common operating environment.

(14) Identify a subject matter expert to serve as a data steward for business enterprise data under the direction of the chief data officer, the data steward will be responsible for:

(a) Identifying, developing, implementing, and enforcing Federal, Army, and organizational data standards, processes, and procedures.

(b) Facilitating the identification and registration of authoritative data sources.

(c) Facilitating implementation of the Army Data Management Program as determined by the Army Data Board.

(d) Appointing functional data manager(s) to support the data steward and participate in Army Data Council.

(15) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

*c. Assistant Secretary of the Army for Civil Works.* The ASA(CW) will—

(1) Coordinate Army business systems through Assistant Secretary of the Army (Installations, Energy and Environment) (ASA(IE&E)) and the Assistant Chief of Staff for Installation Management (ACSIM).

(2) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

(3) Identify a subject matter expert to serve as a data steward for business enterprise data under the direction of the chief data officer, the data steward will be responsible for:

(a) Identifying, developing, implementing, and enforcing Federal, Army, and organizational data standards, processes, and procedures.

(b) Facilitating the identification and registration of authoritative data sources.

(c) Facilitating implementation of the Army Data Management Program as determined by the Army Data Board.

(d) Appointing functional data manager(s) to support the data steward and participate in Army Data Council.

*d. Assistant Secretary of the Army (Financial Management and Comptroller).* The ASA(FM&C) will—

(1) Be the process champion for budget to report (B2R) and all financial management-associated end-to-end processes.

(2) Participate as the subject matter expert and advisor to the ABC forums on financial management and audit-readiness.

(3) Comply with DOD BEA and Army Business Systems Architecture requirements by registering, integrating, and maintaining all business process and IT system investment management documentation for financial management activities in the Army BMA architecture repository.

(4) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development. Ensure that ABS performing financial management operational activities complies with BEA requirements and the Army's Financial Improvement and Audit Readiness Plan. Ensure that internal controls are appropriately reflected on all business processes registered in the repository.

(5) Be the supported BMA domain lead for the Financial Management Domain.

(6) Provide standing members to the EIWG from ASA(FM&C) to represent functional financial requirements as required.

(7) Oversee and provide guidance for cost benefit analysis (CBA) throughout the Army.

(8) Oversee and provide guidance for the Army Financial Benefits Reporting and Tracking (AFBRT) process.

(9) Establish financial management policies, including the estimation and reporting of financial benefits, regarding CPI LSS and other BPR efforts.

(10) Provide systems owners with total systems cost data required for the annual certification.

(11) Develop independent cost estimates for business operations and resource requirements.

(12) Provide expertise and oversight for cost models and estimates.

(13) Provide expertise and oversight in the event of conflict between program cost estimates for current or proposed operations and independent estimates.

(14) Make affordability determinations regarding initiatives and programming.

- (15) Provide oversight of, and guidance for, cost breakdown structures for Army organizations.
- (16) Provide oversight over all financial reporting.
- (17) Identify a subject matter expert to serve as a data steward for business enterprise data under the direction of the chief data officer, the data steward will be responsible for:
  - (a) Identifying, developing, implementing, and enforcing Federal, Army, and organizational data standards, processes, and procedures.
  - (b) Facilitating the identification and registration of authoritative data sources.
  - (c) Facilitating implementation of the Army Data Management Program as determined by the Army Data Board.
  - (d) Appointing functional data manager(s) to support the data steward and participate in Army Data Council.
- (18) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.
  - e. Assistant Secretary of the Army (Installations, Energy and Environment). The ASA(IE&E) will—*
    - (1) Support other process champions to ensure installation, environmental, energy, safety, and occupational health considerations are incorporated into relevant end-to-end business processes.
    - (2) Be the supported BMA domain lead for the installations, energy, and environment domain.
    - (3) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.
    - (4) Identify a subject matter expert who will serve as a data steward for business enterprise data under the direction of the chief data officer; the data steward will be responsible for:
      - (a) Identifying, developing, implementing, and enforcing Federal, Army, and organizational data standards, processes, and procedures.
      - (b) Facilitating the identification and registration of authoritative data sources.
      - (c) Facilitating implementation of the Army Data Management Program as determined by the Army Data Board.
      - (d) Appointing functional data manager(s) to support the data steward and participate in Army Data Council.
  - f. Assistant Secretary of the Army (Manpower and Reserve Affairs). The ASA(M&RA) will—*
    - (1) Be the process champion for hire to retire (H2R) and associated human resource management end-to-end processes.
    - (2) Be the supported BMA domain lead for the human resources domain.
    - (3) Comply with DOD BEA and Army Business Systems Architecture requirements by registering and maintaining all business process and IT system investment management documentation for human resources activities and associated sub-domains in the Army BMA architecture repository.
    - (4) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.
    - (5) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.
    - (6) Identify a subject matter expert who will serve as a data steward for business enterprise data under the direction of the chief data officer; the data steward will be responsible for:
      - (a) Identifying, developing, implementing, and enforcing Federal, Army, and organizational data standards, processes, and procedures.
      - (b) Facilitating the identification and registration of authoritative data sources.
      - (c) Facilitating implementation of the Army Data Management Program as determined by the Army Data Board.
      - (d) Appointing functional data manager(s) to support the data steward and participate in Army Data Council.
  - g. Chief Information Officer/G-6. The CIO/G-6 will—*
    - (1) Serve as the subject matter expert and advisor to the ABC and AMAG forums for the EIEMA, the information enterprise architecture, Joint Information Environment (JIE), and other IT-related matters.
    - (2) Assist OBT and the ABC in the development and maintenance of the BMA prioritization list for inclusion into the Army's planning, programming, budgeting, and execution (PPBE) process.
    - (3) Maintain the Army Portfolio Management Solution (APMS) and update the DOD IT Portfolio Repository (DITPR).
    - (4) Provide liaison, as required, between the Army Enterprise Network Council and the ABC.
    - (5) Publish IT architecture (security, transport, network services, network integration) guidance, enterprise-level rules, and technical standards.
    - (6) Direct and oversee the Army cybersecurity risk-management program.
    - (7) Provide compliance standards for unstructured data, IT services, information assurance, and rules-based architecture to ABS owners and domain leads.
    - (8) In partnership with the Army DCMO and with support from the other organizations in this regulation, monitor and report to the SECARMY on the progress and success of the IT management reform effort.

(9) Consolidate Army BMA assessments regarding progress in using the Government Accountability Office's EAMMF, for centralized HQDA-level reporting, across all mission-area segments.

(10) Support the EIC as required.

(11) Support the EIWG as required.

(12) As manager for the Army Data Board, provide guidance and integrate input from domain leads and BMA process champions that produce or maintain enterprise data to incorporate a comprehensive data quality management process as part of BMA data production and maintenance activities.

(13) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

*h. Auditor General.* The AG will establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

### **2-3. Army Staff**

*a. Chief, National Guard Bureau.* The CNGB will ensure the DARNG is, pursuant to Department of Defense Directive (DODD) 5105.77, responsible for communicating standards set forth in this regulation to the Army National Guard with respect to the following requirements—

(1) Develop and execute plans implementing the Army Communities of Excellence (ACOE) program tailored to maximize efficiencies, innovation, sustainability, and continuous process improvement.

(a) Program and allocate resources to accomplish the ACOE mission.

(b) Provide annual training on the Baldrige Performance Excellence Program (BPEP) and installation status report (ISR) to subordinate installations and communities.

(c) Review and certify annual installation submissions resulting from the competition portion of the ACOE program to ensure eligibility criteria, compliance with BPEP and ISR requirements and utilization of standardized installation management service definitions contained in the ISR.

(d) Nominate the best performing installations and/or communities to the ACSIM for consideration of recognition by the Department of the Army.

(2) Employ CPI or LSS black belt methods to maintain and improve organizational efficiency and effectiveness across the Army National Guard.

(3) Comply with DOD BEA and ABS Architecture requirements by registering, integrating, and maintaining all business processes and IT system investment management documentation for business activities and associated sub-domains in the Army BMA architecture repository.

(4) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.

(5) Maximize the use of existing systems prior to establishing National Guard custom products. Provide business case for all new starts and all systems in sustainment.

(6) Maintain an organization-level LSS deployment office with an appointed deployment director.

*b. Deputy Chief of Staff, G-1.* The DCS, G-1 will—

(1) Provide a standing member to the EIWG to represent human resources business processes, functional requirements, and supporting systems, including the Integrated Personnel and Pay System-Army (IPPS-A) Program Office, as required.

(2) Support ASA(M&RA) in preparing the human resources attachment to the Army's annual certification.

(3) Comply with DOD BEA and Army Business Systems Architecture requirements by registering and maintaining all business processes and IT system investment, management documentation for human resources activities and associated subordinate domains in the Army BMA architecture repository.

(4) Ensure that ABS performing human resources management, medical, training, law enforcement, and legal affairs functions, regardless of domain, comply with DOD BEA and Army Business Systems Architecture requirements.

(5) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.

(6) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

(7) Identify a subject matter expert who will serve as a data steward for business enterprise data under the direction of the chief data officer; the data steward will be responsible for:

(a) Identifying, developing, implementing, and enforcing Federal, Army, and organizational data standards, processes, and procedures.

(b) Facilitating the identification and registration of authoritative data sources.

(c) Facilitating implementation of the Army Data Management Program as determined by the Army Data Board.

(d) Appointing functional data manager(s) to support the data steward and participate in Army Data Council.

*c. Deputy Chief of Staff, G-2.* The DCS, G-2 will—

- (1) Represent Army intelligence sensitive activities and advise the ABC forums on classified business processes and IT support requirements.
- (2) Comply with DOD BEA and Army Business Systems Architecture requirements by registering, integrating, and maintaining all business processes and IT system investment, management documentation for Defense Security Enterprise (DSE) activities in the Army BMA architecture repository.
- (3) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development for BMA systems with DCS, G-2 oversight.
- (4) Provide the Assistant Chair of the EIWG. In coordination with Army Special Programs Office, provide an additional standing member to the EIWG to represent security and oversight requirements for SA. Coordinate for intelligence analysis, intelligence information-security guidance, and intelligence-mission area guidance as required to support the EIWG.
- (5) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.
- (6) Identify a subject matter expert who will serve as a data steward for business enterprise data under the direction of the chief data officer; the data steward will be responsible for:
  - (a) Identifying, developing, implementing, and enforcing Federal, Army, and organizational data standards, processes, and procedures.
  - (b) Facilitating the identification and registration of authoritative data sources.
  - (c) Facilitating implementation of the Army Data Management Program as determined by the Army Data Board.
  - (d) Appointing functional data manager(s) to support the data steward and participate in Army Data Council.
  - e. Deputy Chief of Staff, G-3/5/7. The DCS, G-3/5/7 will—*
    - (1) As the co-process champion for the D2RR end-to-end process, with OBT and U.S. Forces Command, provide a subject matter expert in support of process mapping.
    - (2) Comply with DOD BEA and Army Business Systems Architecture requirements by registering, integrating, and maintaining all business processes and ABS investment management documentation for training and force management in the Army BMA architecture repository.
    - (3) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.
    - (4) Incorporate BMA prioritization guidance into the Army planning priorities guidance.
    - (5) Provide advice for developing and enhancing the Army's Business Systems Architecture to synchronize and align with the Warfighter, business, and enterprise information environment and defense intelligence mission areas.
    - (6) Establish and maintain effective governance of all Army Business Systems within the WMA to include training, readiness, and force management systems.
    - (7) Ensure ABS within the WMA complies with the Army Business Systems Architecture.
    - (8) Provide ASA(M&RA) the training attachment to the human resources portion of the Army's annual certification. Manage the portfolio of Army business systems, registered in the APMS, for force management, readiness, and training functions to identify redundancies, gaps, and investment needs.
    - (9) As required, provide a member to the EIC.
    - (10) As required, provide liaison between the LandWarNet/Mission Command Directorate and the ABC.
    - (11) Be the supported BMA domain lead for the DBS managed within the WMA.
    - (12) Provide a standing member to the EIWG. Represent sensitive activities and advises the ABC forums on classified business and IT support requirements for Army operations and sensitive activities.
    - (13) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.
    - (14) Identify a subject matter expert who will serve as a data steward for business enterprise data under the direction of the chief data officer; the data steward will be responsible for:
      - (a) Identifying, developing, implementing, and enforcing Federal, Army, and organizational data standards, processes, and procedures.
      - (b) Facilitating the identification and registration of authoritative data sources.
      - (c) Facilitating implementation of the Army Data Management Program as determined by the Army Data Board.
      - (d) Appointing functional data manager(s) to support the data steward and participate in Army Data Council.
      - e. Deputy Chief of Staff, G-4. The DCS, G-4 will—*
        - (1) Be the process champion for all logistics end-to-end business processes.
        - (2) Comply with DOD BEA and Army Business Systems Architecture requirements by registering, integrating, and maintaining all business processes and IT system investment management documentation for logistics activities and associated sub-domains in the Army BMA architecture repository.
        - (3) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.

- (4) Support ASA(ALT) in preparing the logistics portion of the annual systems certification, and as delegated by the ASA(ALT), be the supported BMA domain lead for the logistics domain.
- (5) Identify a subject matter expert who will serve as a data steward for business enterprise data under the direction of the chief data officer; the data steward will be responsible for:
- (a) Identifying, developing, implementing, and enforcing Federal, Army, and organizational data standards, processes, and procedures.
  - (b) Facilitating the identification and registration of authoritative data sources.
  - (c) Facilitating implementation of the Army Data Management Program as determined by the Army Data Board.
  - (d) Appointing functional data manager(s) to support the data steward and participate in Army Data Council.
- (6) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.
- (7) Ensure that ABS performing logistics management activities complies with the Army's Financial Improvement and Audit Readiness Plan.
- (8) Ensure that internal controls reflect appropriately on all logistics business processes registered in the repository.
- f. Deputy Chief of Staff, G-8. The DCS, G-8 will—*
- (1) Coordinate with the Director, OBT to ensure appropriate components of managing Army business operations are included in policies governing Army studies and analyses, management of Army models and simulations, and management of contracted advisory and assistance services.
  - (2) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.
  - (3) Identify a subject matter expert who will serve as a data steward for business enterprise data under the direction of the chief data officer; the data steward will be responsible for:
    - (a) Identifying, developing, implementing, and enforcing Federal, Army, and organizational data standards, processes, and procedures.
    - (b) Facilitating the identification and registration of authoritative data sources.
    - (c) Facilitating implementation of the Army Data Management Program as determined by the Army Data Board.
    - (d) Appointing functional data manager(s) to support the data steward and participate in Army Data Council.
- g. Chief, Army Reserve. The CAR will—*
- (1) Develop and execute plans implementing the ACOE program tailored to maximize efficiencies, innovation, sustainability, and continuous process improvement.
    - (a) Program and allocate resources to accomplish the ACOE mission.
    - (b) Provide annual training on the BPEP and ISR to subordinate installations and communities.
    - (c) Review and certify annual installation submissions resulting from the competition portion of the ACOE program to ensure eligibility criteria, compliance with BPEP and ISR requirements and utilization of standardized installation management service definitions contained in ISR.
    - (d) Nominate the best performing installations/communities to the ACSIM for consideration of recognition by the Department of the Army.
  - (2) Employ CPI LSS methods to maintain and improve organizational efficiency and effectiveness across the Army Reserve.
  - (3) Comply with DOD BEA and Army Business Systems Architecture requirements by registering, integrating, and maintaining all business processes and IT system investment, management documentation for business activities and associated sub-domains in the Army BMA architecture repository.
  - (4) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.
  - (5) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.
- h. The Surgeon General. TSG will—*
- (1) Provide support to the ASA(ALT) for acquisition and logistics end-to-end processes when applicable.
  - (2) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.
  - (3) Use CPI LSS methods to maintain and improve organizational efficiency and effectiveness for Army medicine.
- i. Assistant Chief of Staff for Installation Management. The ACSIM will—*
- (1) Be the process champion for A2R for real property assets to include installation and facility energy management along with other facilities-associated end-to-end processes.
  - (2) Support ASA(IE&E) preparation the installations, energy, and environment (IEE) attachment to the Army's annual certification.
  - (3) Ensure all business processes and IT system investments comply with DOD BEA and Army Business Systems Architecture requirements by registering, integrating, and maintaining all business process and IT system investment

management documentation for installations, energy, and environment activities and associated sub-domains in the Army BMA architecture repository.

