leading change

APIC-Q

Army Performance Improvement Criteria

2006

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Leading Change

The President's vision for government reform is guided by three principles. Government should be:

— Citizen-centered, not bureaucracy-centered;
— Results-oriented;
— Market-based, actively promoting rather than stifling innovation through competition.

We encourage every organization to use the Army Performance Improvement Criteria (APIC) for self-assessment. The end result will be a stronger, more effective Army, one better able to meet the challenges of the coming years. The APIC is a tool that will help organizations assess how they do business and identify opportunities for improvement. The use of the Army's Performance Improvement Criteria can serve as a major Army leadership strategy to stimulate organizational learning, ensuring stewardship of the public trust.   APIC provides leaders with an excellent tool to gauge organizational performance. Further, it enables leaders to examine all aspects of the organization and facilitates sharing of best practices to promote change and create avenues of excellence for organizational learning.

The 2006 APIC is based on the 2006 Malcolm Baldrige Criteria for Performance Excellence, and is the strategic framework for leading change and assessing performance recommended by AR 5-1. For 17 years, the Baldrige Criteria has been used by thousands of U.S. organizations to stay abreast of ever-increasing competition and to improve performance. In today's business environment, the Criteria helps organizations respond to the rapid pace of innovation, to focus on core competencies, and to the challenges of outsourcing and supply chain management. It is the basis for the top quality award programs in 44 States and over 60 nations. Whether your organization is small or large; tactical or non-tactical unit; combat, combat support, or combat service support unit; school or garrison command; or an element of a headquarters staff, the APIC provides a valuable framework that can help you plan for continuous performance improvement in an uncertain environment. It is quite simply, "Management by Asking (and Answering) 117 Good Questions". It includes actual examples from Army organizational self-assessments to assist in applying the Criteria to your organizations. These "real world" examples should be helpful to relating the criteria to your activity and to enable its use as an assessment tool.

We thank the Assistant Chief of Staff, Installation Management (ACSIM), the U.S. Army Construction Engineering Laboratory (CERL), instructors at the Army Logistics Management College (ALMC) and the Laverne E. Weber Army National Guard Professional Education Center (PEC) for providing valuable assistance in the development of this handbook. We also extend thanks to organizations who provided category examples for inclusion in Appendix B.

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Core Values, Concepts, and Framework

Criteria Purposes

The Criteria are the basis for conducting organizational self-assessments, for making Awards, and for giving feedback to applicants. In addition, the Criteria have three important roles

- to help improve organizational performance practices, capabilities, and results

- to facilitate communication and sharing of best practices information among U.S. organizations of all types

- to serve as a working tool for understanding and managing performance and for guiding organizational planning and opportunities for learning

Criteria for Performance Excellence Goals

The Criteria are designed to help organizations use an integrated approach to organizational performance management that results in

- delivery of ever-improving value to customers and stakeholders, contributing to organizational sustainability

- improvement of overall organizational effectiveness and capabilities

- organizational and personal learning

Core Values and Concepts

The Criteria are built on the following set of interrelated Core Values and Concepts:

- visionary leadership
- customer-driven excellence
- organizational and personal learning
- valuing employees and partners
- agility
- focus on the future
- managing for innovation
- management by fact
- social responsibility
- focus on results and creating value
- systems perspective

These values and concepts, described below, are embedded beliefs and behaviors found in high-performing organizations. They are the foundation for integrating key performance and operational requirements within a results-oriented framework that creates a basis for action and feedback.

Visionary Leadership

Your organization's senior leaders should set directions and create a customer focus, clear and visible values, and high expectations. The directions, values, and expectations should balance the needs of all your stakeholders. Your leaders should ensure the creation of strategies, systems, and methods for achieving performance excellence, stimulating innovation, building knowledge and capabilities, and ensuring organizational sustainability. The values and strategies should help guide all of your organization's activities and decisions. Senior leaders should inspire and motivate your entire workforce and should encourage all employees, including any volunteers, to contribute, to develop and learn, to be innovative, and to be creative. Senior leaders should be responsible to your organization's governance body for their actions and performance. The governance body should be responsible ultimately to all your stakeholders for the ethics, actions, and performance of your organization and its senior leaders.

Senior leaders should serve as role models through their ethical behavior and their personal involvement in planning, communications, coaching, development of future leaders, review of organizational performance, and employee recognition. As role models, they can reinforce ethics, values, and expectations while building leadership, commitment, and initiative throughout your organization.

Customer-Driven Excellence

Quality and performance are judged by an organization's customers. Thus, your organization must take into account all product and service features and characteristics and all modes of customer access that contribute value to your customers. Such behavior leads to customer acquisition, satisfaction, preference, referral, retention and loyalty, and to business expansion. Customer-driven excellence has both current and future components: understanding today's customer desires and anticipating future customer desires and marketplace potential.

