



Integrating & Leveraging Leading Practices For Effective Environmental Program Transformation

**Headquarters, Department of the Army
OACSIM, Installation Services Directorate
Environmental Division**

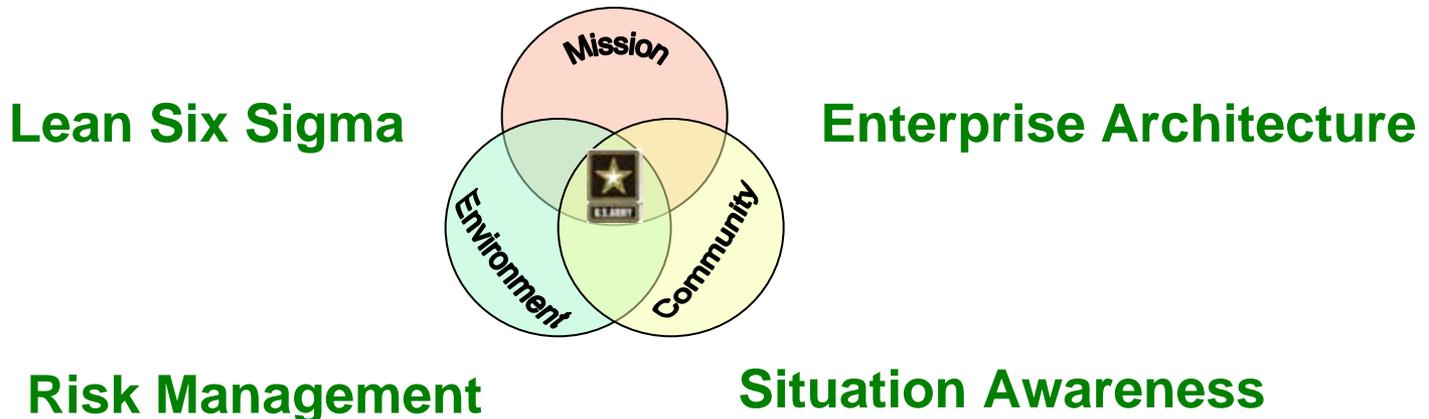
**Army IRP/MMRP Workshop
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Purpose

To present how the U.S. Army Environmental Programs is using a leading management practice to improve the effectiveness of Army Environmental Programs business transformation and integration efforts.

Strategic Planning





Bottom Line Up Front

Effective Business Transformation is possible, but requires successful integration and use of a portfolio of leading management and systems engineering practices in order to optimize desired outcomes.





Outline

- Situation – Need for Change
- Background – “5 W’s”
- How – “Eaches” & Integrated
- Results & Status
- Lessons Learned
- Summary & Conclusion



Situation

- Changing World
- Changing Nation
- Changing Defense Department
- Changing Army
- Army Environmental Programs...



“The significant problems we face cannot be solved at the same level of thinking we were at when we created them.”

– Albert Einstein



Army Environmental Program Business Transformation

Purpose

Provide a status brief on the Army Environmental Program (AEP) Business Transformation efforts.

- Business Transformation (BT)
 - Business Process Review (BPR)
 - Business Enterprise Architecture (BEA)
 - IT Modernization for Situation Awareness (SA)



Background – What & Why

Desired Outcomes

- ❑ Align organizations' strategic objectives and establish performance metrics
- ❑ Define business processes and their data requirements
- ❑ Ensure IT investments generate business value



Army Environmental Program - Business Model

Army investment in the environment exceeds \$1.5B / year

OACSIM Business Groups

Installation Management
Base Operations & Services
Morale, Welfare & Recreation
Safety
Occupational Health
Executive Management
Installation Master Planning
Housings & Furnishings
Environment
Real Property Acquisition & Mgt
Installation Geospatial
Facility Engineering
Military Construction
Public Works

✓ **Environment**

Environmental Program Group

~ \$650M / yr

Environmental Quality

AEP LOB

**Lines
of
Business**

~ \$750M / yr

Environmental Clean Up

**Lines
of
Business**

✓ **Program Support** - Key management functions that support execution of one or more of the AEP Lines of Business.

✓ **Program Initiatives** - Current or emerging initiatives that enhance one or more AEP Lines of Business, and/or sustain Army operations and training.