(4) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.

(5) As the executive manager for the ACOE program, is responsible for:

(a) Providing policy and guidance for execution of the ACOE program, the ISR program, and competition to include guidance on the application of BPEP.

(b) Selection and approval of the best performing Army installations for Department of the Army recognition on behalf of the Chief of Staff, Army (CSA).

(c) Establishing an annual forum to recognize installations.

(d) Establishing a forum to identify, socialize and document best practices across Army installations.

(e) Coordinating Army nominees for the Commander in Chief's Award for Installation Excellence in accordance with Department of Defense Instruction (DODI) 1005.16.

(f) Selection and approval of the ACOE award recipient.

(6) Identify a subject matter expert who will serve as a data steward for business enterprise data under the direction of the chief data officer; the data steward will—

(a) Be responsible to identify, develop, implement, and enforce Federal, Army, and organizational data standards, processes, and procedures.

(b) Facilitate the identification and registration of authoritative data sources.

(c) Facilitate implementation of the Army Data Management Program as determined by the Army Data Board.

(7) Appoint functional data manager(s) to support data steward and participate in Army Data Council.

(8) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

*j. Provost Marshal General.* The PMG will—

(1) Support BMA domains, process champions, and the EIWG as required. In coordination with DCS, G-2, oversee security systems by tracking physical security systems for technical compliance and recommending disposition to domain owner leads.

(2) Comply with DOD BEA and Army Business Systems Architecture requirements by registering and maintaining all business processes and IT system investment management documentation for physical security DSE business functions in the Army BMA architecture repository.

(3) Ensure that ABS performing law enforcement functions, regardless of domain, comply with DOD BEA and Army Business Systems Architecture requirements.

(4) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.

(5) Provide law enforcement, criminal investigations, Army corrections, and Defense Forensics and Biometrics subject matter experts, as required.

(6) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

*k. Director, Army Special Programs.* The Director, Army Special Programs will—

(1) Coordinate with Army secretariat, staff, and operational elements to ensure requirements for the protection of Army SA equities are identified and implemented in the development of DOD BEA and Army Business Systems Architecture.

(2) Coordinate with the DOD Special Access Program Central Office (SAPCO) and other service and/or agency SAPCOs to ensure that Special Access Program security equities are identified and implemented in the development of Army Business Systems Architecture.

(3) Coordinate with DCS, G-2 for the provision of a standing member to the EIWG to represent security and oversight requirements for SA.

(4) Advise the OBT when a revision to the SECARMY SA list dictates SA support requirements to additional Army elements.

## **2-4. Commanders of Army commands, Army service component commands, and direct reporting units**

*a. Commanding General, U.S. Army Forces Command.* The CG, FORSCOM will—

(1) Support BMA domains in preparing attachments of the Army's annual certification.

(2) Be the co-process champion for the D2RR end-to-end process with OBT and DCS, G-3/5/7.

(3) Comply with DOD BEA and Army Business Systems Architecture requirements by registering, integrating, and maintaining all business processes and IT system investment management, documentation force management activities and associated subordinate domains in the Army BMA architecture repository.

(4) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.

(5) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

*b. Commanding General, U.S. Army Materiel Command.* The CG, AMC will—

(1) Support AMC BMA domain investments preparing for the Army's annual certification.

(2) As required, support process champions.

(3) Comply with DOD BEA and Army Business Systems Architecture requirements by registering, integrating, and maintaining all business processes and IT system investment management, documentation for all ABS in the Army BMA architecture repository.

(4) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.

(5) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

(6) Develop and execute plans implementing the ACOE program tailored to maximize efficiencies, innovation, sustainability, and continuous process improvement.

(a) Program and allocate resources to accomplish the ACOE mission.

(b) Provide annual training on the BPEP and ISR to subordinate installations and communities.

(c) Review and certify annual installation submissions resulting from the competition portion of the ACOE program to ensure eligibility criteria, compliance with BPEP and ISR requirements and utilization of standardized installation management service definitions contained in the ISR.

(d) Nominate the best performing installations and/or communities to the ACSIM for consideration of recognition by the Department of the Army.

*c. Commanding General, U.S. Army Training and Doctrine Command.* The CG, TRADOC will—

(1) Support BMA domains in preparing attachments of the Army's annual certification.

(2) Comply with DOD BEA and Army Business Systems Architecture requirements by registering, integrating, and maintaining all business processes and IT system investment management, documentation for training or force management activities and associated sub-domains in the Army BMA architecture repository.

(3) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.

(4) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

*d. Commanding General, Installation Management Command.* The CG, IMCOM will—

(1) Develop and execute plans implementing the ACOE program tailored to maximize efficiencies, innovation, sustainability, and continuous process improvement.

(a) Program and allocate resources to accomplish the ACOE mission.

(b) Provide annual training on the BPEP and ISR to subordinate installations and communities.

(c) Review and certify annual installation submissions resulting from the competition portion of the ACOE program to ensure eligibility criteria, compliance with BPEP and ISR requirements and utilization of standardized installation management service definitions contained in ISR.

(d) Nominate the best performing installations and/or communities to the ACSIM for consideration of recognition by the Department of the Army.

(2) Use CPI methodologies to improve the organization's efficiency and effectiveness and drive performance.

(3) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

*e. Commanding General, Army Cyber Command.* The CG, ARCYBER will—

(1) Provide a supporting member to the EIWG as required.

(2) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

*f. Commanding General, Army Test and Evaluation Command.* The CG, ATEC will—

(1) Participate as the subject matter expert and advisor to the ABC and AMAG forums on test and evaluation of business systems.

(2) Support BMA domains in preparing their respective attachments of the Army's annual certification.

(3) Establish governance to actively manage and minimize test software systems and their applications.

(4) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

*g. Commanding General, U.S. Army Medical Command.* The CG, MEDCOM will—

(1) Participate as the subject matter expert and advisor to the ABC forums on the business processes and ABS supporting the Army's medical capabilities.

(2) Support BMA domains in preparing attachments of the Army's annual certification.

(3) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

(4) Use CPI LSS methods to maintain and improve organizational efficiency and effectiveness for Army medicine.

*h. Commanding General, U.S. Army Corps of Engineers.* The CG, USACE will—

(1) Support BMA domains in preparing their attachments for the Army's annual certification.

(2) Provide geospatial subject matter expertise, as required.

(3) Comply with DOD BEA and Army Business Systems Architecture requirements by registering, integrating, and maintaining all business processes and IT system investment management, documentation for USACE business systems in the Army BMA architecture repository.

(4) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.

(5) Establish and sustain a CPI LSS capability to maintain and improve organizational efficiency and effectiveness, and identify a deployment director as the lead to facilitate and lead the organization's program.

(6) Formulate, implement, manage, evaluate the Value Engineering (VE) Program for Army's engineering and construction, real property, and technical policy.

## **2-5. Principal officials and commands appointed functional responsibilities**

HQDA staff principal officials and organization commanders receive responsibilities specific to their 10 USC activities from the SECARMY, Army regulations, HQDA general orders, and organizational charters. Principals and commanders also retain responsibilities based on specific roles appointed to them within the BMA.

*a. Headquarters, Department of the Army end-to-end process champions.* HQDA end-to-end process champions will—

(1) Be the supported HQDA staff lead to establish and monitor end-to-end process performance, with special emphasis on BPR and/or CPI opportunities and eliminating unnecessarily redundant ABS, non-interoperable systems, and data seams.

(2) Ensure end-to-end processes align with Army plans and associated functional strategies.

(3) Develop and supervise the application of performance goals, metrics, and measures for assessing process performance and improvement opportunities.

(4) Develop and maintain architectural business process models in the BMA architecture repository for assigned end-to-end processes at levels necessary to enable business process re-engineering and support management and integration of ABS. At a minimum, maintain end-to-end process mapping at level three (3), using the Army Business Systems Architecture OV-5B, operational activity model.

(5) Execute oversight of assigned ABS portfolio, provide governance, and optimize system integration. Provide subject matter expert support as required.

(6) Ensure overall integration of the business process steps, synchronization, and operational-activities within assigned end-to-end business processes.

(7) Ensure business system architects analyze and deposit architecture documentation in their submissions to the Army BMA architecture repository.

(8) Leverage the BMA architecture repository for investment management decisions, business process re-engineering efforts, and systems architecture development.

*b. Headquarters, Department of the Army Business Mission Area Domain leads.* HQDA BMA domain leads will—

(1) Manage the BMA through five major business domains, associated sub-domains, and relevant sub-portfolios (see fig 2-1).

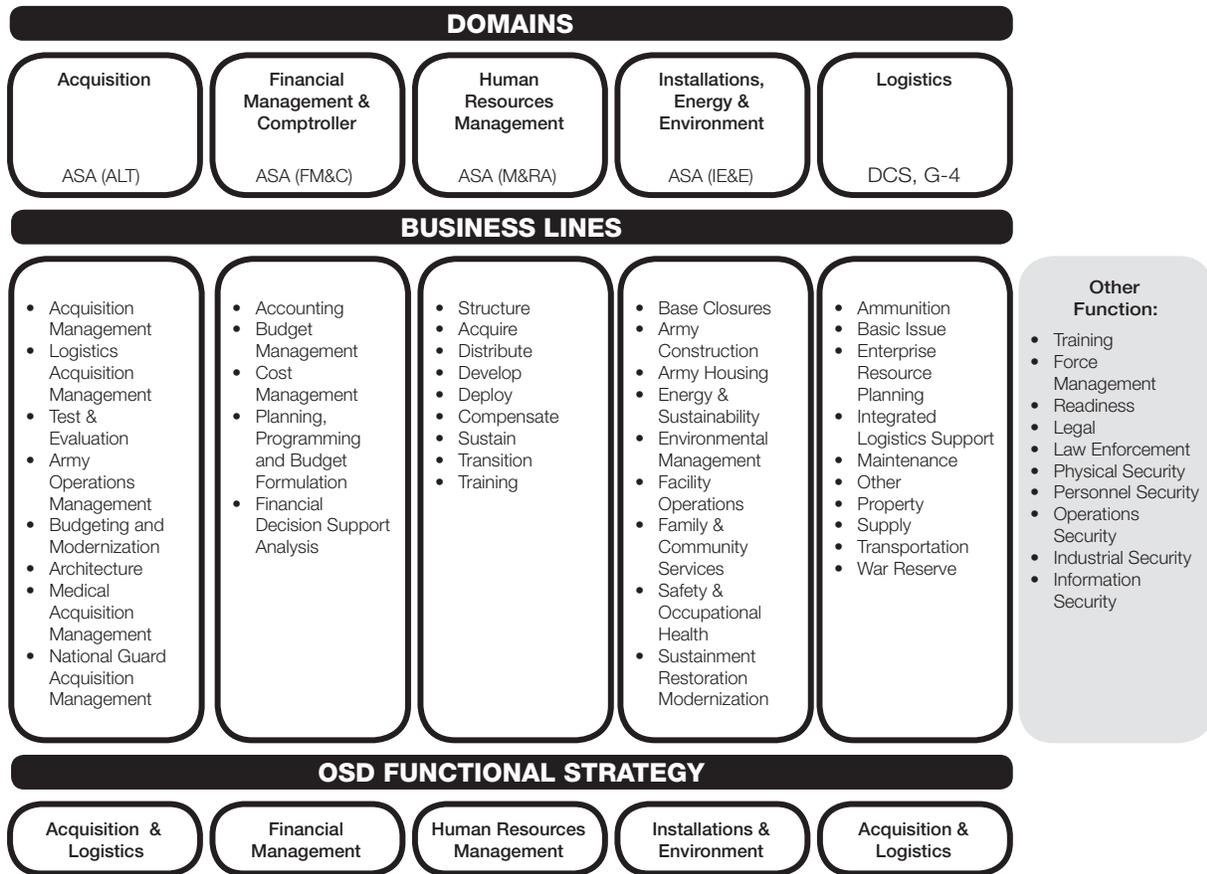


Figure 2-1. Business Mission Area domain responsibilities

- (2) Manage the BMA IT portfolio.
- (a) Develop and publish domain-level policy and procedures for Army business process standards in support of their BMA domain functions.
- (b) Execute portfolio management for systems in their domains.
- (c) Ensure systems in the domains comply with Army network and security requirements.
- (d) Review information assurance requirements and operational security risks, including classification by compilation, for data or processes within the domain's business functions.
- (e) Develop mitigating strategies that address operational and network risks to any associated SA.
- (f) Adhere to annual certification guidance for all covered ABS. Prepare BMA domain portions of the Army's annual certification. Align domain submissions to DOD functional strategies and Army priorities as a component of annual Army certification submissions and portfolio reviews. Provide supporting documents for funding certification of ABSs as required.
- (g) Manage ABS investments and conduct continuous portfolio rationalization for all ABS within their portfolio.
- (h) Adhere to the oversight process governed by business cases and in accordance with DODI 5000.02 processes for all ABS.
- (i) Recommend annual system budget priorities to the ABC that support the Army's budget planning.
- (3) Manage BMA domain components of the Army's enterprise architecture:
- (a) Define the target architecture in their domains; federate it with the Enterprise target architecture.
- (b) Develop and evolve the business architecture for assigned domain business functions in compliance with Army Business Systems Architecture policies and standards.
- (c) Prepare DOD-directed BEA updates and other investment certification documentation as required.
- (d) Ensure all ABS are mapped to their associated operational activity at DOD BEA and Army Business Systems Architecture level three (3), or lower.