Value and satisfaction may be influenced by many factors throughout your customers' overall experience with your organization. These factors include your organization's customer relationships, which help to build trust, confidence, and loyalty.

Customer-driven excellence means much more than reducing defects and errors, merely meeting specifications, or reducing complaints. Nevertheless, these factors contribute to your customers' view of your organization and thus also are important parts of customer-driven excellence. In addition, your organization's success in recovering from defects, service errors, and mistakes is crucial to retaining customers and building customer relationships.

Customer-driven organizations address not only the product and service characteristics that meet basic customer requirements but also those features and characteristics that differentiate products and services from competing offerings. Such differentiation may be based on new or modified

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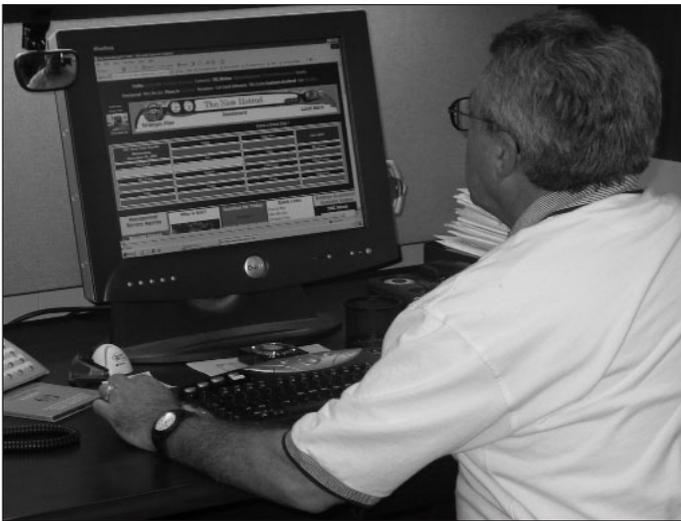
offerings, combinations of product and service offerings, customization of offerings, multiple access mechanisms, rapid response, or special relationships.

Customer-driven excellence is thus a strategic concept. It is directed toward customer retention and loyalty, market share gain, and growth. It demands constant sensitivity to changing and emerging customer and market requirements and to the factors that drive customer satisfaction and loyalty. It demands listening to your customers. It demands anticipating changes in the marketplace. Therefore, customer-driven excellence demands awareness of developments in technology and competitors' offerings, as well as rapid and flexible responses to customer, environmental, and market changes.

Organizational and Personal Learning

Achieving the highest levels of organizational performance requires a well-executed approach to organizational and personal learning. Organizational learning includes both continuous improvement of existing approaches and significant change, leading to new goals and approaches. Learning needs to be embedded in the way your organization operates. This means that learning (1) is a regular part of daily work; (2) is practiced at personal, work unit, and organizational levels; (3) results in solving problems at their source ("root cause"); (4) is focused on building and sharing knowledge throughout your organization; and (5) is driven by opportunities to effect significant, meaningful change. Sources for learning include employees' and volunteers' ideas, research and development (R&D), customers' input, best practice sharing, and benchmarking.

Organizational learning can result in (1) enhancing value to customers through new and improved products and services; (2) developing new business opportunities; (3) reducing errors, defects, waste, and related costs; (4) improving responsiveness and cycle time performance; (5) increasing productivity and

effectiveness in the use of all your resources; and (6) enhancing your organization's performance in fulfilling its societal responsibilities and its service to your community.

Employees' success depends increasingly on having opportunities for personal learning and on practicing new skills. In organizations that rely on volunteers, the volunteers' personal learning also is important, and their learning and skill development should be considered with employees. Organizations invest in employees' personal learning through education, training, and other opportunities for continuing growth and development. Such opportunities might include job rotation and increased pay for demonstrated knowledge and skills. On-the-job training offers a cost-effective way to train and to better link training to your organizational needs and priorities. Education and training programs may benefit from advanced technologies, such as computer- and Internet-based learning and satellite broadcasts.

Personal learning can result in (1) more satisfied and versatile employees who stay with your organization, (2) organizational cross-functional learning, (3) the building of your organization's knowledge assets, and (4) an improved environment for innovation.

Thus, learning is directed not only toward better products and services but also toward being more responsive, adaptive, innovative, and efficient—giving your organization marketplace sustainability and performance advantages and giving your employees satisfaction and motivation to excel.

Valuing Employees and Partners

An organization's success depends increasingly on the diverse backgrounds, knowledge, skills, creativity, and motivation of all its employees and partners, including both paid employees and volunteers, as appropriate.

Valuing employees means committing to their satisfaction, development, and well-being. Increasingly, this involves more flexible, high-performance work practices tailored to employees with varying workplace and home life needs. Major challenges in the area of valuing employees include (1) demonstrating your leaders' commitment to your employees' success, (2) providing recognition that goes beyond the regular compensation system, (3) offering development and progression within your organization, (4) sharing your organization's knowledge so your employees can better serve your customers and contribute to achieving your strategic objectives, (5) creating an environment that encourages risk taking and innovation, and (6) creating a supportive environment for a diverse workforce.