US Army Environmental Program

“To-Be” Business Model

Program Groups and Lines of Business

- **Environmental Quality**
 - Clean Air Program / P2
 - Clean Water / Safe Drinking Water Programs / P2
 - Hazardous Waste / Release Management / P2
 - National Environmental Policy Act (NEPA)
 - Threatened & Endangered Species
 - Integrated Natural Resources Planning
 - Conservation Reimbursable Programs
 - Pest Management (Plans)
 - Archaeological Site Protection
 - Historic Building Preservation
 - Native American Affairs
 - Integrated Cultural Resources Planning
- **Environmental Cleanup**
 - Active Sites Cleanup
 - BRAC Cleanup
 - Formerly Used Defense Sites (FUDS)
 - Compliance Related Cleanup (incl. overseas)

Program Support and Initiatives

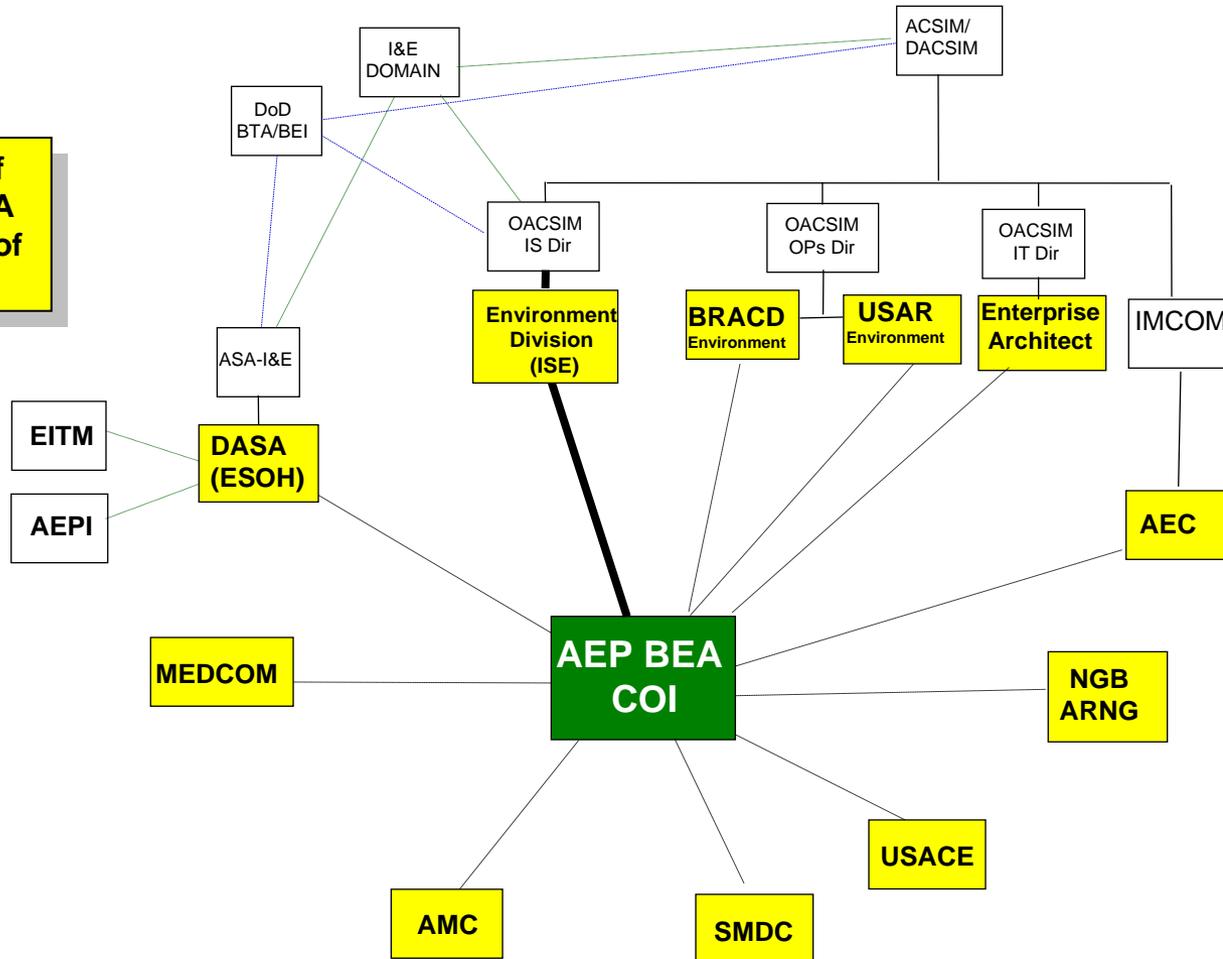
- **Environmental Program Support**
 - Environmental Mgmt. Systems (EMS)
 - Environmental Regulatory Monitoring
 - Environmental Quality Acquisition Support
 - Environmental Performance Assessment System (EPAS)
 - Environmental Quality & Closure Liabilities Reporting
 - Environmental Cleanup & Liabilities Reporting
 - Installation Status Report - Natural Infrastructure
 - Installation Status Report - Services
 - Range Management (G3) Support
- **Environmental Program Initiatives**
 - Emerging Contaminants
 - Environmental Quality Technology
 - Range Assessments
 - Army Compatible Use Buffers (ACUB) Requirements
 - Hazardous Materials Management Program (HMMP)