- (e) Enforce compliance with data standards for the functional data supporting their operational activities.
  - (f) Ensure domain-level data stewards and functional data managers producing or maintaining authoritative data sources incorporate a comprehensive data-quality management plan as part of their data production and maintenance activities.
- (4) Manage domain BPR and CPI efforts.
- (a) Develop and supervise the application of performance goals, metrics, and measures for assessing domain performance and improvement opportunities.
  - (b) Conduct BPR and CPI for business processes in support of their BMA domain functions. Coordinate as required with other BMA domains, process champions, or mission area leads to address cross-domain and cross-process issues affecting business processes.
- c. Architects within the Business Mission Area.* All architects developing products within the BMA or working with Army Business Systems operating in other mission areas follow these procedures:
- (1) These functions are required when command-level architects are developing business process, and ABS-related architecture products:
    - (a) Map organization's mission to strategic priorities; provide architecture support that improves strategic alignment between their organization's mission and Army strategic priorities.
    - (b) Assist system owners with DODI 5000.02 compliance.
    - (c) Provide architectural assistance to change management activities: reducing costs, optimizing the BMA portfolio, conducting BPR and LSS CPI projects, and rationalizing systems capabilities to the enterprise resource planning (ERP) systems; provide objective evidence as required within the Business Systems Architecture.
    - (d) Update the Business Systems Architecture with process, or systems changes as they are executed.
  - (2) These functions are required of systems architects:
    - (a) Provide timely responses to systems data calls.
    - (b) Prepare required system and services architecture views for their commands, domains, and systems in the BMA architecture repository.
    - (c) Map ABS to their associated operational activities within the appropriate architecture repository and in compliance with the specified compliance tool.
    - (d) Minimize custom software design and capture interfaces within the BMA architecture repository.
  - (3) These functions are required of Army BMA domain architects:
    - (a) Review operational, process, and system architectures for new investments, ensure compliance with Army Business Systems Architecture standards, and register and maintain artifacts into the BMA architecture repository.
    - (b) Identify gaps with the domain-specific master data management and develop approach and/or strategy to remedy gaps. Ensure systems comply with BSA certification requirements.
  - (4) These functions are required of the OBT BMA enterprise architects:
    - (a) Assist BMA domain leads and system owners in developing, reviewing, and adjusting problem statements and transition plans.
    - (b) Support the BMA chief architects' with efforts to refine and integrate problem statements.
    - (c) Develop and promulgate use of templates and other architectural product guidance for use across the Army Business Systems Architecture.
    - (d) Support BMA domain and command architects' with repository training and efforts to migrate architecture content into the BMA architecture repository located at <https://aeportal.pica.army.mil>.
    - (e) Provide familiarization and training on the BMA architecture repository.
    - (f) Provide architecture support to BMA domain and command leads during annual certification cycle.
    - (g) Conduct cross-segment and cross-process architectural integration in coordination with mission area architects, as required.
    - (h) Specify how authoritative data sources will be represented and registered in the BMA architecture repository.
    - (i) Identify gaps with the BMA enterprise-level master data management and develop approach and/or strategy to remedy gaps.
- d. Army Business Systems owners.* ABS owners will—
- (1) Comply with the validation process described in appendix B of this regulation.
  - (2) Comply with IT systems requirements specified in AR 25-1.
  - (3) Address cybersecurity risks for all IT products, to include services, from an information system and platform information technology-system perspective.
  - (4) Provide systems, compliance, and investment data for annual certifications.
  - (5) Update APMS upon program status change of a system, such as termination, changes in required funding, or updated compliance information.
- e. Organization Lean Six Sigma Deployment Directors.* Organization LSS deployment directors will—
- (1) Determine and resource organization staffing requirements to support CPI LSS deployments.

- (2) Maintain a master black belt practitioner in the organization.
- (3) Guide the implementation of CPI LSS projects to maximize potential of master black belt, black belt, and green belt practitioners.
- (4) Improve efficiency, effectiveness, and productivity through process improvement, quality enhancement, and cost reduction.
- (5) Serve as the deployment lead for the organization in portfolio management and oversight of the CPI LSS program, assisting the organizations senior leadership and the Army CPI LSS Program Management Office.
- (6) Develop and implement guidance, procedures, performance metrics, and a deployment plan for the organization's CPI LSS program.
- (7) Ensure LSS efforts and resources meet the guidelines, criteria, and performance measures established by commanders, the organization's senior leadership, and the HQDA LSS Program Management Office.
- (8) Ensure designation of a qualified resource manager to develop and validate projected financial benefits of LSS projects.
- (9) Assist organization master black belts applying LSS disciplines, tailoring solutions, and sustaining continuous improvements within their organizations.

## **Chapter 3**

### **Business Operations**

#### **3-1. Governance**

*a. Programs, methods, and procedures for management of Army business operations.* Programs, methods, and procedures for management of Army business operations are selected, developed, funded, and sponsored by various staff organizations across the Army and governed by the AMAG and ABC.

(1) Army business operations are the planning, organizing, and coordinating actions that support daily execution of the total Army force generation processes to generate trained and ready forces.

(2) The Army conducts business operations at all organization levels and not confined to the institutional Army.

(3) BMA governance promotes stewardship of resources, maximizing business operations outputs at any given resource level.

*b. Army Management Action Group.* The Under Secretary of the Army as the CMO presides over the Army's BMA and is the pre-certification authority for business IT systems investments to the OSD DCMO. The AMAG, and its subordinate ABC, integrate the activities of HQDA principal officials as BMA domain leads (financial management, human resources, acquisition, logistics and installations, environment, and energy) and coordinates with the other Army mission areas (Warfighter, defense intelligence, and enterprise information environment), as required.

*c. Army Business Council.*

(1) The ABC reports to, receives direction from, and advises the Under Secretary of the Army as the CMO or a designated representative on Army business operations (see fig 3-1). It has no authority or responsibilities independent of the authorities, duties, and responsibilities vested by law and regulation in the individuals comprising the ABC. The ABC comprises a three-star review group, two-star working group, enterprise integration council, and enterprise integration-working group.

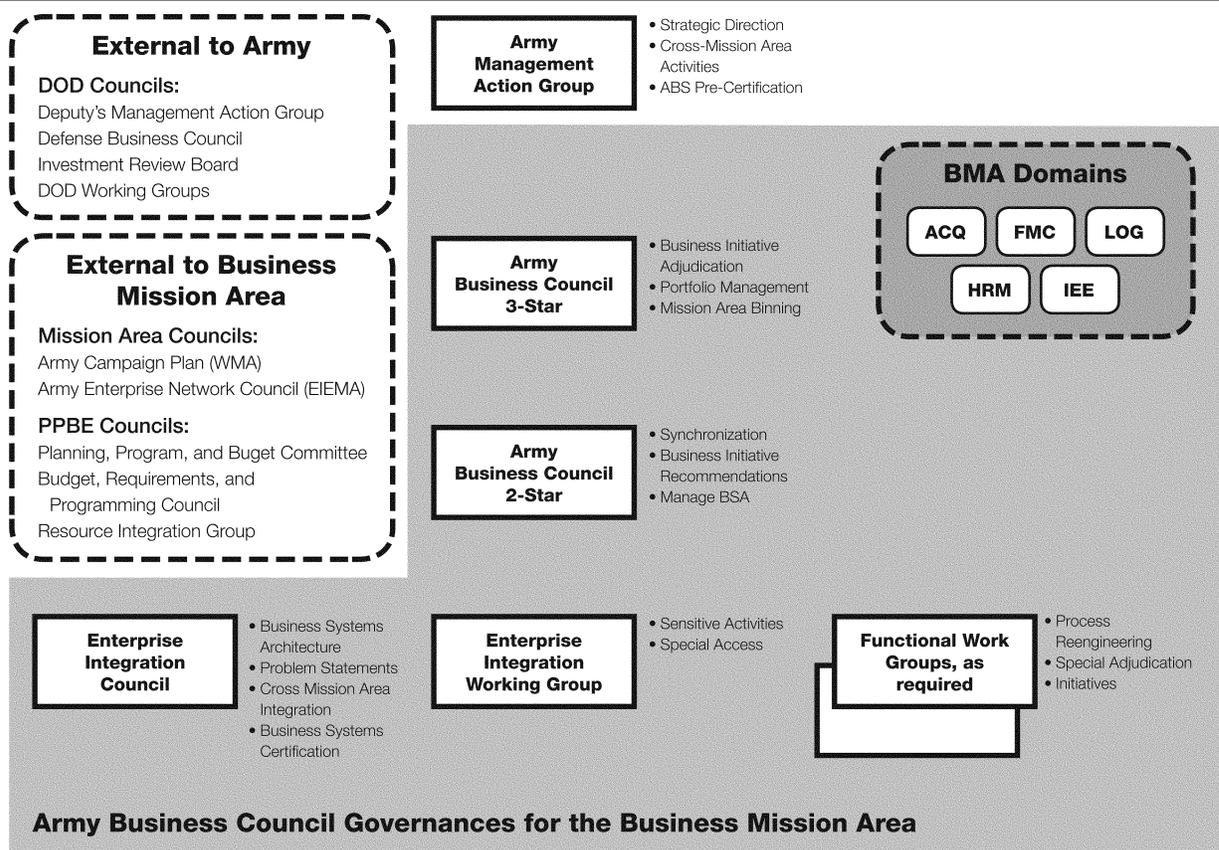


Figure 3–1. Army Business Council for the Business Mission Area

(2) Subjects of interest to the ABC include, but are not limited to, review of the Business Systems Architecture, integration of Army standard business processes and practices, ABS, and resource priority recommendations for business investments.

(3) The ABC will ensure that when business systems have equity in the Warfighter domain, the Army Requirements Oversight Council will approve those Warfighter requirements.

(4) Subject to the authority, direction, and control of the SECARMY, ABC responsibilities include, but are not limited to:

- (a) Synchronizing and integrating business processes.
  - (b) Synchronizing and integrating ABS within the framework of DODI 5000.02 processes, including review and approval of ABS requirements, prioritizing of ABS investments, and approval of enterprise IT service requirements.
  - (c) Certifying ABS investments, as required.
  - (d) Synchronizing and integrating the Business Systems Architecture consisting of business processes, business rules, business and data standards, and supporting IT systems.
  - (e) Reviewing and recommending for approval of Army annual IT investment certification, aligned to DOD functional strategies.
- (5) Reviewing and recommending approval of Army enterprise-level business initiatives.
- (6) Members of the ABC will—
- (a) Identify and nominate agenda topics that require review or decisions by the chair.
  - (b) Sponsor topics for meetings, to include preparing position papers, read-ahead materials, and briefings presentations. Research, identify, evaluate, and prepare technical reports, white papers, or other documentation as directed by the chair.
  - (c) Represent their organizations' positions regarding business council issues and ensure representation at appropriate ABC subordinate bodies.
  - (d) Execute actions and tasks as directed by the chair or as agreed to by the ABC as a body.

- (e) Help develop strategies to resolve ERP issues; keep the ABC apprised of relevant and significant functional and ERP-related matters.
  - (f) Review meeting summaries and provide revision recommendations.
  - (g) Help review and vet recommended actions for Army enterprise-level business initiatives.
- (7) ABC forums:
- (a) The three-star review group recommends business policy and strategy to the AMAG, approves business initiatives, reviews ABMS tasks, reviews all external business related audits, reviews financial readiness audits, and receives ERP program updates. The three-star review group, delegated from the Under Secretary of the Army as the CMO, provides a prioritized list of ABS to the program evaluation groups and program integrators through the Planning Programming Budgeting Committee for validation and funding of requirements.
  - (b) The two-star working group reviews and collaborates on business policy, strategy, and procedures nominated by the BMA domain leads. This group recommends changes to business processes, management, policies, and strategy to the ABC three-star review group; recommends problem statements and enterprise-level business initiatives to the three-star review group and reviews and approves deliverables from the BMA domains and the EIWG.
  - (c) The EIC is a subordinate working group under the ABC chaired by the OBT. The EIC prioritizes Business Systems Architecture process and architecture artifact, rationalization efforts, provides guidance to domain leads regarding development of Business Systems Architecture, and recommends improvements of the DOD BEA and Army EA to increase architecture maturity. The EIC supports analysis of the business portfolio, assists synchronization across end-to-end processes, supports business process re-engineering, and identifies CPI opportunities.
  - (d) The EIWG is a subordinate working group for the ABC and is chaired by the OBT. The EIWG defines and analyzes security risks inherent within ABS, reviews current and emergent issues for SA, and monitors ABS for impacts to SA. As required, EIWG provides updates regarding other Service and agency integration approaches of SA.
- (8) The OBT is the office of primary responsibility for the ABC.
- d. Army Integrated Management System.*
- (1) Within the Army management framework, the Integrated Management System (IMS) is the concept supporting integration of Army processes, enabling Army leadership to make resource-informed decisions to generate trained and ready forces at best value. The IMS enhances the Army's ability to plan, govern, and assess performance across all Army major operational, resourcing and business systems management activities.
  - (2) The ACOE program, which uses the Malcolm Baldrige National Quality Program Criteria for Performance Excellence, is a model for Army installations implementing an IMS.
  - (3) Essential elements of the IMS are:
    - (a) An executable strategy and plan that focuses efforts.
    - (b) Annual goals and objectives, some financially based, which establish accountability.
    - (c) A management structure providing leadership and direction, monitoring execution and ensuring synchronization.
    - (d) A system of performance measurement, reflecting progress toward achieving outcomes and serving as a basis for resource allocation and other decisions.
  - (4) The results of the IMS are, aligning Army organizations to the goals and priorities of senior leaders; providing predictable and routine forums for conveying performance data; allowing for exchange of feedback and guidance and systematic decision-making.
- e. Strategic alignment within the institutional Army.*
- (1) Organizations within the institutional Army conduct strategic planning to establish objectives and plan activities to achieve high-level goals or outcomes.
  - (2) Strategic planning incorporates a timeframe from the budget year, through the Future Years Defense Program (FYDP), and beyond.
  - (3) Strategic planning serves as the foundation of an organization's planning system because it provides direction for all programmatic and management functions used to execute the activities over time needed to achieve those goals.
  - (4) Leaders use the organizational strategic plan to provide guidance to components for planning their program implementation, including the alignment of information technologies and human resources, to support improved outcomes and cost-effectiveness.
  - (5) The most important aspect of the strategic plan in the institutional environment is the plan's effectiveness in focusing and aligning organizational outputs to desired outcomes. Strategic plans include the context for decisions about performance goals, priorities, budget planning, and major components of execution.
  - (6) Successful plans clearly define objectives that enable performance, identify critical decisions for leaders early enough for them to influence the process while preserving flexibility, address risk mitigation and risk management, and ensure appropriate horizontal (cross-organization) and vertical (within chain-of-command) integration.
  - (7) A typical strategic plan would include the organization's operating environment, vision, mission, strategic goals, and supporting strategic objectives.
    - (a) A strategic goal should reflect the broad, long-term outcome that the organization aspires to achieve by

implementing its mission. They need not reflect every activity an organization must undertake to accomplish its mission.