Organizations need to build internal and external partnerships to better accomplish overall goals. Internal partnerships might include labor-management cooperation. Partnerships with employees might entail employee development, cross-training, or new work organizations, such as high-performance work teams. Internal partnerships also might involve creating network relationships among your work

units to improve flexibility, responsiveness, and knowledge sharing.

External partnerships might be with customers, suppliers, and nonprofit or education organizations. Strategic partnerships or alliances are increasingly important kinds of external partnerships. Such partnerships might offer entry into new markets or a basis for new products or services. Also, partnerships might permit the blending of your organization's core competencies or leadership capabilities with the complementary strengths and capabilities of partners to address common issues.

Successful internal and external partnerships develop longer-term objectives, thereby creating a basis for mutual investments and respect. Partners should address the key requirements for success, means for regular communication, approaches to evaluating progress, and means for adapting to changing conditions. In some cases, joint education and training could offer a cost-effective method for employee development.

Agility

Success in today's ever-changing, globally competitive environment demands agility—a capacity for rapid change and flexibility. E-business requires and enables more rapid, flexible, and customized responses. Organizations face ever-shorter cycles for the introduction of new/improved products and services, and nonprofit and governmental organizations are increasingly being asked to respond rapidly to new or emerging social issues. Major improvements in response times often require simplification of work units and processes or the ability for rapid changeover from one process to another. Cross-trained and empowered employees are vital assets in such a demanding environment.

A major success factor in meeting competitive challenges is the design-to-introduction (product or service initiation) or innovation cycle time. To meet the demands of rapidly changing markets, organizations need to carry out stage-to-stage integration (such as concurrent engineering) of activities from research or concept to commercialization or implementation.

All aspects of time performance now are more critical, and cycle time has become a key process measure. Other important benefits can be derived from this focus on time; time improvements often drive simultaneous improvements in organization, quality, cost, and productivity.

Focus on the Future

In today's competitive environment, creating a sustainable organization requires understanding the short- and longer-term factors that affect your organization and marketplace. Pursuit of sustainable growth and market leadership requires a strong future orientation and a willingness to make long-term commitments to key stakeholders—your customers, employees, suppliers, partners, stockholders, the public, and your community.

Your organization's planning should anticipate many factors, such as customers' expectations, new business and partnering opportunities, employee development and hiring needs, the increasingly global marketplace, technological developments, the evolving e-business environment, changes in customer and market segments, evolving regulatory requirements, changes in community and societal expectations and needs, and strategic moves by competitors. Strategic objectives and resource allocations need to accommodate these influences. A focus on the future includes developing employees and suppliers, accomplishing effective succession planning, creating opportunities for innovation, and anticipating public responsibilities and concerns.

Managing for Innovation

Innovation means making meaningful change to improve an organization's products, services, programs, processes, and operations and to create new value for the organization's stakeholders. Innovation should lead your organization to new dimensions of performance. Innovation is no longer strictly the purview of research and development departments; innovation is important for all aspects of your operations and all processes. Organizations should be led and managed so that innovation becomes part of the learning culture. Innovation should be integrated into daily work and should be supported by your performance improvement system.

Innovation builds on the accumulated knowledge of your organization and its employees. Therefore, the ability to rapidly disseminate and capitalize on this knowledge is critical to driving organizational innovation.

Management by Fact

Organizations depend on the measurement and analysis of performance. Such measurements should derive from business needs and strategy, and they should provide critical data and information about key processes, outputs, and results. Many types of data and information are needed for performance management. Performance measurement should include customer, product, and service performance; comparisons of operational, market, and competitive performance; supplier, employee, cost, and financial performance; and governance and compliance. Data should be segmented by, for example, markets, product lines, and employee groups to facilitate analysis.

Analysis refers to extracting larger meaning from data and information to support evaluation, decision making, and improvement. Analysis entails using data to determine trends, projections, and cause and effect that might not otherwise be evident. Analysis supports a variety of purposes, such as planning, reviewing your overall performance, improving operations, accomplishing change management, and comparing your performance with competitors' or with "best practices" benchmarks.

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2006 APIC: Core Values, Concepts, and Framework

A major consideration in performance improvement and change management involves the selection and use of performance measures or indicators. *The measures or indicators you select should best represent the factors that lead to improved customer, operational, financial, and ethical performance. A comprehensive set of measures or indicators tied to customer and organizational performance requirements represents a clear basis for aligning all processes with your organization's goals.* Through the analysis of data from your tracking processes, your measures or indicators themselves may be evaluated and changed to better support your goals.