Background – Who & Where

Legend:

Members of the AEP BEA Community of Interest



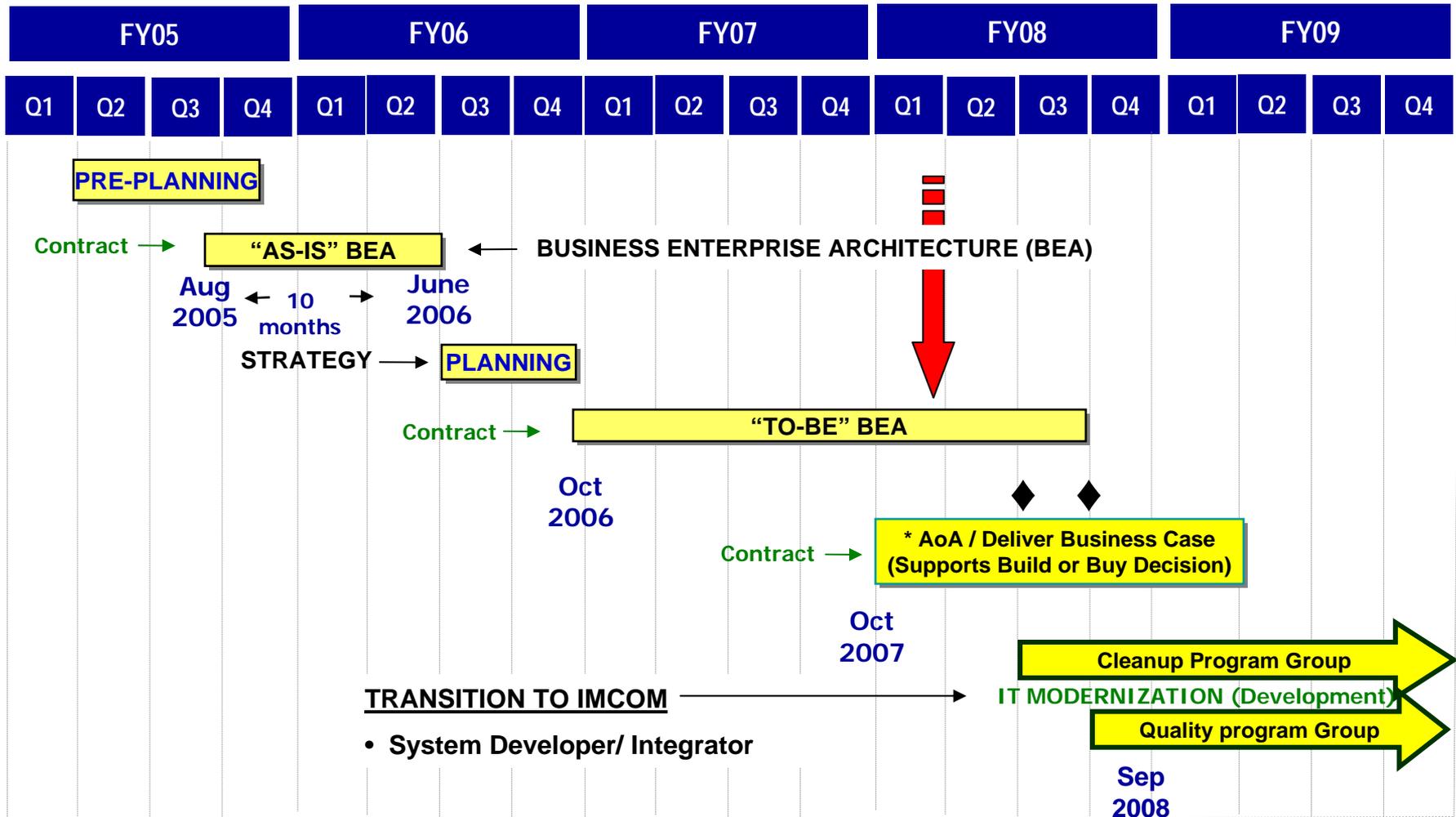


Background – When

- FY05 - OSD Business Transformation Agency directs Components to analyze business processes and align IT investments.
- FY05 -Environmental Division initiates Business Transformation efforts to eliminate redundant and stovepipe environmental activities; focus efforts to better support warfighting mission.
- FY05 - FY06 - Environmental Division leads effort to define and outline ('as-is') environmental business practices and identify gaps, overlaps, problems, risks and opportunities. Previous (legacy) environmental business practices are refined and realigned to the proposed /improved ('to-be') environmental program business structure.
- FY06 - FY07 –Environmental Division conducts Business Process Review to define key program objectives and performance metrics for each business area in the ('to-be') environmental quality and cleanup programs.