(b) A strategic objective reflects the outcome the organization is trying to achieve. They express more specifically the results or direction the organization will work to achieve to make progress on its mission.

(8) Strategic goals and objectives are updated over time, incorporating organizational learning, and emergent or external factors that influence implementation.

(9) Strategic planning in the institutional Army helps senior leadership determine and prioritize requirements for readiness, training, structure, and modernization as critical inputs to the planning and programming phases of the PPBE process.

(10) Organizational leaders of Army commands, direct reporting units, and field operating agencies within the institutional Army are responsible for ensuring their organization's strategic plan nests within next higher organization's strategy.

*f. Performance management.*

(1) Performance management combines the organization's plans, activities, assessments, and analyses to improve organizational effectiveness and efficiency. It focuses across the organization to include individual employees, teams, and processes in order to create and sustain an effective, results-oriented culture.

(2) Performance management is a continuous and iterative effort that promotes best practices to achieve strategic goals.

(3) The Army's SMS is the current tool used to manage Army and organizational strategy execution. The SMS tool helps leaders to measure progress against their organization's strategic goals. The SMS program allows organization leaders to communicate strategy; demonstrate alignment; build goals, measures and targets; assess performance against those goals, measures and targets; and to review execution of strategy.

(4) The Army OBT is the program management office for SMS. More information on SMS is at <https://www.milsuite.mil/book/community/spaces/orion/sms>.

### **3-2. Business System Portfolio Management**

*a. Department of Defense Business Enterprise Architecture.*

(1) The DOD BEA is the enterprise architecture for the DOD BMA and reflects DOD business transformation priorities, the business capabilities required to support those priorities, and the combinations of enterprise systems and initiatives that enable those capabilities, all structured within an end-to-end framework.

(2) The BEA provides a blueprint for DOD business transformation that ensures capabilities, resources, and materiel is rapidly delivered to the operating force. It guides and constrains implementation of interoperable DBS solutions as required by law. The BEA aligns IT investment management with strategic business capabilities and supports Office of Management and Budget and Government Accountability Office policies.

(3) The BEA uses DOD Architecture Framework naming conventions and comprises a set of integrated viewpoint products, which display capabilities, activities, processes, data, information exchanges, business rules, system functions, services, system data exchanges, technical standards, terms, and linkages to laws and policies.

(4) More information on the DOD BEA is at <http://dcmo.defense.gov/products-and-services/business-enterprise-architecture/>

*b. Army Business Systems Architecture.*

(1) The ABS Architecture is a major subcomponent of, and federates strategically with, the DOD BEA to ensure that Army business governance, end-to-end business processes, investment, and other transformation approaches are fully compliant with DOD and Army direction, policies, and standards. The ABS Architecture codifies the business processes and ABS within the Army BMA architecture repository. The ABS Architecture also provides the segment architecture for the BMA portion of the Army Enterprise Architecture.

(2) The Army will maintain a complete and updated Business Systems Architecture, mapped at levels necessary to enable process re-engineering and support management of ABSs.

(3) Required functions when developing a new ABS are:

(a) Develop operational and system design architectures.

(b) Ensure architectures align to the Army Operational Activity (OV-5a), relevant domain architecture content and the Army end-to-end business processes.

(c) Ensure architectures comply with the DOD BEA.

(d) Submit process and system design architectures with BPR documents to the DOD DCMO to support Investment Review Board (IRB) decisions.

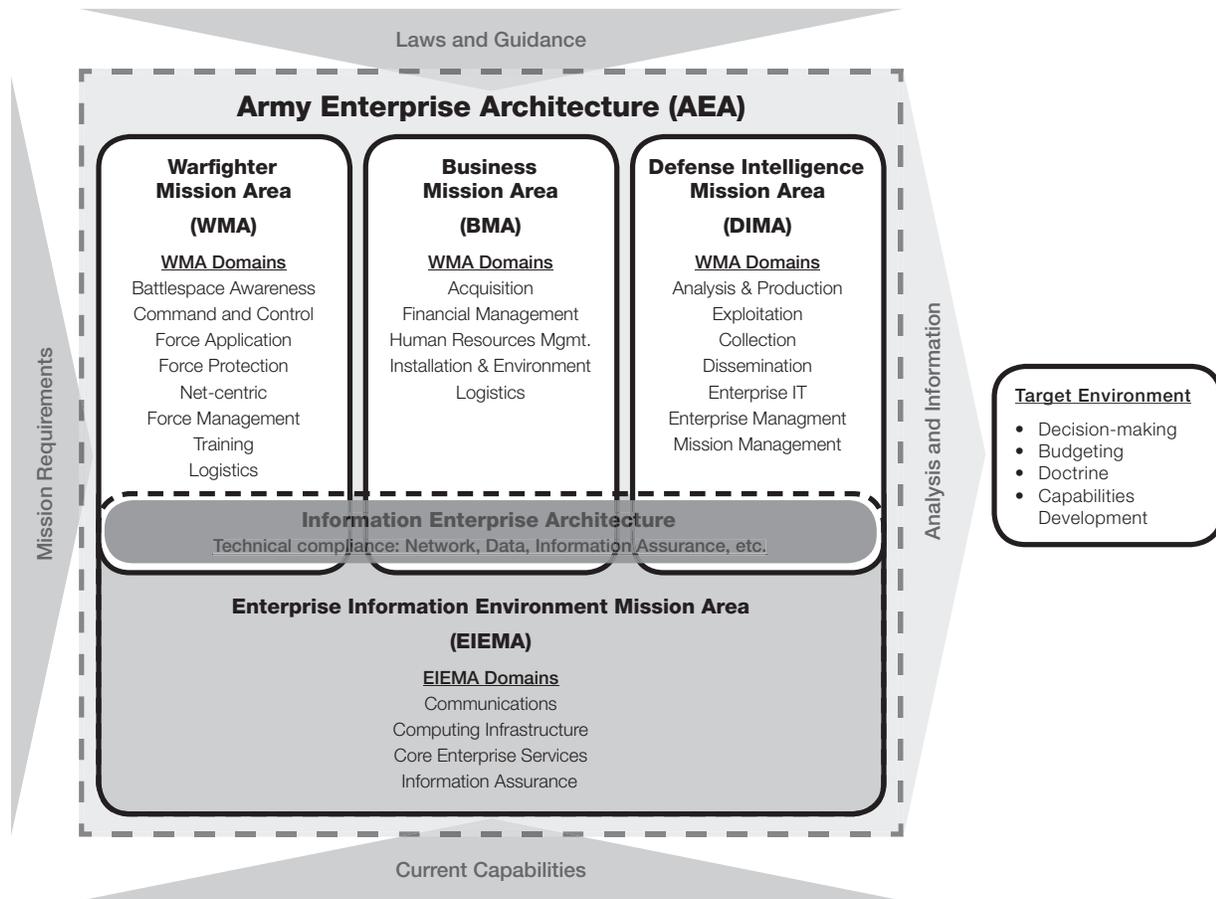
(e) Collaborate with domain and OBT enterprise architects in developing required architecture products.

(f) Collaborate with domain and OBT enterprise architects to review and adjust problem statements and transition plans.

(4) The OBT is the office of primary responsibility for the Army Business Systems Architecture.

*c. Information technology investment alignment.*

(1) The Army categorizes IT investments into the four (4) mission areas (see fig 3–2) to simplify efficient management of Army IT investments. The Army aligns IT investments with one of the four Army mission areas based on the functional process architecture of the IT investment, and not on unit, command, or location. Alignment in these mission areas is binning.



**Figure 3–2. Mission Areas and their domains within the Army**

(2) The following governance applies to identifying and assigning Army IT investments:

(a) The ABC, with representation from all mission areas, recommends resolution to the Under Secretary of the Army as the CMO regarding alignment disagreements.

(b) IT investment owners log, track, monitor, and maintain compliance for all Army IT investments in accordance with statutory and policy requirements.

(c) The designated governance council from each mission area aligns new investments according to statutory and policy requirements.

(d) Mission area councils initiate cross-mission area transfer recommendations, accept or reject cross-mission area transfer requests, and adjudicate alignment issues within their mission area in accordance with statutory and policy requirements.

(e) The ABC resolves inquiries and adjudicates alignment decisions when business domains and mission areas cannot reach alignment and/or realignment agreements.

(f) Regardless of mission area alignment, Army IT investments identified as DBS will undergo annual DOD certification processes.

*d. Army Portfolio Management Solution.*

(1) The APMS is required by AR 25–1 and serves as the Army’s authoritative data source and repository of IT

system data that enables the Army to track its IT investments. The APMS is the Army's data feeder system to the DITPR.

(2) APMS is the CIO/G-6 tool that supports business IT management, and its use is mandatory for all business systems and applications.

(3) Regardless of mission area, funding source, or dollar amount, all Army IT must be registered in APMS or accounted for as a component of another record in APMS, including computing infrastructure, hardware, software, services, initiatives, prototypes or investments, and systems requiring an accreditation or other specific compliance-reporting requirement. Organizations will ensure system owners validate and, as required, update their data in APMS.

(4) As required, system owners enter and update data in APMS, related to 44 USC 3541 (The Federal Information Security Management Act (FISMA) of 2002).

(5) The primary functions of APMS are:

(a) Compliance reporting, including that related to: FISMA; Section 801, Public Law 104-208 (The Federal Financial Management Improvement Act of 1996), which is reported as Standard Financial Information Structure/ Federal Financial Management Improvement Act; electronic authentication; infrastructure; privacy impact assessments; Public Law 104-106 (The Clinger-Cohen Act of 1996) compliance; Public Key Infrastructure; and DBS that present to the DBC.

(b) Portfolio and investment management, to ensure hardware, software or services are analyzed and managed for strategic alignment, performance, environmental impact, risk, cost, redundancy and gaps.

(6) More information on the APMS is in AR 25-1.

(7) The office of the CIO/G-6 is the office of primary responsibility for APMS program management.

### **3-3. Efficiencies**

#### *a. Cost benefit analysis.*

(1) CBA is a structured methodology used to estimate and compare the anticipated costs and benefits of alternative courses of action, in order to find the best way to achieve a goal or objective.

(2) The purpose of CBA is to select the best course of action and one having a strong value proposition, which is a clear statement that the benefits of a recommended course of action justify the costs and risks associated with that course of action.

(3) A CBA facilitates informed decision-making and includes objective and detailed analysis of both the subject requirement(s) and associated costs and benefits for each feasible course of action.

(4) CBA is a process required of organizations to:

(a) Inform decision-making when an unfunded requirement, new or expanded program proposal is submitted to the SECARMY, CSA, Under Secretary of the Army as the CMO, or the Vice Chief of Staff of the Army (VCSA).

(b) Present a resource decision to the Army Requirements and Resourcing Board, Army Requirements Oversight Council, or capability portfolio reviews.

(c) Finalize for approval, concept plans and force design updates, presentations to the Equipment Review and Validation Board, legislative proposals, and program objective memorandum.

(d) Support significant resource decisions by Army commands, Army service component commands, and direct reporting units; a general guideline is decisions involving \$10 million or more in any single fiscal year.

(5) More information on the CBA is at <http://asafm.army.mil/offices/ce/cbaWT.aspx?OfficeCode=1400>.

(6) The Office of the Deputy Assistant Secretary of the Army for Cost and Economics is the office of primary responsibility for CBA program management.

#### *b. Better Buying Power 3.0.*

(1) Better Buying Power (BBP) 3.0 acquisition initiative implements best practices to strengthen the Defense Department's buying power, improve industry productivity, and provide an affordable, value-added military capability to the Warfighter. BBP 3.0 encompasses a set of fundamental acquisition principles to increase efficiencies through affordability and cost control, by eliminating unproductive processes, and bureaucracy, and by promoting competition.

(2) BBP 3.0 contains 36 initiatives organized into seven focus areas which are:

(a) Achieve affordable programs.

(b) Control costs throughout the product lifecycle.

(c) Create incentives for innovation in industry and Government.

(d) Eliminate unproductive processes and bureaucracy.

(e) Promote effective competition.

(f) Improve tradecraft in acquiring services.

(g) Improve the professionalism of the total acquisition workforce.

(3) BBP 3.0 guidance applies to everything the Army buys, from major programs to commercial products to services of all types.

(4) Although BBP 3.0 is acquisition centric, the best practices captured in the initiative can be applied to all organizations to improve the value achieved in execution of their business operations.

(5) The office of the ASA(ALT) is the office of primary responsibility for BBP; more information is at <http://bbp.dau.mil/>.

*c. Army Financial Benefits Reporting and Tracking Process.*

(1) The AFBRT process enables the Army to identify initiatives projected to generate significant financial benefits and to monitor and report on the realization of the projected benefits.

(2) AFBRT encompasses all organizations' efficiency initiatives projected to generate financial benefits; some of these initiatives are:

- (a) Campaign to cut waste.
- (b) Promoting efficient spending.
- (c) Capability portfolio reviews.
- (d) Optimization of financial management.
- (e) Contracting reform.
- (f) LSS projects.

(3) Financial benefits include cost reduction, and revenue generation, as described in paragraph 3-4c.

(4) The AFBRT process also:

- (a) Documents and reports all opportunities for financial benefits in a single repository.
- (b) Validates projected savings estimates and incorporates validated projections into the PPBE process.
- (c) Tracks financial benefits throughout their lifecycle to ensure savings are realized without compromising the Army's ability to accomplish core missions.

(d) Manages the life cycle of efficiency and savings initiatives.

(e) Tracks through the complete life cycle of an initiative.

(f) Provides a reporting tool for Army organizations to record the initiatives and submit them for consideration.

(5) The AFBRT procedural guide is available at <http://fmnet.hqda.pentagon.mil/Document.aspx>.

(6) Forward questions on submission requirements or individual initiatives to the AFBRT helpdesk at [usarmy.pentagon.hqda-asa-fm.mbx.afbrt-help-desk@mail.mil](mailto:usarmy.pentagon.hqda-asa-fm.mbx.afbrt-help-desk@mail.mil).

(7) Organizations may claim Army financial savings only through the AFBRT process. Army organizations will not claim or report financial savings to entities outside the Army without AFBRT process approval.

