

1. What is the Enterprise Transition Plan (ETP)? How does the ETP complement the Business Enterprise Architecture (BEA)?

The BEA is the blueprint and the ETP is the roadmap for the Department's business transformation. The BEA provides the architectural framework for the Department's interoperable information infrastructure. The ETP articulates a systematic process for delivering improved capabilities that will have a major impact on the performance of DoD's business mission

2. How does the ETP support Defense Business Transformation?

The Enterprise Transition Plan (ETP) guides and tracks the business transformation of the DoD Business Mission Area (BMA) by: 1) describing what DoD is trying to achieve and how we will know when we get there; 2) capturing milestones and metrics to guide Business Capability improvements; 3) identifying tangible benefits for each investment; and 4) documenting a baseline against which to measure progress. Components develop strategies, schedules, and budgets and define Business Capabilities in their transition plans that are then incorporated into the DoD-wide ETP. The Enterprise and Component priorities, as well as the detailed plans for achieving them, are aligned in the ETP. The ETP summarizes planning information for selected programs that support the Enterprise priorities and for Component programs that support Component or Enterprise priorities. This summary—the ETP—provides an integrated product for communicating and measuring progress.

3. What progress has been made in Defense Business Transformation to date?

The DoD has instituted a strong governance structure, actively led by the Deputy Secretary of Defense and the Department's most senior leaders, to guide and manage its business transformation efforts. This governance structure is headed by the Defense Business Systems Management Committee (DBSMC). The DBSMC has provided strategic guidance that resulted in actions such as:

- Establishing six Business Enterprise Priorities (BEPs) to focus the Department's business transformation efforts, which now guide DoD investment decisions
- Establishing the Business Transformation Agency, a permanent piece of the DoD, staffed by resources with the skills to drive change at the Enterprise level of the organization and be held accountable for specific elements of the overall effort
- Establishing Investment Review Boards, which are responsible for reviewing business system/modernization investments annually and recommending those investments for certification. Over the last two years, over 300 systems at both the Component and OSD levels have been certified as compliant to the BEA or been granted conditional certifications based on specific plans to achieve compliance during the implementation lifecycle.
- Providing strategic oversight for key enterprise-wide programs, such as the Defense Integrated Military Human Resources System (DIMHRS)
- Conducting strategic business policy reviews; for example, travel policies that impact solutions such as the Defense Travel System (DTS)
- Performing reviews of the Component-wide strategies, performance, and risks for Enterprise Resource Planning (ERP) systems
- Shifting to a bias toward implementing business capability as rapidly as possible, and in support of that bias, developing a new acquisition oversight processes for business systems—the Business Capability Lifecycle (BCL), which has as a central tenet that future business cases for systems must include the delivery of tangible capability within 12-18 months.
- Establishing an OSD Continuous Process Improvement (CPI)/Lean Six Sigma Program Office to build on the successes of the Military Services in improving processes, such as improving the Army's inspection process for servicing M1 Main Battle Tanks, which reduced the tank servicing backlog from 85 tanks to zero over a six-month period.
- Piloting a new set of processes, called the Enterprise Risk Assessment Methodology (ERAM), to review business systems with a focus on identifying and mitigating risk, increasing the likelihood that programs will achieve their objectives.
- Establishing enterprise data standards, such as the Standard Financial Information Structure (SFIS)—necessary to generate mandated financial reports—and the Real Property Inventory Requirements (RPIR), which enables a comprehensive data management strategy, sustainable business processes, proposed policy changes, and overall asset accountability for the tremendous volume of DoD's real property assets.
- Adding a focus on meeting the needs of soldiers in the field to complement the traditional focus on peacetime garrison operations; for example, developing the Joint Contingency Contracting System (JCCS) to support Iraq/Afghan reconstruction efforts. JCCS has captured 97,447 contracting actions in a centralized contract repository valued at \$31.48B.
- Approving business system investment certifications from across the Department.