- FY07 - Business Process Review completed. Program objectives used to develop 'to-be' Business Enterprise Architecture mapping and other Business Transformation aspects.
- FY08 - Business Enterprise Architecture completion. Army Environmental Programs Operations View, Systems View and other Business Transformation aspects.



Background – What & When



* AoA – Analysis of Alternatives



Strategic Planning

AEP Business Process Review (BPR)

Drivers:

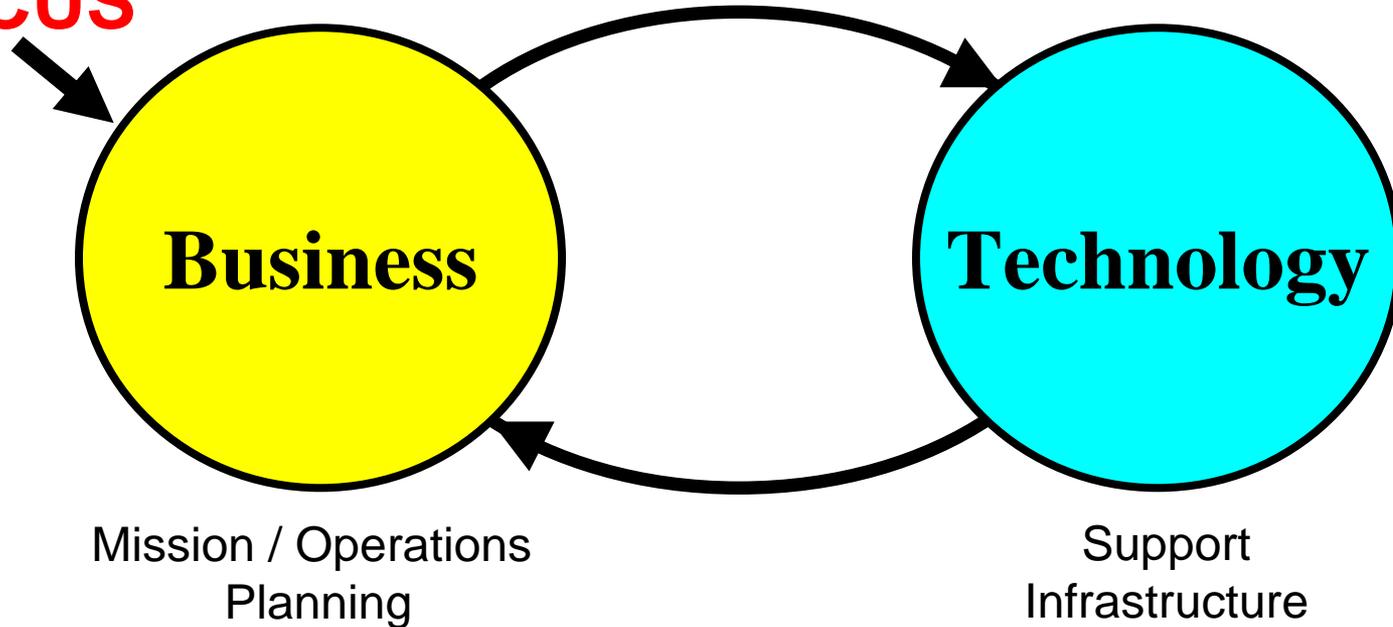
- Government Performance and Results Act of 1993 (Section 306)
 - Paperwork Reduction Act of 1995 (Section 3506)
 - Clinger-Cohen Act of 1996 (Sections 5122 and 5123)
 - OMB Circular A-11 (Section 210)
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- ✓ Mission, Vision, Governing Principles
 - ✓ Strategic Plan
 - ✓ Strategic Goals – *The Army Strategy for the Environment*, 1 Oct 04
 - ✓ Strategic Objectives – for each AEP Line Of Business
 - ✓ Performance Goals (Targets)
 - ✓ Performance Measures (Success Indicators)
 - ✓ Strategies & Means – Program Groups, Lines Of Business, Resources