(8) The office of the ASA(FM&C) is the office of primary responsibility for AFBRT process management.

### **3-4. Business operations innovation**

*a. Army improvement methodologies.* The Army employs several methodologies to continuously improve business processes, enhance agility, maximize efficiency, and increase effectiveness.

(1) Leaders are encouraged to seek innovative ideas or make recommendations for innovative opportunities to appropriate governing councils.

(2) Organizations undertake business initiatives addressing specific business operations or process improvements.

*b. Business process re-engineering.*

(1) BPR is a logical methodology for assessing process weaknesses, identifying capability gaps, and implementing innovation and optimization opportunities to achieve breakthrough improvements in operational performance.

(2) Business processes are a set of logically related tasks performed to achieve a defined business outcome.

(3) While BPR improves processes within and between organizations, its focus is typically on processes that span the enterprise level and cross-organization functions within the Army's end-to-end business process framework.

(4) Domain leads may execute BPR efforts within their specific functions, or they can nominate cross-domain BPR efforts to the ABC.

(5) A core tenet of BPR is that optimizing the performance of sub-processes can result in some benefits, but cannot yield dramatic improvements if the process itself is fundamentally inefficient and outmoded. Therefore, BPR projects are top down taking into account the Army enterprise within the end-to-end business process framework supported by tools that make process mapping and root cause analysis easy to analyze and link to doctrine, organization, training, materiel, leadership and education, personnel and facilities (DOTMLPF) constraints.

(6) When applying BPR, leaders must—

(a) Understand the fundamental operations of business; identifying the required output or outcome of a process relative to other processes; define the "as-is" process along with fully burdened costs and systems supports; and explain external and internal constraints to include statutory requirements, operating values, and core assumptions.

(b) Understand that radical redesign means disregarding all existing structures and procedures, and potentially inventing completely new ways of accomplishing work. BPR is about business reinvention; it begins with no assumptions and takes nothing for granted.

(c) Focus on the process, not organizational boundaries. Understand that in the classic business structure where organizations are divided into agencies, processes are separated into the simplest tasks and distributed across the agencies; these are only artificial departmental boundaries.

- (7) Approach.
- (a) Develop business problem statements, deep dives, or other problem definitions or diagnostic efforts that identify a specific business outcome and alignment to strategic goals.
  - (b) Develop the as-is processes to be redesigned while simultaneously conducting root cause analysis using DOTMLPF criteria.
  - (c) Identify IT capabilities that can and should influence process design.
  - (d) Develop alternative process solutions based on DOD and industry best practices that include an initial set of target performance thresholds and key data requirements.
  - (e) Conduct high-level analysis of courses of action comparing process alternatives based on estimated capability benefits, financial benefit, implementation risks, and costs. Where applicable, apply LSS and other continuous process improvement methodologies to improve outcomes.
  - (f) Select a preferred course of action and generate a list of functional requirements, information requirements, and business system capabilities.
- (8) If the recommended course of action includes a materiel solution, continue with writing section 4 of the problem statement required for business systems oversight within the DODI 5000.02.
- (9) Some BPR approaches include conducting analysis of alternatives and fit-gap analysis to ensure the best way forward to meet “to-be” operational requirements, and satisfy cost and schedule goals.
- (10) As with any process change, there must be detailed planning for leading change and an assessment of the cost versus the return on investment in the form of a CBA. This helps ensure desired effects are achievable and can be resourced.
- (11) Identified BPR leads become the supported leads for specific re-engineering efforts and may conduct cross-domain, cross-command, or cross-process coordination as needed.
- c. Continuous Process Improvement Lean Six Sigma.*
- (1) LSS is a disciplined, data-driven approach that combines Lean and Six Sigma methodologies for eliminating waste in the form of quality, cost, and efficiency in any process.
  - (2) LSS-informed continuous process improvement efforts reduce costs, improve productivity, performance against mission (availability, reliability, cycle time, investment, and operating costs), and flexibility to meet mission needs, energy efficiency, and safety.
  - (3) LSS serves as the Army’s primary approach to gain efficiencies and effectiveness. Army organizations with directed LSS deployments will define, implement, and sustain CPI LSS efforts.
  - (4) The goal of the Army’s LSS program is to generate deep efficiency-driven benefits to the Army each year. The LSS program drives benefits throughout the Army by developing and maintaining a cadre of continuous improvement practitioners who can sustain the Army’s ability to execute enterprise-level and local LSS projects. This cadre of continuous improvement practitioners then assists leaders to improve performance and reduce costs across all Army mission areas.
  - (5) While LSS tools and methodologies form the basis of the Army’s continuous process improvement efforts, commanders are encouraged to adopt complementary tools and improvement disciplines to benefit the full range of Army organizations and functions.
  - (6) Process champions and Army organizations will use CPI LSS concepts and tools to improve the full range of processes and activities that constitute its business operations, including decision-making processes and appropriate engagement with industrial base suppliers. Leaders are responsible for supporting their CPI LSS deployments’ identification and selection of initiatives and mapping those initiatives to their organizations’ objectives.
  - (7) CPI LSS programs help meet organizational objectives. CPI LSS methods, terminology, training plans, and other program elements will be adapted as required.
  - (8) Given diverse operational requirements, Army organizations have full flexibility to identify CPI LSS focus areas, training schedules, and supplementary training plans and may adapt other CPI LSS techniques for their use. Organizations are encouraged to integrate non-LSS tools within their CPI efforts.
  - (9) CPI LSS projects generate two kinds of benefits – non-financial and financial. Non-financial benefits are operational or functional benefits and not estimated in terms of dollars. Non-financial benefits include improvements such as reduced cycle time, reduced risk, improved customer satisfaction, and reduced error rates.
  - (10) Financial benefits are estimated in dollars; there are two broad categories of financial benefits – cost reduction and revenue generation.
    - (a) A cost reduction is a reduction in the net cost of performing a process in order to accomplish a customer requirement. There are two types of cost reductions – savings and cost avoidance.
    - (b) Savings is when there is funding with an existing cost target that already resided within the Army program objective memorandum or command budget from which the amount of savings can be estimated and reallocated. Cost savings result in a smaller-than-projected level of costs to achieve a specific, budgeted objective with a cost target, and enable a manager to remove funding, and apply the funds elsewhere.
    - (c) Cost avoidance is any reduced net total life cycle cost. The amount of the cost avoidance is determined as the

difference between two estimated cost patterns, the one before the change and the one after. Cost avoidance does not enable the manager to remove funding; however, it allows reallocation of funds or labor-hours.

(d) Revenue generation is an increase in the funds flowing into the Army over and above funds from direct appropriations and the normal level of revolving fund activity.

(11) Guidance on cost management, LSS, and financial benefits is at <https://cpp.army.mil>. Guidance on submitting a savings estimate is at <http://fmnet.hqda.pentagon.mil/Document.aspx>.

(12) CPI LSS deployment directors will capture and publicize the positive results achieved as an outcome of CPI LSS projects. These results will be documented and maintained in an automated, transparent system for purposes of management review and analysis, research, knowledge sharing, and historical reference. The OBT will maintain this automated system for the Army.

(13) Organizations will select and encourage candidates to participate in the LSS program and will identify specific needs for local LSS training.

(14) The OBT is the office of primary responsibility for Army LSS program management. The LSS program manager executes the following functions:

(a) Develop, publish, and implement CPI LSS programs of instruction.

(b) Coordinate the CPI LSS training program, to include management of Army Training Requirements Reporting System for LSS training registration, certification, training record input, and maintenance and publication of the Army's LSS training schedule.

(c) Develop and certify LSS practitioners at the master black belt level of proficiency including skill identifiers and additional skill identifiers management.

(d) Track and report on process improvement projects throughout the Army.

(e) Maintain a CPI LSS program of record IT system for all Army LSS deployments.

(f) Execute the annual Lean Six Sigma Excellence Award Program awards, which recognize and reinforce performance excellence in Army continuous process improvement.

(g) Oversee enterprise-level implementation of CPI LSS programs and initiatives.

*d. Value engineering.*

(1) AMC and USACE, in accordance with ASA(ALT) delegation of authority, develops Army VE guidance.

(2) VE is a systematic approach to analyzing the function of systems, equipment, facilities, services, and supplies to ensure they achieve their essential functions at the lowest life cycle cost consistent with required performance, reliability, quality, and safety. Implementing the VE process on a problem typically increases performance, reliability, quality, safety, durability, effectiveness, or other desirable characteristics.

(3) As a management discipline, VE incorporates the total resources available to an organization to achieve broad management objectives. Thus, VE is a systematic approach for attaining a return on investment by improving what the product or service does in relation to the money spent on it.

(4) The Army program vertically integrates with the DOD VE program and has two components:

(a) An intra-DOD and/or Army effort in which VE is performed by military and civilian personnel, and;

(b) An external effort (VE change proposal) in which VE is performed by DOD contractors and applied to contracts after DOD approval.

(5) The mandatory VE provisions in most DOD contracts encourage contractor participation and thereby realize the full benefits from cost-reduction opportunities and innovations. These contract provisions provide the basis for the contractor to obtain a share of the savings that result from an approved VE effort.

(6) AMC is the office of primary responsibility for VE.

*e. Army Communities of Excellence.*

(1) ACOE is a CSA program that emphasizes strategies to achieve a performance-driven management system, maximize efficiencies, innovation, sustainability, and continuous process improvement in installation management.

(2) Assesses all components and dimensions of Army installation management consistent with all statutory and regulatory requirements using the tenets of the BPEP as developed by the National Institutes of Science and Technology (NIST) and the standard measurements for installation management contained in ISR.

(3) Establishes a competition to measure and recognize the best performing installations and communities in the Army. ACSIM is the office of primary responsibility for ACOE; more information on the ACOE program is at <http://www.acsim.army.mil/acoe/>.

*f. Army business initiatives.*

(1) Army business initiatives address priority BMA challenges with goals to improve the efficiency and effectiveness of business operations.

(2) Business initiatives represent cross-functional and/or high impact, enterprise-wide endeavors designed to optimize business operations and improve mission effectiveness at reduced cost.

(3) The ABC provides governance, recommends new business initiatives for Under Secretary of the Army as the CMO approval and tracks progress through quarterly performance updates.

(4) The OBT is the office of primary responsibility for the Army business initiative program.

## **Appendix A References**

### **Section I**

#### **Required Publications**

Chairman of the Joint Chiefs of Staff publications are available at [http://www.dtic.mil/cjcs\\_directives/index.htm](http://www.dtic.mil/cjcs_directives/index.htm). Department of Defense issuances are available at <http://www.dtic.mil/whs/directives/index.html>. USCs are available at <http://www.gpo.gov/fdsys/>.

#### **CJCSI 3170.01**

Joint Capabilities Integration and Development System (JCIDS) (Cited in para B-1e.)

#### **DODI 5000.02**

Operation of the Defense Acquisition System (Cited in para 2-5b(2)(h).)

#### **10 USC**

Armed Forces (Cited in para 1-1.)

#### **10 USC 181**

Joint Requirements Oversight Council (Cited in para B-1e.)

#### **10 USC 2222**

Defense Business Systems: Architecture, Accountability, and Modernization (Cited in para 2-2a(2)(b).)

#### **44 USC 3541**

Purposes (Cited in para 3-2d(4).)

### **Section II**

#### **Related Publications**

A related publication is a source of additional information. The user does not have to read it to understand this publication. Unless otherwise stated, all publications are available at <http://www.apd.army.mil/>. Department of Defense issuances are available at <http://www.dtic.mil/whs/directives/index.html>.

#### **AR 11-2**

Managers' Internal Control Program

#### **AR 15-1**

Committee Management

#### **AR 25-1**

Army Information Technology

#### **AR 70-1**

Army Acquisition Policy

#### **DODD 5105.77**

National Guard Bureau (NGB)

#### **DODI 1005.16**

Commander in Chief's Annual Award for Installation Excellence

#### **GAO 10-846G**

A Framework for Assessing and Improving Enterprise Architecture Management (Version 2.0), 5 August 2010 (Available at <http://www.gao.gov/products/GAO-10-846G>.)

#### **Information Technology Management Reform Act of 1996**

Available at <http://www.gpo.gov/fdsys/pkg/PLAW-104publ106/html/PLAW-104publ106.htm>.

### **Section III**

#### **Prescribed Forms**

This section contains no entries.

## **Section IV**

### **Referenced Forms**

Except where otherwise indicated below, the following forms are available as follows: DA Forms are available on the APD Web site (<http://www.apd.army.mil>).

#### **DA Form 11–2**

Internal Control Evaluation Certification

#### **DA Form 2028**

Recommended Changes to Publications and Blank Forms

## **Appendix B**

### **Defense Business Systems Requirements Validation**

#### **B–1. Developing Business System requirements**

This appendix describes the Army's process for the review and validation of business systems requirements.

*a.* Identify functional need. A process champion identifies a capability gap in a specific business function (personnel; logistics; financial management; acquisition; or installations, environment and energy).

*b.* Conduct DOTMLPF analysis, operations and/or information security analysis, and risk mitigation. The organization conducts a preliminary DOTMLPF-policy (DOTMLPF-P) analysis to determine the scope of the capability gap and the potential means to fill the gap. The organization conducts an operations and/or information security analysis to determine the impact and potential risk that will result from data aggregation within the enterprise and the approach for risk mitigation.

*c.* Is the proposed functional requirement a DBS? A review of the DOTMLPF-P analysis should determine whether the proposed solution is a DBS.

*d.* Conduct Joint Capabilities Integration and Development System (JCIDS) review. Non-DBS requirements may be governed by the JCIDS process. The organization should coordinate with the Army Requirements Oversight Council (AROC) Secretariat (DCS, G–3/5/7, DAMO–CIC) to determine whether the requirement is subject to validation by the AROC using the JCIDS process.

*e.* Statute and policy define separate domains for business systems and Warfighter requirements, which must interact and integrate to deliver Warfighter capability. When business systems have equity in the Warfighter domain, the Joint Requirements Oversight Council (JROC) must approve the Warfighter requirements in accordance with Chairman of the Joint Chief of Staff Instruction (CJCSI) 3170.01 and 10 USC 181. When Warfighter requirements have equity in the business domain, the DBC must approve the business system requirements in accordance with DODI 5000.02 and 10 USC 2222.

*f.* Is the proposed functional requirement a core IT service? Additional review of the DOTMLPF-P analysis results should determine if the proposed solution is a core enterprise-level IT service defined by the CIO/G–6 in the C4IM services guide. If the solution meets the criteria of a core enterprise-level IT service, then it should follow the process outlined in the Army Business Management Strategy, tab G (IT Services Requirements Validation Process Description).

*g.* Develop problem statement. If the proposed solution is a DBS, then the organization develops a problem statement using sections 1 through 3 of the CBA format available at <http://asafm.army.mil/offices/ce/cbaWT.aspx?OfficeCode=1400>. The problem statement is forwarded to the BMA domain with functional oversight.