4. What are Core Business Missions and how do they differ from Business Enterprise Priorities?

The BMA encompasses five Core Business Missions (CBMs), which are:

- Human Resources Management (HRM): HRM is responsible for all Human Resources (HR) processes necessary to acquire, train, and prepare personnel to populate warfighter and support organizations. It includes providing trained, healthy, and ready personnel to combatant and combat support organizations and ensuring timely and accurate access to all applicable compensation and benefits for all DoD personnel.
- Weapon System Lifecycle Management (WSLM): WSLM encompasses the Defense Acquisition business processes that deliver weapon systems and automated information systems. It addresses management of the full lifecycle—from concept through disposal—including requirements, concept refinement, technology development, production and deployment, operations and support, and disposal.
- Materiel Supply and Service Management (MSSM): MSSM manages supply chains for the provision of materiel supply and services to deploy, redeploy and sustain the warfighter, increase materiel availability and maintain readiness of deployed and non-deployed forces. This includes all aspects associated with acquiring, storing, and transporting all classes of supply, up to the point where those supplies are provided to operational units and deployed warfighters.
- Real Property & Installations Lifecycle Management (RPILM): RPILM provides installation assets and services necessary to support our military forces in a cost effective, safe, sustainable, and environmentally safe manner.
- Financial Management (FM): FM is responsible for providing accurate and reliable financial information in support of the Planning, Programming, Budgeting, and Execution process to ensure adequate financial resources for warfighting mission requirements. It provides accurate financial information to reliably cost: 1) the conduct, output, and performance of DoD operations and missions both in total and in varying levels of organizational, operational, and resource detail; and 2) ongoing, completed, or projected programs in support of warfighting requirements.

These five Core Business Missions integrate horizontally across all business functions (e.g., planning, budgeting, IT, procurement, maintenance, etc.) to provide end-to-end support. The Department's business transformation effort integrates these five CBMs to ensure that their processes, systems, and operations work in coordination with one another.

The CBMs differ from the Business Enterprise Priorities in that the Enterprise-level business priorities serve as short-term objectives, driving specific programs that deliver capabilities in support of each of the CBMs. These six Business Enterprise Priorities each make critical business information more visible and accessible:

- Personnel Visibility
- Acquisition Visibility
- Common Supplier Engagement
- Materiel Visibility
- Real Property Accountability
- Financial Visibility

These priorities represent those areas within the Core Business Missions where increased focus will bring the most dramatic and immediate positive impact on the business missions of DoD, enabling the Department to better answer basic questions about its people, its assets, its suppliers, and its investments. The plan for each priority details measurable program and Business Capability deliverables spread over the next several years.

5. What are the six current Business Enterprise Priorities?

The Business Enterprise Priorities help focus the Department's attention and resources on areas that will have the greatest impact across the enterprise. These six priorities will provide enduring improvements and benefits to the Department's business infrastructure. The six Business Enterprise Priorities detailed in the current version of the ETP are:

- Personnel Visibility (PV), which is the fusion of accurate human resources (HR) information and secure, interoperable technology within the Human Resources Management (HRM) core business mission. PV is defined as having reliable information that provides visibility of military service members, civilian employees, military retirees, contractors (in theater), and other U.S. personnel, across the full spectrum – during peacetime and war, through mobilization and demobilization, for deployment and redeployment, while assigned in a theater of operation, at home base, and into retirement.
- Acquisition Visibility, which is defined as achieving timely access to accurate, authoritative, and reliable information supporting acquisition oversight, accountability, and decision making throughout the Department for effective and efficient delivery of warfighter capabilities. Benefits: a more flexible business environment that supports better investment decisions, greater accountability, increased management agility, and improved reporting to Congress.
- Common Supplier Engagement (CSE), which is the alignment and integration of the policies, processes, data, technology and people to provide a consistent experience for suppliers and DoD stakeholders to ensure reliable and accurate delivery of acceptable goods and services to support the warfighter. Benefits include improved supplier relationships through consistent data and processes between DoD and its suppliers; reliable and accurate delivery of goods and services; increased visibility of supplier activities that increase ability to meet socioeconomic goals; and operational efficiencies in contingency and garrison operations through standardized data, processes, and systems.