Enterprise Architecture

Purpose: **ALIGNMENT**

FOCUS



“A strategic information asset base, which defines the business, the information necessary to operate the business, the technologies necessary to support the business operations, and the transitional processes necessary for implementing new technologies in response to the changing business needs. It is a representation or blueprint.” – Chief Information Officers Council, 1999



AEP IT Systems Modernization for SA

- **Business Case**

- Legacy systems do not meet DOD certification requirements
- Too many systems to support few business processes
- Excessive O&M costs ~ approximately \$18 million annually
- Developed using old and distinct technologies
- Systems are not transparent to customers
- Systems are not accessible to all customers
- Duplicative and redundant data collection
- Lack of auditability and manual processes

- **IT Modernization Strategy**

- Must use OACSIM Enterprise Business Model standards
- Data must be optimized to meet business needs
- Develop systems consistent with the 'to-be' BEA to meet business needs
- Information resources & assets need to be visible and accessible for
 - customer needs
- Must meet DOD certification standards
- Eliminate redundant/obsolete data collection and add new requirements



IT systems for Situational Awareness

Environmental IT systems are the HQDA databases of record (authoritative data sources) to provide:

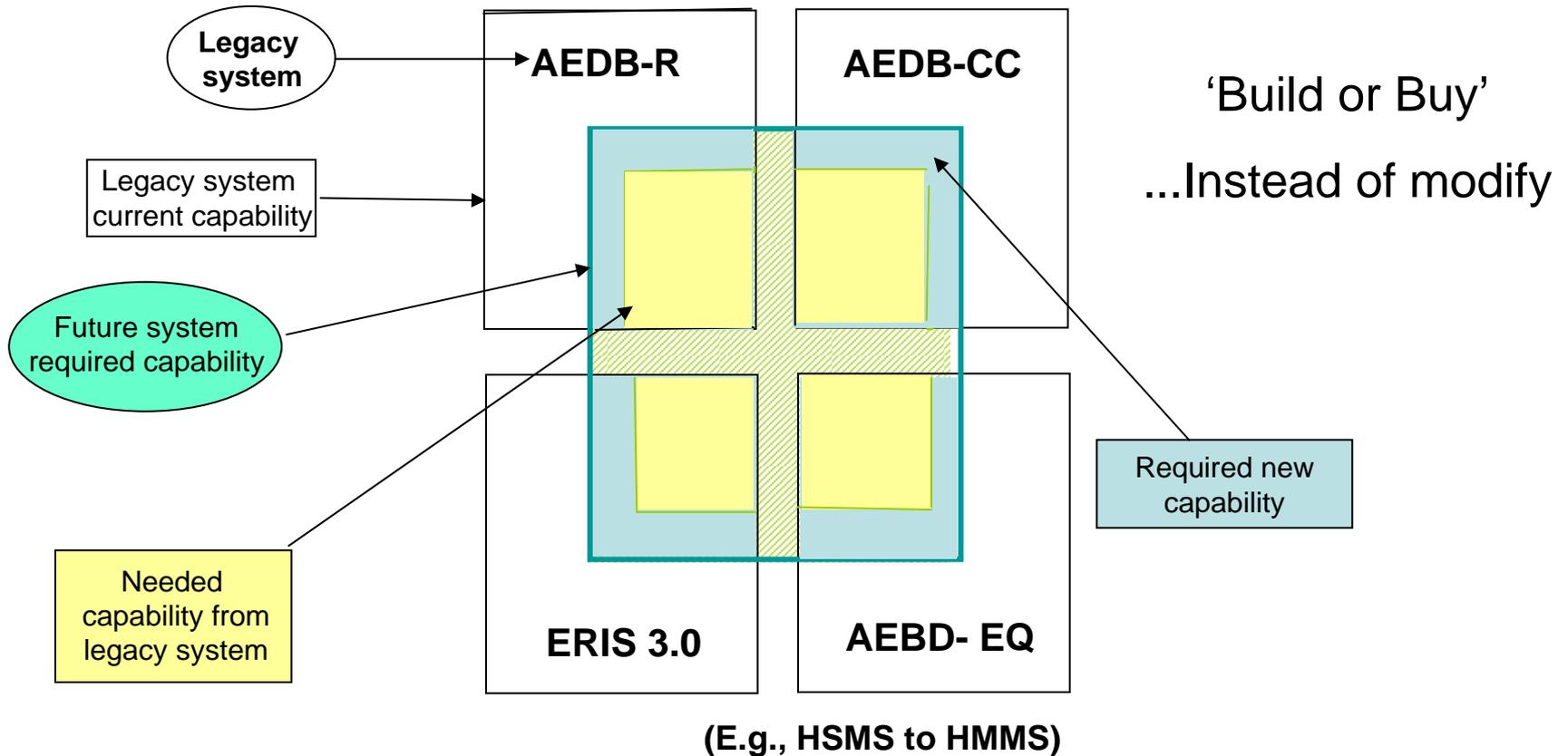
- Use financial data to generate Army Environmental Program POM requirements
- Report program performance to meet Army Environmental Program priorities
- Conduct program analysis & evaluation to anticipate changes
- Integrate information for future program planning
- Use information to prepare Annual Report to Congress
- Use information to prepare semi-annual reports to DoD EMRs
- Use information to Report Environmental Liabilities