*h.* Review problem statement. The BMA domain sponsor will review the problem statement and determine if: 1) it is within the scope of their domain; 2) no existing business system can meet the requirement; and 3) there are no other functional needs residing in other BMA domains, which could be bundled with domain capabilities to meet this requirement. Upon completion of their review, the domain principle approves and forwards the problem statement to the OBT.

*i.* Validate the problem statement. The OBT will coordinate the ABC for the review and validation of the problem statement. The OBT will forward the validated problem statement to OSD for approval.

*j.* Approve or disapprove the problem statement. The OSD DBC approves all problem statements for DBSs in accordance with DODI 5000.02. If the DBC approves the problem statement, the approved problem statement is returned to the Army for further development of a materiel solution. If the DBC disapproves the problem statement, the requirement returns to the Army for revision or disposition.

*k.* Define the business capability. The approved problem statement is returned to the originating organization for further definition. The originating organization or the functional domain will complete a more detailed functional

description, a CBA (the remainder of the problem statement form) approved by Deputy Assistant Secretary of the Army for Cost and Economics. If necessary, develop an analysis of alternatives (AOA), and determine general categories of data requirements through coordination with CIO/G6 to ensure data needs conform to IT policy.

*l.* Review the business capability. The domain will review the detailed business capability documents along with the CBA and AOA. The domain will ensure compliance with the functional architecture and policy.

*m.* Validate the business capability. The OBT will coordinate with the ABC for review and validation of the detailed business capability documents including the CBA and AOA. The documents will be forwarded to the Army acquisition executive (AAE) to request a materiel development decision (MDD) review.

*n.* Prioritize the requirement. The ABC and/or OBT updates and manages prioritized business requirements list.

*o.* Resource the requirements. Send to DCS, G-8 for inclusion in prioritized resource requirements (such as, funding).

*p.* Conduct MDD review. The AAE will convene an MDD review to determine the appropriate course of action for the materiel solution.

*q.* Materiel solution process. Develop materiel solution.

## **B-2. Process flow chart of Defense Business Systems Requirements validation process**

The following is a process flow chart of the DBS requirements validation process.

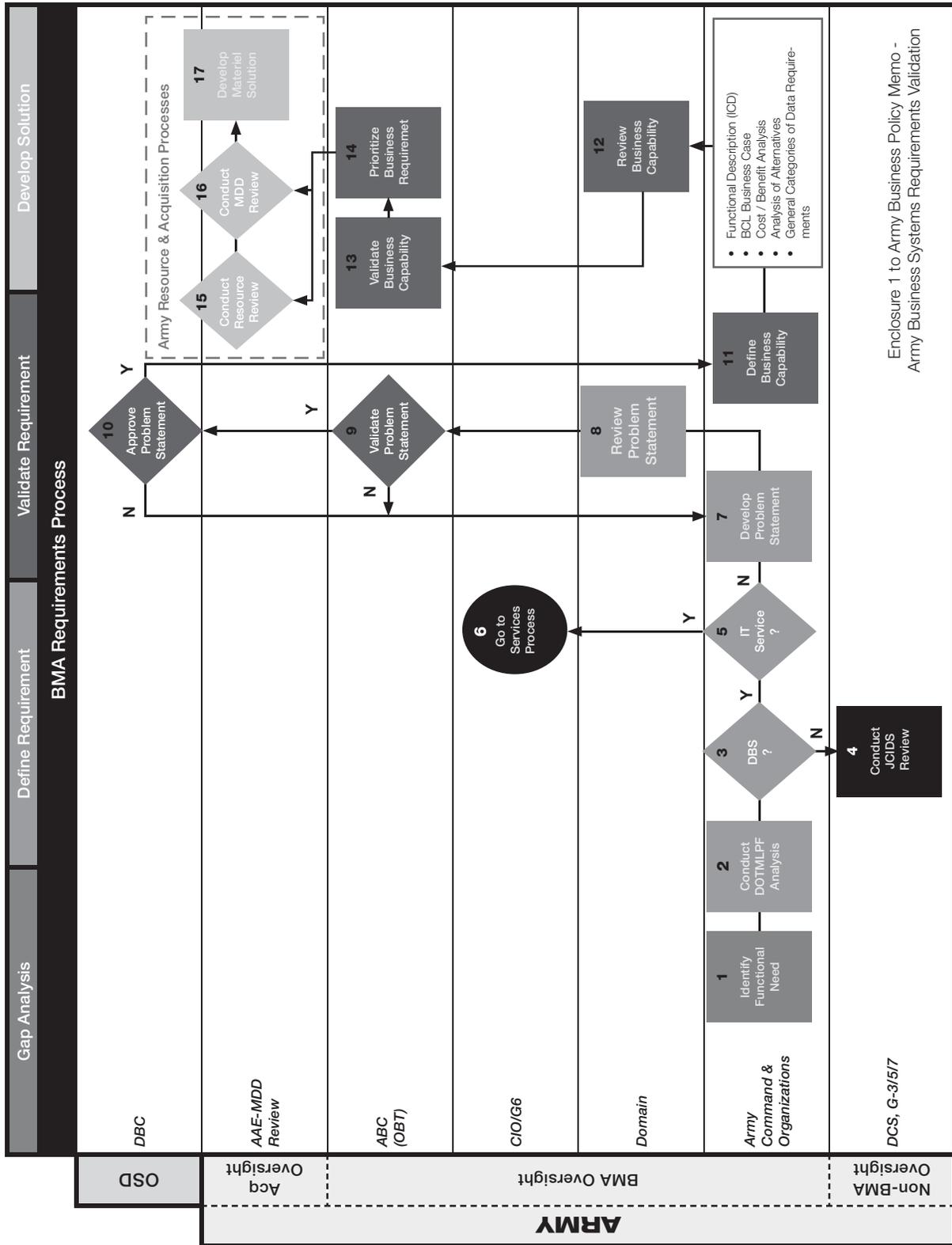


Figure B-1. Defense Business System requirements validation process

**Table B-1  
Business Mission Area domains**

BMA Domain	Example of Business Functions	Army Lead / Delegated
Acquisition	Acquisition policy acquisition oversight Acquisition program management Contracting Systems engineering Test and evaluation	ASA(ALT)
Financial Management	Strategic planning Planning and budgeting Financial operations Financial audits	ASA(FM&C)
Human Resources Management	Military personnel management Civilian personnel management Legal compliance Law enforcement Medical operations	ASA(M&RA) / DCS, G-1
Logistics	Tactical supply operations National level logistics	ASA(ALT) / DCS, G-4
Installations, Energy, and Environment	Installation management Military construction Real estate management Energy management Environment, safety, and occupational health	ASA(IE&E) / ACSIM

**Table B-2  
Process champions**

BEA End-to-End Processes	ASA (FM&C)	DCS, G-4	ASA (M&RA)	ASA (ALT)	ASA (IE&E) / ACSIM	FORSCOM / DCS, G-3/5/7 / OBT
Procure-to-pay (P2P)	X			X		
Acquire-to-retire (A2R)				X (E)	X (F)	
Hire-to-retire (H2R)			X			
Order-to-cash (O2C)	X					
Budget-to-report (B2R)	X					
Cost management (CM)	X					
Deploy-to-redeploy/retrograde (D2RR)						X
Concept-to-product (C2P)				X		
Environmental liabilities (EL)					X	
Service request-to-resolution (SR2R)		X (E)			X (F)	
Plan-to-stock (P2S)		X				
Market-to-prospect (M2P)			X (M)	X (FMS)		
Prospect-to-order (P2O)		X				
Service-to-satisfaction (S2S)				X		
Proposal-to-reward (P2R)				X		

Legend for Table B-2:  
X - Process champion  
F - facilities  
E - equipment  
R&D - research and development  
M - marketing  
FMS - foreign military sales

## Appendix C Internal Control Evaluation

### C-1. Function

The function covered by this checklist is Management of Army Business Operations.

### C-2. Purpose

The purpose of this checklist is to assist organization leaders and managers in evaluating the management controls outlined below. It is intended as a guide and does not cover all controls.

### C-3. Instructions

Base answers on actual testing of key management controls such as document analysis, direct observation, sampling, and simulation. Answers indicating deficiencies must be explained and corrective action shown in supporting documentation. These key management controls must be formally evaluated at least once every 5 years. Certification that this evaluation has been conducted must be accomplished on DA Form 11-2 (Internal Control Evaluation Certification).

### C-4. Test questions

*a. Headquarters, Department of the Army, Army command, and direct reporting unit organizations.*

(1) Are the organizations' mission, vision, goals, objectives and measures to support accomplishing the Army's strategic objectives clearly stated in its performance management plan?

(2) Is the organization using SMS to evaluate the organizations efficient and effective accomplishment of its measures?

(3) Does the organization use its program and portfolio evaluation-performance information to improve outcome assessments, resource allocation, efficiency and performance-based decisions?

*b. Army Business Management Strategy's five goals and supporting metrics, published in the Strategic Management System as part of the Integrated Management System.*

(1) Does the organization's activity focus toward achieving the five goals for synchronizing, executing, and investing within the Army's BMA portfolio?

*(a) Goal 1 question.* Does the organization assert the Army Schedule Budgetary Availability and has it achieved audit readiness?

*(b) Goal 2 question.* Does the organization support cost-informed enterprise governance?

*1. Metric 2.1 question.* Is there a planned versus executed budget for BMA systems by fiscal year in terms of millions of dollars?

*2. Metric 2.2 question.* Have we retired ABS to Target Environment for each system?

*(c) Goal 3 question.* Have you improved the efficiency and effectiveness of business operations?

*1. Metric 3.1 question.* Have we tracked adjudicated cost savings and cost avoidance by BPR and/or CPI and fiscal year in terms of millions of dollars?

*2. Metric 3.2 question.* Have we met the targets for EAMMF? By using the EAMMF methodology, did we determine the percentage of EAMMF core elements satisfied by stage and annual target?

*3. Metric 3.3 question.* Have we determined the percentage of end-to-end processes mapped to level 3, level 4, and operational activity within the BMA architecture repository?

*(d) Goal 4 question.* Have we provided better alignment between business operations and operational forces?

*1. Metric 4.1 question.* Do we know the number of ABSs requiring GFM DI compliance and the total number of non-compliant systems?

*2. Metric 4.3 question.* Do we know the percentage of enterprise level IT for business services that were deployed within 18 months of fund obligation?

*(e) Goal 5 question.* Have we improved the business process alignment between the Army and the DOD? The single metric for this goal: Do we maintain 100 percent of required BPR certifications for DBS, in compliance with DOD directives?

(2) Specific FYDP timelines, completion percentages by fiscal year, and detailed guidance from DOD will be published annually in the Army Business Management Strategy to reflect adjusted program funding levels. These specifics will pair with the stated metrics to complete the performance measurement. See the OBT MilSuite site for the Army Business Management Strategy at <https://www.milsuite.mil/book/groups/army-obt/>.

*c. Business Mission Area information technology governance.*

(1) Does the organization provide required representation to BMA governance forums?

(2) When executing the review and validation of business systems requirements, does the organization follow the steps outlined in appendix B of this policy?

(3) Does the organization employ BPR to focus on sub-processes within end-to-end architectures and upon improvement of selected functions?

(4) Does the organization include Global Force Management Data Initiative (GFM DI) requirements in BMA and WMA systems that consume force structure data?

*d. Continuous Process Improvement Lean and Six Sigma.*

(1) Does the organization use CPI LSS concepts and tools to improve processes and activities that constitute its business operations, including decision-making processes?

(2) Does the organization capture and publicize the positive outcomes of its CPI LSS projects?

(3) Does the organization encourage and select candidates to participate in the LSS program?

*e. Army Financial Benefits Reporting Tool.*

(1) Does the organization claim Army financial savings through only the AFBRT process?

(2) Does the organization claim or report financial savings to entities outside the Army without AFBRT process approval?

## **Glossary**

### **Section I Abbreviations**

**AAE**

Army acquisition executive

**ABS**

Army Business System

**ACOE**

Army Communities of Excellence

**ACSIM**

Assistant Chief of Staff for Installation Management

**AMC**

U.S. Army Materiel Command

**AOA**

analysis of alternatives

**AOS**

Army's organizational server

**APMS**

Army Portfolio Management Solution

**AR**

Army regulation

**ARCYBER**

Army Cyber Command

**AROC**

Army Requirements Oversight Council

**ASA(ALT)**

Assistant Secretary of the Army (Acquisition, Logistics, and Technology)

**ASA(CW)**

Assistant Secretary of the Army for Civil Works

**ASA(FM&C)**

Assistant Secretary of the Army (Financial Management and Comptroller)

**ASA(IE&E)**

Assistant Secretary of the Army (Installations, Energy and Environment)

**ASA(M&RA)**

Assistant Secretary of the Army (Manpower and Reserve Affairs)

**ATEC**

Army Test and Evaluation Command

**BEA**

Business Enterprise Architecture

**BPR**

business process re-engineering

**CAR**

Chief, Army Reserve

**CBA**

cost benefit analysis

**CG**

commanding general

**CIO**

Chief Information Officer

**CIO/G-6**

Chief Information Officer, G-6

**CJCSI**

Chairman of the Joint Chief of Staff instruction

**COE**

common operating environment

**COTS**

commercial off-the-shelf

**CSA**

Chief of Staff, Army

**DARNG**

Director, Army National Guard

**DCS, G-1**

Deputy Chief of Staff, G-1

**DCS, G-2**

Deputy Chief of Staff, G-2

**DCS, G-3/5/7**

Deputy Chief of Staff, G-3/5/7

**DCS, G-4**

Deputy Chief of Staff, G-4

**DCS, G-8**

Deputy Chief of Staff, G-8

**DEPSECDEF**

Deputy Secretary of Defense

**DOD**

Department of Defense

**DODD**

Department of Defense directive

**DODI**

Department of Defense instruction

**DOT&E**

Director, Operational Test and Evaluation

**DOTMLPF**

doctrine, organization, training, materiel, leadership and education, personnel, and facilities

**DOTMLPF-P**

doctrine, organization, training, materiel, leadership and education, personnel and facilities-policy

**E2E**

end-to-end

**EA**

enterprise architecture

**ERP**

enterprise resource planning

**FISMA**

Federal Information Security Management Act

**FM**

financial management

**FORSCOM**

U.S. Army Forces Command

**FYDP**

Future Years Defense Program

**GAO**

Government Accountability Office

**GCSS-Army**

Global Combat Support System-Army

**GFM DI**

Global Force Management Data Initiative

**GIG**

global information grid

**GO**

general officer

**HQDA**

Headquarters, Department of the Army

**HRM**

human resources management

**IMCOM**

Installation Management Command

**IRB**

Investment Review Board

**ISR**

installation status report

**IT**

information technology

**JCIDS**

Joint Capabilities Integration and Development System

**JROC**

Joint Requirements Oversight Council

**LMP**

Logistics Modernization Program

**MEDCOM**

U.S. Army Medical Command

**MDD**

materiel development decision

**NIST**

National Institutes of Standards and Technology

**OMB**

Office of Management and Budget

**OSD**

Office of the Secretary of Defense

**PEO-EIS**

Program Executive Officer-Enterprise Information Systems

**PMG**

Provost Marshal General

**PPBE**

planning, programming, budgeting, and execution

**PSA**

principal staff assistant

**QDR**

Quadrennial Defense Review

**SECARMY**

Secretary of the Army

**SES**

senior executive service

**SMART**

specific, measureable, attainable, realistic, and timebound

**SMS**

Strategic Management System

**SOSE**

system of systems engineering

**TRADOC**

U.S. Army Training and Doctrine Command

**TSG**

The Surgeon General

**USACE**

U.S. Army Corps of Engineers

**USC**

United States Code

**USD**

Under Secretary of Defense

**VCSA**

Vice Chief of Staff of the Army

**VE**

value engineering

**WMA**

Warfighter mission area

**Section II****Terms****application information technology**

A software program that performs a specific function directly for a user and can be executed without access to system control, monitoring, or administrative privileges.