- Materiel Visibility (MV), which is defined as the ability to locate and account for materiel assets throughout their lifecycle and provide transaction visibility across logistics systems in support of the joint warfighting mission. Benefits include timely and accurate information on the location, movement, status, and identity of unit equipment, materiel and supplies, greatly improving overall supply chain performance.
- Real Property Accountability (RPA) provides the warfighter and Core Business Missions (CBMs) access to near-real-time secure, accurate and reliable information on real property assets, and environment, safety, and occupational health sustainability. Accurate and timely data is fundamental to effective management of the assets, and ultimately to military success. The Real Property and Installations Lifecycle Management CBM will provide the warfighter and other CBMs with continuous access to Installations and Environment (I&E) information.
- Financial Visibility (FV) means having immediate access to accurate and reliable financial information (planning, programming, budgeting, accounting, and cost information) in support of financial accountability and efficient and effective decision making throughout the Department in support of the missions of the warfighter.

6. What information does the ETP provide for each Business Enterprise Priority?

The ETP describes each Business Enterprise Priority's goals and objectives, and the strategy for achieving that priority. The ETP presents the business capabilities to be improved for that priority, along with target outcome metrics and current measurements for each business capability.

Moreover, the ETP describes the programs (the systems and initiatives) that will provide these capability improvements and lists recent accomplishments and near-term plans for each program. The ETP provides the cost, schedule, and performance management information associated with each program. The ETP also provides the organizational scope and functional span for the target systems in each priority as well as system migration and termination plans.

7. Do the Business Enterprise Priorities cover all business transformation efforts in the Department?

The Business Enterprise Priorities cover many but not all of the business transformation efforts in the Department. The initial set of Business Enterprise Priorities represents the current DoD-wide, or Enterprise, business transformation priorities of DoD. In addition, Components develop strategies, schedules, and budgets and define business capabilities in their transition plans, which are then incorporated into the DoD-wide ETP. The Business Enterprise Priorities—and the detailed plans for achieving them—plus the individual Component priorities are all aligned in the ETP. The ETP summarizes planning information for selected programs that support the Business Enterprise Priorities and for Component programs that support Component priorities. This provides an integrated product for common review, communication, and update.

8. What accomplishments have been made at the DoD Enterprise-level?

In the past year, the Business Enterprise Priorities met 83% of their milestones established in the September 2006 ETP. Selected highlights are listed below, with additional detail available in Appendix J of the September 2006 Enterprise Transition Plan. Appendix J is found online at www.defenselink.mil/dbt/products/2007_BEA_ETP/etp/ETP.html.

Personnel Visibility

- Vouchers processed in DTS increased at an exponential rate—78% over last year
- Completed business process analysis for the Army and the Air Force leading them from the “As-Is” to the “To-Be” processes under the Defense Integrated Military Human Resources System (DIMHRS). Began policy change initiatives to prepare for deployment.
- Completed the study for an integrated DoD civilian HR/payroll system including a baseline economic case as the basis for the development and implementation decision. The study recommended development of the integrated system. This recommendation was approved by USD (P&R).

Acquisition Visibility

- Submitted to Congress electronically the annual unclassified portions of Selected Acquisition Reports (SARs) for 95 Major Defense Acquisition Programs (MDAPs) for the second consecutive year. Confirms implementation of this capability and that it increases the efficiency with which the Department meets SAR reporting requirements.
- Reduced DoD processing time of electronic export licenses to an average of 17 days (exceeding the 30-day regulatory requirement).

Common Supplier Engagement

- Reduced the number of DoD systems that collect and feed into the federal level Past Performance Information Retrieval System (PPIRS) from four to one over a two-year period, thereby establishing the master authoritative source for vendor report card information across the Department.
- Retired the final remaining legacy DoD contractor performance collection system. CPARS is now the Department's master authoritative source for vendor report card information.