Form Follows Function



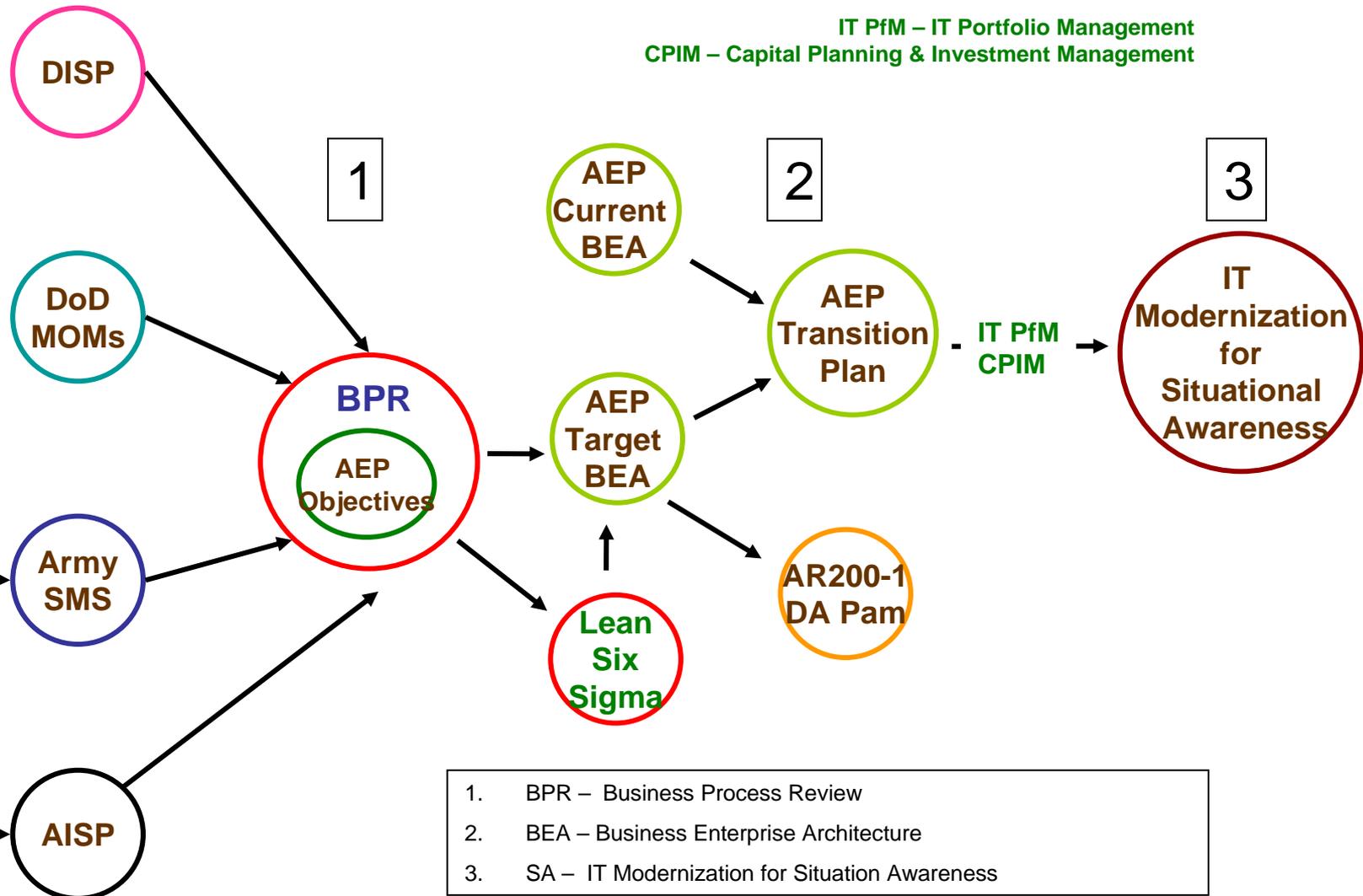
Reduce Redundant and/or Stove-piped IT Investments