**Army Business Council**

The ABC is the governance forum by which the Army integrates business functions, manages the ERP system federation, frames the target environment, and strengthens investment management through annual portfolio reviews.

**Army Business Management Strategy**

The ABMS governs the business operations of the Army. Business operations are those activities that enable the Army to execute its 10 USC functions to organize, man, train, equip, and sustain forces for the conduct of prompt and sustained operations. The ABMS supersedes the Business Systems Information Technology (BSIT) Strategy, the BSIT Implementation Plan and BMA portions of the 2012 Army Campaign Plan. The ABMS serves as the business systems architecture and transition plan required by the National Defense Authorization Act of 2009. The ABMS provides implementation direction to Army Major Objectives 9-1 (Improve Business Processes) and 9-3 (Optimize Army Business Systems Portfolio). The ABMS presents the overarching strategy for the Army's approach to business system investment and management through the FYDP.

**Army Business System**

A business-oriented information system, other than a national security system, operated by, for, or on behalf of the Department of the Army, including financial systems, mixed systems, financial data feeder systems, and IT and information assurance infrastructure, used to support business operational activities, such as acquisition, financial management, logistics, strategic planning and budgeting, installations and environment, and human resources management. 10 USC 2222 dictates these business actions.

**audit-readiness**

The ability of an organization to state with confidence that it is ready for an independent review of its financial statements, processes and management systems, and that it has all the required supporting documentation.

**authoritative data sources**

A source of data or information that is recognized by a specified HQDA authority to be valid or trusted because it is considered to be highly reliable or accurate or is from an official publication or reference.

**Baldrige Criteria for Performance Excellence**

The Baldrige Criteria employs a systems perspective to align goals across organizations, focusing on core values. The core values are leadership, strategic planning, customer focus, measurement analysis and knowledge management, workforce focus, operations focus, and results.

**baselining**

The method of baselining is a measurement, calculation, or location used as a basis for comparison of a specific

snapshot in time. Generally, baselining is the act of measuring and rating the performance of a business process against the chosen target. Baselines calculate from standard definitions and formulas across the enterprise to ensure, when used for benchmarking, that organizations performance outcome comparisons are transparent and relevant to the selected peer.

### **benchmarking**

Benchmarking is the process of comparing an organization's business processes and performance metrics to industry or other Federal agency best practices. Dimensions typically measured are quality, time, and cost. In the process of benchmarking, leadership identifies the best-performing organizations where similar processes exist and then compares organizational results and processes to those studied best practices.

### **Business Enterprise Architecture**

The BEA is the enterprise architecture for the DOD BMA and reflects DOD business transformation priorities; the business capabilities required to support those priorities; and the combinations of enterprise systems and initiatives that enable those capabilities. It also supports use of this information within an end-to-end (E2E) framework. The purpose of the BEA is to provide a blueprint for DOD business transformation that helps ensure the right capabilities, resources, and materiel are rapidly delivered to the force. The BEA guides and constrains implementation of interoperable defense business system solutions as required by USC 2222. It also guides IT investment management to align with strategic business capabilities as required by the Clinger-Cohen Act, and supports Office of Management and Budget (OMB) and Government Accountability Office (GAO) policies.

### **Business Transformation Initiative**

A business theory or initiative designed to improve execution, enhance program efficiency, and lean business processes to provide closer alignment with Army priorities at reduced cost. Initiatives are presented to the ABC for analytical evaluation and a decision on resourcing the initiative.

### **Business Mission Area**

The business arm of the Army Mission Area framework. Working in coordination with the defense intelligence, warfighting, and enterprise information environment mission areas, the BMA guides, governs, and manages all business operational activities and associated business system portfolios within the Army. It is organized along five primary domains (acquisition, financial management and comptroller, human resource management, installation, energy, and environment, and logistics) that encompass DOD validated business operational activities. It ensures that the right capabilities, organization, resources, and materiel are reliably delivered to the operating force.

### **Business Operational Architecture**

Within the BEA, defines the processes, operational activities, data objects, business rules, and information exchanges that describe and govern a business or enterprise.

### **Business Operations**

Those activities that enable the Army to execute its 10 USC functions to organize, man, train, equip, and sustain forces for the conduct of prompt and sustained operations.

### **Business Process Re-engineering**

A logical methodology for assessing process weaknesses, identifying gaps, and implementing opportunities to improve the efficiency and effectiveness of processes. At the enterprise level, BPR focuses upon cross-organization functions within E2E architectures. At the organizational level, BPR focuses upon sub-processes within E2E architectures and upon continuous process improvement of selected functions.

### **Business System Architecture**

The Army Business Systems Architecture is an extension and major sub-component of the DOD BEA. The Army Business Systems Architecture is scoped to include the Army's Business Mission Area and defines interdependencies and relationships among Army mission-support operations, information needs, and its associated IT environment. The Business Systems Architecture consists of the operational activities and processes of the BMA domains.

### **business transformation**

Overall process to implement fundamental changes in business processes and operating environments required to make business operations more agile, efficient, and effective.

### **common operating environment**

A set of computing technologies and standards that will enable secure and interoperable applications to be rapidly developed and executed across the five computing environments: server, client, mobile devices, sensors, and platforms.

Each computing environment fulfills a minimum standard configuration that establishes interoperability across Army networks. The intent of the common operating environment (COE) is to standardize end-user environments, streamline enterprise management, reduce costs, and accelerate deployments of new capabilities.

### **continuous process improvement**

CPI is a strategic approach for developing a culture of continuous improvement aimed at process simplification, the reduction of unnecessary process variation, the elimination of process waste, and improved effectiveness.

### **Core Army Business Systems**

For portfolio review purposes, ABS are defined as core, legacy, and target. Core ABS are those systems which will be retained for more than 3 years beyond the year of execution of the published annual certification.

### **Core Business Mission**

In BEA 10.0, the Core Business Missions (CBMs) are a defined area of responsibility with functions and processes that provide E2E support to the Warfighter and articulate business transformation requirements into the BEA from the Strategic Management Plan (SMP). The five CBMs are financial management (FM), human resources management (HRM), materiel supply and service management (MSSM), real property and installations lifecycle management (RPILM), and weapon system lifecycle management (WSLM). The Under Secretaries of Defense that lead various business initiatives and ensure business outcomes are addressed and implemented, represent these five CBMs.

### **cost benefit analysis**

CBA is a narrowly focused economic analysis that applies rigorous analytical techniques to complement, but not replace, experience, judgment, and subject matter expertise. It is a structured methodology for estimating and comparing the anticipated costs and benefits of alternative courses of action in order to identify the optimum solution for achieving a stated goal or objective. The purpose of a CBA is to produce a strong value proposition, which is a clear statement that the benefits of a recommended course of action justify the costs and risks associated with that course of action.

### **cost avoidance**

Any reduced net total life cycle cost. The amount of the cost avoidance is determined as the difference between two estimated cost patterns, the one before the change and the one after.

### **cost savings**

Funding with an existing cost target that already resided within the Army program objective memorandum or command budget from which the amount of savings can be measured and reallocated. Cost savings result in a smaller-than-projected level of costs to achieve a specific, budgeted objective with a cost target.

### **Defense Business System**

An information system, other than a national security system; operated by, for, or on behalf of the DOD, including financial systems, mixed systems, financial data feeder systems, and IT and information assurance infrastructure, used to support business activities, such as acquisition, financial management, logistics, strategic planning and budgeting, installations and environment, and human resource management. These business activities are expressly stated in 10 USC 2222.

### **domain**

A domain is a subset of the BMA portfolio that aligns to areas of common operational and functional requirements. A BMA domain includes the core business processes of that mission subset and the business systems that predominantly support those core business processes. The Army retains five BMA domains: acquisition (ASA(ALT)), financial management (ASA(FM&C)), human resources management (ASA(M&RA)/DCS, G-1), logistics (ASA(ALT)/DCS, G-4), and installations, energy, and environment (ASA(IE&E)/ACSIM).

### **Dynamic Force Structure**

Dynamic Force Structure (DFS) is a common hierarchical, GFM DI compliant representation of the Army's organizational force structure that enables both BMA and WMA IT systems to conduct transactions in a more effective and efficient manner. This dynamic structure is informed by the authorized Army organizational structure within the Army's organizational server (AOS) as well as the relationships between organizations that are task organized to conduct operations. DFS also allows for an ancillary structure to be represented to account for personnel, equipment, and organizations that do not neatly fit within the static representation of authorized force structure.

### **efficiencies**

Efficiencies are actions or initiatives that reduce dollar costs. There are three categories of efficiencies. Category 1

efficiencies reduce the cost of performing a given function with no degradation in mission accomplishment or customer satisfaction, and they do so in a manner that enables managers to allocate the funds to other functions. Category 2 efficiencies reduce the cost of performing a given function with no degradation in mission accomplishment or customer satisfaction, but they do so in a manner that does not enable managers to allocate the funds to other functions. Category 3 efficiencies reduce the cost of performing a given function with no regard to mission accomplishment or customer satisfaction, and they do so in a manner that enables managers to either allocate the funds to other functions or satisfy an imposed funding reduction.

### **enterprise**

The highest level in an organization; it includes all missions, tasks, and activities or functions.

### **enterprise architecture**

An integrated framework for describing operations used to conduct business process re-engineering and to align the acquisition, evolution, and operation of IT to achieve the organization's strategic and business goals. A complete enterprise architecture consists of operational, system, and technical components. The operational architecture provides the high-level description of the organization's mission, functional requirements, information requirements, system components, and information flows among the components. The system architecture describes the system view of the supporting infrastructure. The technical architecture defines the specific IT standards and rules that will be used to implement the systems architecture.

### **Enterprise Architecture Capability Maturity Model Framework**

A construct that provides flexible benchmarks against which to plan for and measure enterprise architecture program maturity. GAO developed, as Government-wide standard, the EAMMF. The Army uses EAMMF version 2.0 as its current architectural maturity framework for the BMA segment of the overall Army enterprise architecture.

### **Enterprise Resource Planning System**

An IT system using commercial off-the-shelf (COTS) software consisting of multiple, integrated functional modules that perform a variety of business related tasks such as payroll, general ledger accounting, and supply chain management. The Army's four ERP systems are: 1) The Logistics Modernization Program (LMP), 2) The General Fund Enterprise Business System (GFEBS), 3) The Global Combat Support System-Army (GCSS-Army), and 4) IPPS-A.

### **federated approach**

An approach to enterprise architecture and large-scale system design that supports interoperability and information sharing between semi-autonomous, decentralized lines of business, information technology systems, and applications. The approach is dependent on interoperability standards, defined and integrated business processes and agreement on technologies. Federation expects to deliver high flexibility and agility among independently cooperating components and at the same time reduce complexity. Independence is in lifecycle, operations, and platform.

### **feeder systems (financial)**

Designated ABSs that are certified to feed their accounting transactions to the general ledger. Becoming a feeder system requires authorization. The feeder system has an obligation to establish and maintain procedures that ensure transactions are authorized, accurate, and valid. Due to the technical complexities of the feed process, errors can occur that significantly impact both the feed process itself and all campuses, which have to resolve most errors that occur. Therefore, feeder system owners have an obligation to ensure that their feed process is well-designed and properly operated. Domain leads work with ASA(FM&C) to ensure compliance with applicable financial management and audit-readiness guidelines.

### **financial benefit**

Results and outputs expected in return for costs and inputs incurred or used. A positive output of an alternative; it includes measures of utility, effectiveness, and performance. Benefits focus on the purpose and the objectives of a project.

### **financial systems**

A financial system is an information system that may perform all financial functions including general ledger management, funds management, payment management, receivable management, and cost management. It is the system of record that maintains all transactions resulting from financial events. It may be integrated through a common database or interfaced electronically to meet defined data and processing requirements. It is specifically used for collecting, processing, maintaining, transmitting, and reporting data regarding financial events. Other uses include supporting financial planning, budgeting activities, and preparing financial statements. Any data transfers to the financial system must be: traceable to the transaction source; posted to the core financial system in accordance with applicable guidance from the Federal Accounting Standards Advisory Board (FASAB); and in the data format of the

financial system. A financial management system includes the core financial systems and the financial portions of mixed systems necessary to support financial management, including automated and manual processes, procedures, and controls, data, hardware, software, and support personnel dedicated to the operation and maintenance of system functions.

### **fully burdened cost**

The total amount of resources (direct and indirect to include time, money, personnel, and so forth) applied by the Army to achieve an output or outcome.

### **Functional Strategy**

The Functional Strategy is a DOD-level document that creates the unique business position of the organization and is supported by the activities that it plans to achieve. It identifies and prioritizes the enterprise's requirements while providing direction for a defined business function. It enables outcome-driven investment decisions that enhance the business operations within a functional area in synchronization with other functional areas. Functional Strategies must align with DOD strategies and the Quadrennial Defense Review (QDR). Functional Strategies are developed by the OSD Principal Staff Assistant and describe business functions, outcomes, measures, and standards. Functional Strategies are used to drive BEA content, which is the DOD's blueprint for improving DOD business operations and the reference model for IRB and/or DBC funds certification.

### **Global Force Management Data Initiative**

The GFM DI is a Joint Staff and OSD initiative designed to standardize force structure representation, making it visible, accessible, and understandable across the DOD. GFM DI uses Force Management identifiers (FMIDs) to associate and uniquely identify billets, crews, equipment, and chain of command links which enable electronic manipulation of force structure data across multiple systems. Through establishment of an information exchange data standard, GFM DI enables DOD systems to exchange force structure data in a common format while exploiting the net-centric data environment.