Material Visibility

- Completed initial military equipment valuations for warfighting assets on 1,101 programs, providing for the first time the acquisition cost and useful life of each item of military equipment in the DoD inventory, using a consistent approach that can be audited.
- Logistics Master Data (LMD) completed the final phase of development of the single integration point to access the Customer Master Data source, DoD Customer Address File, two months early.
- Military services and DoD suppliers are marking appropriate equipment with standardized item unique identification. Currently, there are 1.5 million new and legacy items marked.

Real Property Accountability

- Achieved Full Operational Capability of the Real Property Site Registry, including secure interfaces with Military Service Real Property Inventory (RPI) systems.
- Developed Defense Installation Spatial Data Infrastructure (DISDI) standards to document how Services will determine completeness of inventory and eliminate this material weakness.
- Developed and published standardized metadata requirements to support the development of a net-centric environment for real property data accessibility across the Department.

Financial Visibility

- Implemented SFIS compliant Financial Reporting for the following entities: the Marine Corps General Funds, Air Force General Funds, Air Force Working Capital Funds, Marine Corps Working Capital Funds, and Navy Working Capital Fund.
- Completed an enterprise SFIS Compliance Plan that tracks when each DoD business feeder and accounting system will be SFIS compliant.
- Automated input of Special Interest and Global War on Terror Data in Q1 FY07.
- Delivered a master requirements document for cash accountability reporting and fund balance with Treasury reconciliation capabilities in Q2 FY07.

9. How do the Component Transformation Plans integrate with Enterprise-level plans in the ETP?

Each Component manages its own priorities to improve mission effectiveness and efficiency. Components have created and are maintaining Component Transformation Plans that present their transformation vision and goals and the strategies for achieving their Component priorities. Most Component transformation programs support one or more Business Enterprise Priorities, and in a number of cases, support other Components as well.

The ETP shows how:

- Components leverage Enterprise solutions: For instance, the Army plans to leverage capabilities provided by the DoD Enterprise through the Defense Integrated Military Human Resources System (DIMHRS). The Army is designing and developing new business processes that will prepare the Army for the implementation of DIMHRS.
- Components support Enterprise priorities: For instance, Navy ERP enables rapid response to operating force logistics needs through integrated visibility and status data, which supports Materiel Visibility. This is just one of many benefits of the program that support the Business Enterprise Priorities.
- Components work together for joint benefit: For instance, IGC will establish common integrated data services to provide a cohesive solution for management of supply, distribution, and logistics information through a single environment between DLA and USTRANSCOM for consistent access to common, authoritative data, business standards, and information.

Future versions of the ETP will continue to move toward tighter integration between DoD Enterprise and Component transition plans, assess the maturity of DoD's Business Capabilities, and reflect the Department's progress in achieving business transformation goals and milestones. The September 2007 ETP takes one step toward this tighter integration with a table for each Component that shows specifically how Component programs support one or more Business Enterprise Priorities.

10. What progress have the Components made in transformation?

In the past year, the Business Enterprise Priorities met 78% of their milestones established in the September 2006 ETP. Some key business transformation accomplishments made by Components over the past year include:

Department of the Army

- Established a prototype Service Oriented Architecture (SOA) for its Future Business System. Purpose was to exhibit an initial array of enterprise business capabilities to the community, in order to demonstrate flexible access to existing data stores and to facilitate development of requirements and business case development.

- Provided an unparalleled ability to track soldiers in theater using the Deployed Theater Accountability System (DTAS). DTAS allows users to retrieve information generated days, hours, or minutes earlier by tactical units on the battlefield.