** Notional Representation*





AEP Business Transformation Workflow





Results & Status

- Business Process Review (BPR) effort is complete (Objectives, Performance Measures and Targets)
- Lean Six Sigma (LSS) efforts can both use and contribute to BPR and Business Enterprise Architecture (BEA) efforts
- BEA development efforts contribute to and use BPR and LSS to develop Target Operational and Systems Requirements
- Continuous Risk Management helps mitigate & manage Risks
- Staff operational awareness and agility continue to improve as the process of Business Transformation continues



Lessons Learned

- Active Leadership Participation essential throughout the effort
 - Setting Business Enterprise Priorities
 - Determining Functional Scope & Organizational Span
 - Assigning Responsibilities & Allocating Resources
 - Making Decisions & Resolving Significant Issues
- Continual Planning, Coordinating, and Communicating required to successfully synchronize and integrate all efforts
- Establishing Governance structures, processes, and responsibilities early reduces friction and minimizes changes
- Continuous Risk Management helps keep the effort moving forward by avoiding or quickly overcoming obstacles



Summary

- Situation – Need for Change
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“We must strive to become systems thinkers if we are to benefit from the interrelationships of the triple bottom line of sustainability: mission, environment, and community.”

– R. L. Brownlee, Acting Secretary of the Army and GEN Peter J. Schoomaker, CSA



Conclusion

Effective Business Transformation is possible, but requires successful integration and use of a portfolio of leading management and systems engineering practices in order to optimize desired outcomes.





Questions & Comments



AEP Business Transformation - Definitions

- **Business Transformation (BT)**
 - The BT (previous called as Business Modernization and Management Program (BMMP)) is the transformation of business operations and supporting systems that support program performance and financial accountability
 - **Business Process Review (BPR)**
 - The BPR is an analysis and design of workflows and processes within and between organizations and the critical analysis and redesign of existing business processes to achieve improvements in performance using Lean Six Sigma tools
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AEP Business Transformation - Definitions

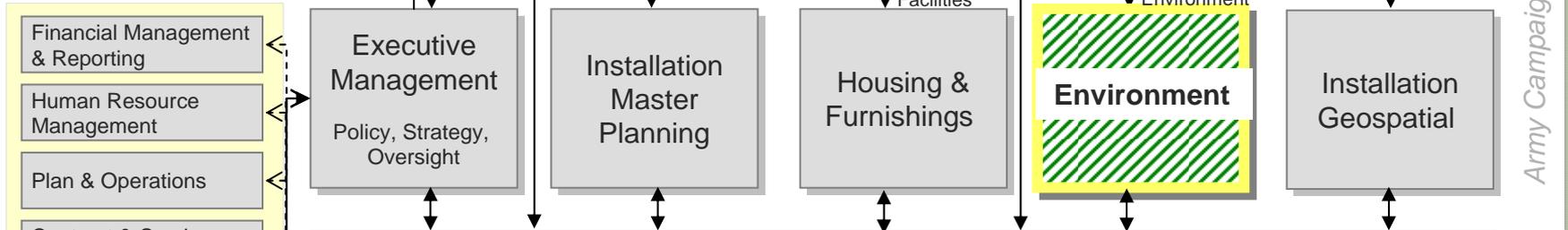
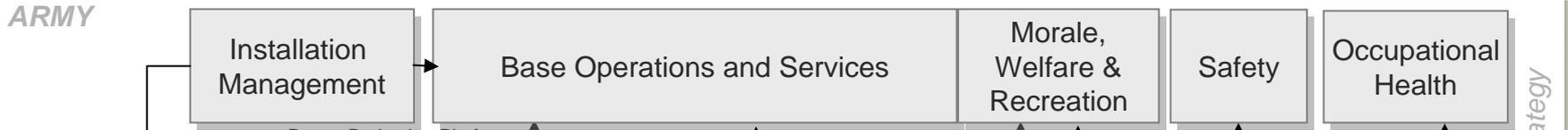
- **Business Enterprise Architecture (BEA)**
 - The BEA is an information infrastructure that includes processes, data, data standards, business rules, operating requirements, and information exchanges used in accomplishing mission objectives
 - **Situational Awareness (SA)**
 - Ability to generate actionable knowledge through the use of timely and accurate information about the Army enterprise, its processes, and external factors
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OACSIM Enterprise Business Model