### **Integrated Management System**

The IMS captures the totality of Army decision-making and creates assessment mechanisms employing the SMS. The IMS enables Army leadership to make resource-informed decisions that provide our Nation with a trained and ready force at best value. The IMS assigns responsibility and focuses effort, provides direction and a means to monitor execution of the Army Strategic Plan, ensures synchronization of resources, and defines progress as a basis for resource allocation.

### **Joint Information Environment**

A construct that facilitates the convergence of the DOD's multiple networks into one common and shared global network – the Global Information Grid (GIG). Emphasis remains on enterprise services, interoperability, common software applications, identity, and access management, and network security. Major Enterprise Information Environment Mission Area (Army Network Mission Area) programs certify to the DOD-defined JIE.

### **LandWarNet 2020 and Beyond Architecture**

The LandWarNet 2020 and Beyond Architecture forms the Target Network Environment for ABS. This construct describes an objective state of network services and capabilities at a designated point in time. For this plan, the LandWarNet 2020 and Beyond Architecture aligns the standard operating environment, Joint Information Environment, the rationalized enterprise application environment, all of the information assurance and information security requirements for the Army network.

### **Lean Six Sigma**

LSS is a disciplined, data-driven approach and methodology for eliminating defects (driving toward six standard deviations between the mean and the nearest specification limit) in any process. The Army's LSS program maintains a cadre of continuous improvement practitioners who can sustain the Army's ability to execute enterprise-level and local LSS projects.

### **Lean Six Sigma black belt**

Army LSS black belts establish, coordinate and provide leadership for LSS projects. These projects should meet the guidelines and priorities established by the organization's senior leadership, the deployment director, and the process owner and/or project sponsor.

### **Lean Six Sigma deployment director**

Deployment directors integrate LSS into the organization's strategic priorities; ensure that LSS deployments and resources meet the guidelines, criteria and metrics established by organization leadership; and address the requirement

to improve efficiency, effectiveness and productivity, through process improvement, quality enhancement and cost reduction.

### **Lean Six Sigma Excellence Award Program**

The Army's Lean Six Sigma Excellence Award Program recognizes organizations and practitioners who demonstrate excellence in the building, sustainment and employment of CPI LSS capabilities.

### **Lean Six Sigma green belt**

Army LSS practitioners who have completed the two-week certification course and possess an understanding of LSS principles and tools, as well as project management fundamentals. Green belts are responsible for managing and leading improvement projects on a day-to-day basis. Green belts are trained in basic problem-solving techniques and receive regular guidance and direction from black belts assigned to their projects, as well as from master black belts when available.

### **Lean Six Sigma master black belt**

The Lean Six Sigma master black belt is a full-time dedicated position reporting to the deployment director (or in some cases, to the process owner). The master black belt is the organization's in house expert for disseminating knowledge and training and/or coaching black belts (and green belts when appropriate). Additionally, the master black belt takes a direct leadership role in leading complex, enterprise-wide or strategic-level LSS projects. Only Army certified master black belts are eligible to teach the Army LSS programs of instruction.

### **Legacy Army Business Systems**

Legacy ABSs are those systems which will be discontinued within three years of the year of execution of the published annual certification. For portfolio review purposes, ABSs are defined as core, legacy, and target.

### **measure**

A routine assessment of performance against declarative statements of goals, outcomes, or objectives. Performance measures maintain time-specific targets and previous levels of performance toward meeting goals and objectives. Measures usually refer to the outputs or outcomes of activities.

### **metric**

Indicators that measure progress compared to an established standard and can be analyzed to assess progress towards achieving desired outcomes.

### **mission areas**

Mission areas represent the major capability areas of the Army, including interfaces to the DOD other national security activities. For portfolio management (PFM) purposes – DOD operations, IT, and national security systems are categorized into the following mission areas: 1) WMA, 2) BMA, 3) DIMA, and 4) Network Mission Area (NMA). Army PFM aligns to DOD mission areas: 1) WMA, 2) BMA, 3) DIMA, and 4) EIEMA.

### **mixed systems**

A mixed system is an information system that can support both financial and non-financial functions.

### **Network Integration Evaluation**

A series of semi-annual, Soldier-led evaluations of commercial and developmental Government technologies that informs procurement efforts for the most relevant technologies into capability sets. The Network Integration Evaluation (NIE) focuses upon tactical network capabilities, but those efforts also inform ABS development.

### **non-monetized benefit**

A non-monetized benefit is one that is difficult to quantify or monetize given current data and methods. Non-monetized benefits are referred to as operational or functional benefits and are not measured in terms of dollars. These benefits include improvements such as reduced cycle time, reduced risk, improved customer satisfaction, and reduced error rates.

### **operational activity**

Operational activities represent tasks or functions required to achieve a specific mission or outcome within an E2E process. Operational activities are defined in the BEA OV-5.

### **Organizational Execution Plan**

The Organizational Execution Plan is the means through which the DOD components propose how they will deliver the DOD's business priorities. A completed plan will demonstrate how, through sound investment management, a DOD

component's streamlined portfolio of systems will support the business areas and subordinate functions contained within the BMAs. The plan is divided into sections that address each functional strategy. The plan is intended to be the assembly of business system investment requests from which the IRB and/or DBC recommends funds certification to the Deputy's Management Action Group and/or DBC.

### **portfolio**

The collection of capabilities, resources, and related investments managed as a group to achieve strategic objectives. Management activities for the portfolio include strategic planning, capital planning, governance, process improvements, performance metrics and/or measures, requirements generation, acquisition and/or development, and operations. The Army BMA portfolio is sub-divided into the domain portfolios of acquisition, human resources, financial management, logistics, and installations, energy, and environment.

### **portfolio management**

The management of selected groupings of investments using integrated strategic planning, integrated architectures, measures of performance, risk management techniques, transition plans, and portfolio investment strategies to achieve a mission capability. The core activities associated with portfolio management are: analysis, selection, control, and evaluation.

### **portfolio review**

Annual review of all Army investments using DOD guidance, Army policy, industry best practices, risk management techniques, measures of performance, transition plans, and portfolio investment strategies to ensure appropriate allocation of Army resources and health of Army IT investments in support of Army business processes. Review business cases for strategic alignment, return on investment, affordability, cross-domain integration, and best practices of business process re-engineering.

### **pre-certification authority**

The Under Secretary of the Army as the CMO serves as the pre-certification authority (PCA) for ABS that meet the OSD-defined \$1 million cost threshold over the FYDP. The PCA is responsible for ensuring compliance with investment review policies prescribed by the Army and the DOD's Defense Business Systems Investment Management Process Guidance through the annual certification cycle.

### **principal staff assistants**

The OSD principal staff assistants (PSAs) are the Under Secretaries of Defense (USDs); the Assistant Secretaries of Defense (ASDs); the Director, Operational Test and Evaluation (DOT&E); the General Counsel of the DOD; the Inspector General of the DOD; and the OSD Directors or equivalents, who report directly to the SECDEF or the Deputy Secretary of Defense (DEPSECDEF). PSAs develop the functional strategies associated with the business mission area.

### **problem statement**

The problem statement is the foundation of the business case that ensures that the process owner has performed an analysis to consider whether a business need can be solved without a materiel solution (result of DOTMLPF analysis; external influences have been identified; performance measures have been identified and follow specific, measureable, attainable, realistic, and timebound (SMART) criteria; and that the recommended solution is worthy of investment). The problem statement serves as the requirements document to support the materiel development decision in the acquisition process for a DBS.

### **process champion**

Process champions are senior business leaders whose role is to facilitate business processes and systems alignment through the end-to-end business process value chain, to defend the interests and requirements of Army customers who depend on E2E business processes to conduct business. The process champion is the person or organization responsible for the daily promotion and encouragement to use the process improvement throughout the E2E process. Process champions are also responsible for the ongoing training, assessment, and continuous improvement of their assigned process. For A2R, Service request to resolution (SR2R), and proposal to award (P2R), multiple process champions are appointed to facilitate systems alignment by specific functions.

### **program evaluation**

Program evaluation has several distinguishing characteristics relating to focus, methodology, and function. Evaluation 1) assesses the effectiveness of an ongoing program in achieving its objectives; 2) relies on the standards of project design to distinguish a program's effects from those of other forces; and 3) aims at program improvement through a modification of current operations.

**rationalize/rationalization**

Portfolio rationalization is the process of determining a recommended end state within a set period. Rationalization seeks to: 1) reduce unnecessarily redundant IT systems; 2) close capability gaps within the Army BMA; 3) improve audit-readiness and transparency; 4) consolidate disparate and non-interoperable IT systems under the federated ERP system environment; 5) reduce costs; and 6) increase efficiency and effectiveness of Army business processes.

**retirement**

Retirement refers to the discontinuation and removal of an IT system from use. An IT system is considered retired when all of the following have occurred: 1) budget lines zeroed; 2) functions subsumed or duplicated by a system in sustainment; and 3) taken out of service.

**revenue generation**

Programs in this category have the capability of generating enough income to cover most of their operating expenses, but they lack the ability to sustain themselves based purely on their business activity; consequently, they receive limited APF support.

**risk management**

The process of managing risks to organizational operations (including mission, functions, image, reputation), organizational assets, individuals, other organizations, and the Nation, resulting from the operation of an information system, and includes: 1) the conduct of a risk assessment; 2) the implementation of a risk mitigation strategy; and 3) employment of techniques and procedures for the continuous monitoring of the security state of the information system.

**sensitive activities**

Programs that restrict personnel access, such as alternative compensatory control measures (ACCM); sensitive support to other federal agencies; clandestine or covert operational or intelligence activities; sensitive research, development, acquisition, or contracting activities; special activities, and other activities excluded from normal staff review and oversight because of restrictions on access to information.

**service – information technology**

A software component and/or application that performs a defined function and is accessible and/or callable by consumer agents via a published interface and/or application program interface on or over a network. Services include: 1) personnel whose duties relate to the general management and operations of IT, including certain overhead costs associated with performance management offices; 2) maintenance of an existing application, infrastructure program or initiative; 3) corrective software maintenance, including all efforts to diagnose and correct actual errors (for example, processing or performance errors) in a system; 4) maintenance of existing voice and data communications capabilities; 5) replacement of broken IT equipment needed to continue operations at the current service level; and 6) all other related costs not identified as development and/or modernization. This definition should be considered complementary to other IT service definitions being developed by CIO/G6.

**stakeholder**

An individual or organization having an ownership or interest in the delivery, results, metrics, and improvement of the quality, system, framework, or business processes.

**statement of budgetary resources**

Accurate and timely recording of congressional appropriations and other related budget activities. It is critical because it provides the budget authority needed to commit, obligate, and expend funds. Absent accurate and timely budget authority information, the Department's ability to fund mission and operational requirements could be jeopardized, diminishing the Department's ability to defend the Nation and its allies. Inaccurate budget authority information also could result in over obligating and expending funds resulting in Anti-Deficiency Act violations.

**system**

An organized assembly of resources and procedures united and regulated by interaction or interdependence to accomplish a set of specific functions. Within the context of the Army Enterprise Architecture, systems are people, machines, and methods organized to accomplish a set of specific functions; provide a capability or satisfy a stated need or objective; or produce, use, transform, or exchange information. For the purpose of reporting to the Army Information Technology Registry, the terms "application" and "system" are used synonymously — a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination or disposition of information (that is, the application of IT).

**system of systems engineering methodology**

SOSE seeks to optimize network of various interacting legacy and new systems brought together to satisfy multiple objectives of the program. SOSE enables the decision-makers to understand the implications of various choices on technical performance, costs, extensibility, and flexibility over time. Effective implementation of the SOSE methodology prepares decision-makers to design-informed architectural solutions for system-of-systems problems.

**system owner**

The system proponent and the agency or organization that establishes the need for the IT system. Develops requirements, provides funding, designates who will manage data entry, and aligns requirements with APMS standards.

**Target Army Business Systems**

Target ABSs are those systems that represent the desired end-state. Target systems subsume other systems and may also be subsumed in future fiscal years as other target systems come online or expand. The list of Target ABS is revised annually. For portfolio review purposes, ABSs are defined as core, legacy, and target.

**target environment**

The target environment is a construct of the BEA that defines an objective state of the BMA portfolio at a designated point in time. It depicts business processes, applications and/or systems, and supporting IT infrastructure.

**virtualization**

Configuration of software so that a single host server can run multiple virtual environments and multiple applications reducing the need for multiple hardware and software platforms.

**Section III****Special Abbreviations and Terms****A2R**

acquire to retire

**ABC**

Army Business Council

**ABMS**

Army Business Management Strategy

**ABS**

Army Business System

**AFBRT**

Army Financial Benefits Reporting and Tracking

**AG**

Auditor General

**AMAG**

Army Management Action Group

**ASD**

Assistant Secretary of Defense

**B2R**

Budget to report

**BBP**

Better Buying Power

**BMA**

Business Mission Area

**BPEP**

Baldrige Performance Excellence Program

**BSIT**

Business Systems Information Technology

**CBM**

Core Business Mission

**CMO**

Chief Management Officer

**CNGB**

Chief, National Guard Bureau

**CPI**

continuous process improvement

**D2RR**

Deploy to redeploy/retrograde

**DBC**

Defense Business Council

**DBS**

Defense Business System

**DCMO**

Deputy Chief Management Officer

**DFS**

Dynamic Force Structure

**DIMA**

DOD portion of the Intelligence Mission Area

**DITPR**

DOD IT Portfolio Repository

**DSE**

Defense Security Enterprise

**EAMMF**

Enterprise Architecture Management Maturity Model Framework

**EIC**

Enterprise Integration Council

**EIEMA**

Enterprise Information Environment Mission Area

**EIWG**

Enterprise Integration Working Group

**FASAB**

Federal Accounting Standards Advisory Board

**FMD**

Force Management identifier

**GFEBBS**

General Fund Enterprise Business System

**H2R**

hire to retire

**IEE**

installations, energy, and environment

**IMS**

Integrated Management System

**IPPS-A**

Integrated Personnel and Pay System-Army

**JIE**

Joint Information Environment

**LSS**

Lean Six Sigma

**MSSM**

materiel supply and service management

**NIE**

Network Integration Evaluation

**NMA**

Network Mission Area

**OBT**

Office of Business Transformation

**P2R**

proposal to award

**PCA**

Pre-certification authority

**PFM**

portfolio management

**RPILM**

real property and installations lifecycle management

**SA**

sensitive activities

**SAPCO**

Special Access Program Central Office

**SMP**

Strategic Management Plan

**SR2R**

Service request to resolution

**WSLM**

weapon system lifecycle management

**UNCLASSIFIED**

**PIN 000240-000**