Department of the Navy (DoN)

- Achieved One-Time Payment for NMCI, which is equivalent to an acquisition system's full operational capability (FOC). NMCI provides U.S. shore-based Sailors and Marines secure, universal access to integrated voice, video and data communications.
- Applied Lean Six Sigma to "top issues," resulting in such process improvements as reducing the contract cycle time at the Naval Sea Systems Command by 30% and improving base check-in and check-out procedures, with the value of labor reallocated as a result of the improved procedures exceeding \$4.5M,

Department of the Air Force

- Expeditionary Combat Support System (ECSS): Enterprise Level Blueprinting, Legacy Deconstruction, and Pathfinder Assessment and Analysis efforts were initiated to redesign the business process and provide selection and configuration requirements for deployable information technology products, e.g., ERP components. This provides the initial groundwork and planning to enable the transformation of the entire AF logistics operation.
- The Air Force deployment system of record, DCAPEs, subsumed the Manpower and Personnel System-Base Level, providing war planners real-time access to manpower data. DCAPEs provides force accountability applications that track and maintain deployment personnel history files supporting CCDR AORs.
- Personnel Services Delivery (PSD): Centralizing 94 personnel processes from the major commands to the Air Force Personnel Center, and on-going business process design efforts have documented a workload cost avoidance of 729 Full Time Equivalents (FTEs).
- Completed initial integration of the Air Force's System Metric and Reporting Tool (SMART) system with the OSD's Defense Acquisition Management Information Retrieval (DAMIR) system for acquisition program health reporting. This eliminates duplicative data entry (saving manpower and eliminating chance of conflicting information) and speeds the reporting process resulting in decision makers having more timely access to more reliable information. This also enables the retirement of the legacy Consolidated Analysis and Reporting System (CARS).

Defense Logistics Agency (DLA)

- Customer Relationship Management (CRM) achieved Full Operational Capability (FOC) in July 2007 and is linking customer and supplier operations to more effectively provide service to the warfighter. Pre-Planned Product Improvements (P3I) focus on CRM customer service processes, as they have the most direct benefit to the warfighter and other DLA customers. CRM has been incorporated in the DLA business model and will contribute to the DLA goal of a single, integrated enterprise business system.
- Business Systems Modernization (BSM) achieved Full Operational Capability (FOC) in September 2007 following approval of the completed operational assessment interoperability certification. BSM functionality now enables customers to make supply queries online, place orders, improve delivery time, obtain automated product data information, and provide commanders immediate access to stock information.

U.S. Transportation Command (USTRANSCOM)

- As the lead command for DoD's worldwide aeromedical evacuation (AE). USTRANSCOM's AE operations play a life-saving role in combat service support by rapidly moving injured Soldiers, Sailors, Airmen, Marines, coalition forces, and others from the battlefield to critical care facilities. The AE mission response time has rapidly accelerated in recent years, resulting in significantly increased survival rates of the wounded. For example, over 90% of patients injured in Operation Enduring Freedom and Operation Iraqi Freedom (OEF/OIF) have survived, an improvement of 14% over those injured in Desert Storm. Patients reaching the hospital in Balad, Iraq, have a 98% chance of survival, and those in Landstuhl, Germany have a 99% chance.
- Led the building, testing and deployment of the Defense Enterprise Accounting and Management System (DEAMS) Increment 1 / Spiral 1 in July 2007. Spiral 1 is a production demonstrator that replaced the Automated Business Services System for commitment accounting for select users at Scott AFB.

Defense Finance and Accounting Service (DFAS)

- Assigned a full time Military Pay Improvement Action Plan (MPIAP) program manager; identified opportunities for military pay improvement and presented them for Office of the Under Secretary of Defense Personnel/Pay Council approval.
- Completed expansion of the Case Management System (CMS) for Army Reserve components to the unit level to provide Army Reserves with the same capabilities as Army Active to track and control pay problems. Prior to using CMS, many pay problems remained unresolved with only manual processes in place for identification and control. Currently CMS has approximately 2,300 users.

- Using Lean Six Sigma tools and methodology, executed approximately 30 process improvement projects that provided more than \$28M of estimated benefits.
- Implemented a DFAS-championed change to require mandatory Electronic Funds Transfer (EFT) information in the Defense Travel System (DTS). This will eliminate 4000-5000 checks issued per month from DTS, positively influence DoD performance toward meeting the OMB goal of 99% EFT payments, and eliminate traveler payment delays when Treasury checks are lost in the mail.