CONGRESSIONAL/STATUTORY Accountability Financial Improvement Performance Management

DoD Business Enterprise Priorities Reporting Audits



Army Strategy

Army Campaign

Transformation

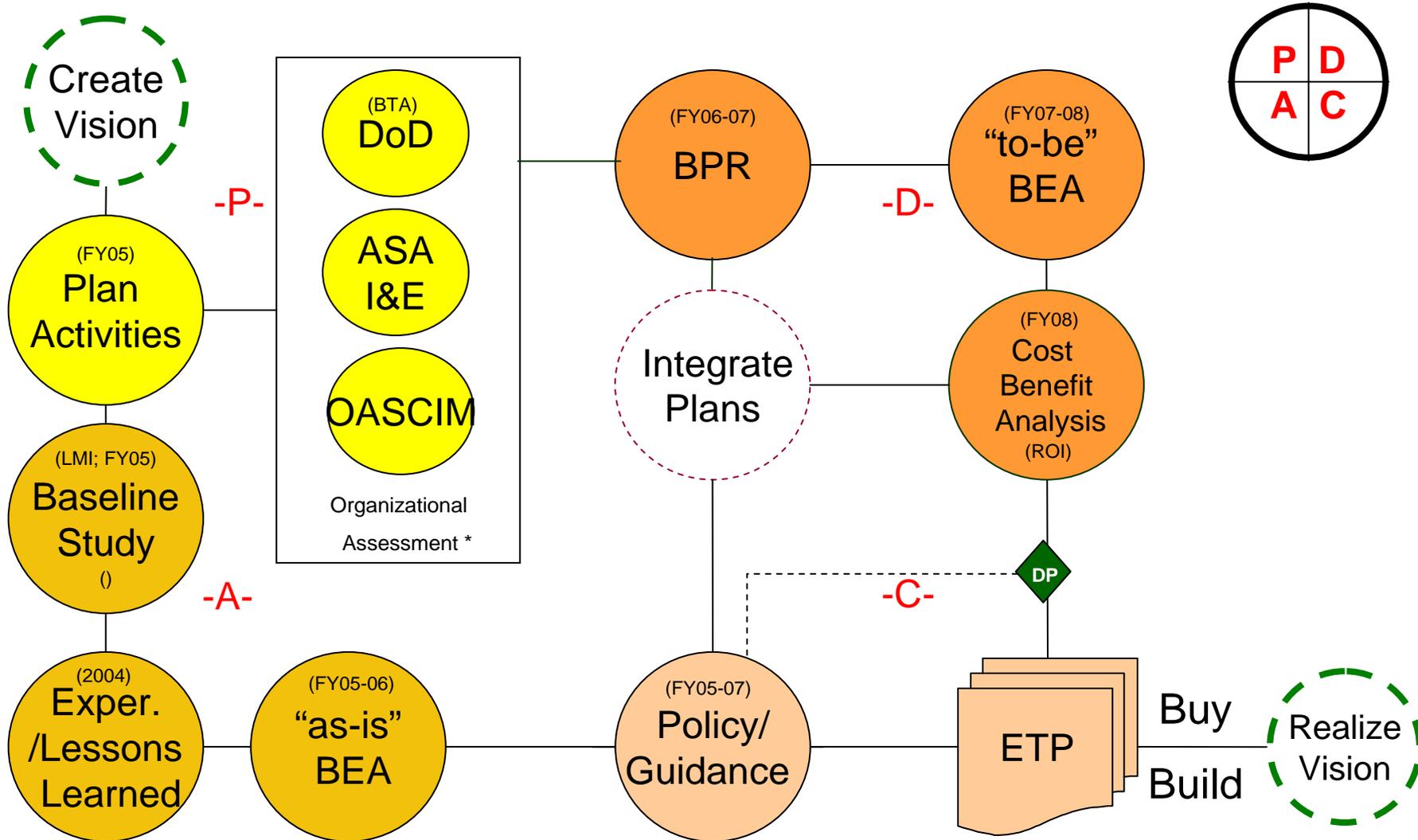
Citizenry

Community



Army Environmental Programs

Business Transformation: *Operational Situation*



*strategy, policy, guidance