Military Health System (MHS)

- Achieved FOC for AHLTA Block 1 by completing deployment to the final seven Military Treatment Facilities (MTFs). AHLTA Block 1 has now been implemented at all 138 planned Army, Navy, and Air Force MTFs across 11 time zones worldwide, with over 55,000 fully trained users. AHLTA's Clinical Data Repository currently contains electronic clinical records for over nine million beneficiaries.
- In March 2007, Bidirectional Health Information Exchange (BHIE) was operational at 15 medical centers, 17 hospitals, and over 180 outlying clinics. BHIE data are now available through AHLTA, DoD's electronic health record, from all DoD sites, and through VistA, VA's electronic health record, to all VA and DoD providers for those patients treated by both departments.

11. How will the DoD provide more accurate, reliable, and timely information for management?

The Business Enterprise Priorities support increased visibility into the Department's people, assets, suppliers, and investments through a strategy based on networked information, authoritative data sources, and the implementation of enterprise-wide standards.

The continued migration to a networked information (net-centric) environment is a key enabler to providing access to reliable management information is. By leveraging digital networks, DoD will be able to more optimally distribute information currently locked in isolated applications and thereby enable visibility across end-to-end processes.

The Business Enterprise Priorities will also establish authoritative data sources (i.e., entered once and used by many) for accounting transactions, invoices, inventory management, and other documentation that supports the funding, purchasing, and distribution of weapons and supplies.

The use of enterprise-wide standards, such as SFIS, will help to ensure accurate, reliable, and timely business and financial transactions. Standards will also enhance interoperability and support improved decision-making.

12. What's new in the ETP?

The current version of the ETP introduces several new types of content. First, the overview to the ETP discusses the core elements necessary to achieve the Department's business transformation goals: strategy, culture, process, information and technology, with examples illustrating what the Department is doing in each element.

Next, the ETP provides an overview of each Core Business Mission, including their goals and objectives, a summary of their certification/investment review activities, transformation programs and activities (beyond those included in the Business Enterprise Priorities), accomplishments, and near-term plans.

For each Business Enterprise Priority and Component priority, the ETP now includes a discussion of the strategy for achieving that priority, along with a description and status at a glance of the programs and activities that are the vehicles for accomplishing the strategy.

Furthermore, each Business Enterprise Priority section describes their cross Business Enterprise Priority and Component integration efforts. Each Component section includes a table indicating how that Component's programs and activities support the Business Enterprise Priorities as well.

In addition to describing the programs (systems and initiatives) that support the Business Enterprise and Component Priorities, each section contains other transformational DOTMLPF (Doctrine, Organization, Training, Material, Leadership, Personnel, and Facilities) activities that support their priorities.

This ETP now designates some programs as Fully Implemented Programs, which are programs that have been fully deployed. The ETP will no longer track milestones and legacy migration information for these programs. However, since the programs are now delivering the capability improvements identified in their requirements, the Department will continue to track their contribution to the target environment in the ETP, especially their impact on performance improvement.

13. What are the next steps for the ETP?

The March 2008 Congressional Report and ETP update will show achievement of schedule milestones and status of future milestones, reflect the 2009 President's Budget, and align with BEA 5.0 changes.

The Department will continue to focus on meeting the needs of warfighters in the field with real and lasting capabilities designed for the theater of operation, along with the traditional focus on peacetime garrison operations. The BCL approach will help speed the delivery of business capabilities to the warfighter and other key stakeholders from across the Department.

Moving forward, DoD will focus its efforts on executing this Defense Business Systems Management Committee-approved plan—the ETP—in order to provide improved support to warfighters and decision makers and enable greater financial accountability. This plan includes an aggressive schedule to improve business operations and monitors progress through an enhanced performance management framework. As a consequence, business transformation will support the mission of America's Armed Forces by providing direct, measurable benefits to the warfighter and improved stewardship of the Nation's resources.