Social Responsibility

An organization's leaders should stress responsibilities to the public, ethical behavior, and the need to practice good citizenship. Leaders should be role models for your organization in focusing on ethics and protection of public health, safety, and the environment. Protection of health, safety, and the environment includes your organization's operations, as well as the life cycles of your products and services. Also, organizations should emphasize resource conservation and waste reduction at the source. Planning should anticipate adverse impacts from production, distribution, transportation, use, and disposal of your products. Effective planning should prevent problems, provide for a forthright response if problems occur, and make available information and support needed to maintain public awareness, safety, and confidence.

For many organizations, the product or service design stage is critical from the point of view of public responsibility. Design decisions impact your production processes and often the content of municipal and industrial waste. Effective design strategies should anticipate growing environmental concerns and responsibilities.

Organizations should not only meet all local, state, and federal laws and regulatory requirements, but they should treat these and related requirements as opportunities for improvement "beyond mere compliance." Organizations should stress ethical behavior in all stakeholder transactions and interactions. Highly ethical conduct should be a requirement of and should be monitored by the organization's governance body.

Practicing good citizenship refers to leadership and support—within the limits of an organization's resources—of publicly important purposes. Such purposes might include improving education and health care in your community, pursuing environmental excellence, practicing resource conservation, performing community service, improving industry and business practices, and sharing nonproprietary information. Leadership as a corporate citizen also entails influencing other organizations, private and public, to partner for these purposes.

Managing social responsibility requires the use of appropriate measures and leadership responsibility for those measures.

Focus on Results and Creating Value

An organization's performance measurements need to focus on key results. Results should be used to create and balance value for your key stakeholders—customers, employees, stockholders, suppliers, partners, the public, and the community. By creating value for your key stakeholders, your organization builds loyalty, contributes to growing the economy, and contributes to society. To meet the sometimes conflicting and changing aims that balancing value implies, organizational strategy explicitly should include key stakeholder requirements. This will help ensure that plans and actions meet differing stakeholder needs and avoid adverse impacts on any stakeholders. The use of a balanced composite of leading and lagging performance measures offers an effective means to communicate short- and longer-term priorities, monitor actual performance, and provide a clear basis for improving results.

Systems Perspective

The APIC Criteria provide a systems perspective for managing your organization and its key processes to achieve results—performance excellence. The seven APIC Categories and the Core Values form the building blocks and the integrating mechanism for the system. However, successful management of overall performance requires organization-specific synthesis, alignment, and integration. Synthesis means looking at your organization as a whole and builds on key business requirements, including your strategic objectives and action plans. Alignment means using the key linkages among requirements given in the APIC Categories to ensure consistency of plans, processes, measures, and actions. Integration builds on alignment, so that the individual components of your performance management system operate in a fully interconnected manner.

These concepts are depicted in the APIC framework on page 5. A systems perspective includes your senior leaders' focus on strategic directions and on your customers. It means that your senior leaders monitor, respond to, and manage performance based on your results. A systems perspective also includes using your measures, indicators, and organizational knowledge to build your key strategies. It means linking these strategies with your key processes and aligning your resources to improve overall performance and satisfy customers and stakeholders.

Thus, a systems perspective means managing your whole organization, as well as its components, to achieve success.

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Criteria for Performance Excellence Framework

The Core Values and Concepts are embodied in seven Categories, as follows:

1. **Leadership**
2. **Strategic Planning**
3. **Customer and Market Focus**
4. **Measurement, Analysis, and Knowledge Management**
5. **Human Resource Focus**
6. **Process Management**
7. **Results**

The figure below provides the framework connecting and integrating the Categories.

From top to bottom, the framework has the following basic elements.

Organizational Profile

Your Organizational Profile (top of figure) sets the context for the way your organization operates. Your environment, key working relationships, and strategic challenges serve as an overarching guide for your organizational performance management system.

System Operations

The system operations are composed of the six APIC Categories in the center of the figure that define your operations and the results you achieve.

Leadership (Category 1), Strategic Planning (Category 2), and Customer and Market Focus (Category 3) represent the leadership triad. These Categories are placed together to emphasize the importance of a leadership focus on strategy and customers. Senior leaders set your organizational direction and seek future opportunities for your organization.

Human Resource Focus (Category 5), Process Management (Category 6), and Results (Category 7) represent the results triad. Your organization's employees and key processes accomplish the work of the organization that yields your overall performance results.

All actions point toward Results—a composite of product and service, customer and market, financial, and internal operational performance results, including human resource, governance, and social responsibility results.

The Army Performance Improvement Criteria Performance Excellence Framework: A Systems Perspective

Organizational Profile:
Environment, Relationships, and Challenges

2 Strategic Planning

5 Human Resource Focus

1 Leadership

7 Results

3 Customer and Market Focus

6 Process Management

4 Measurement, Analysis, and Knowledge Management

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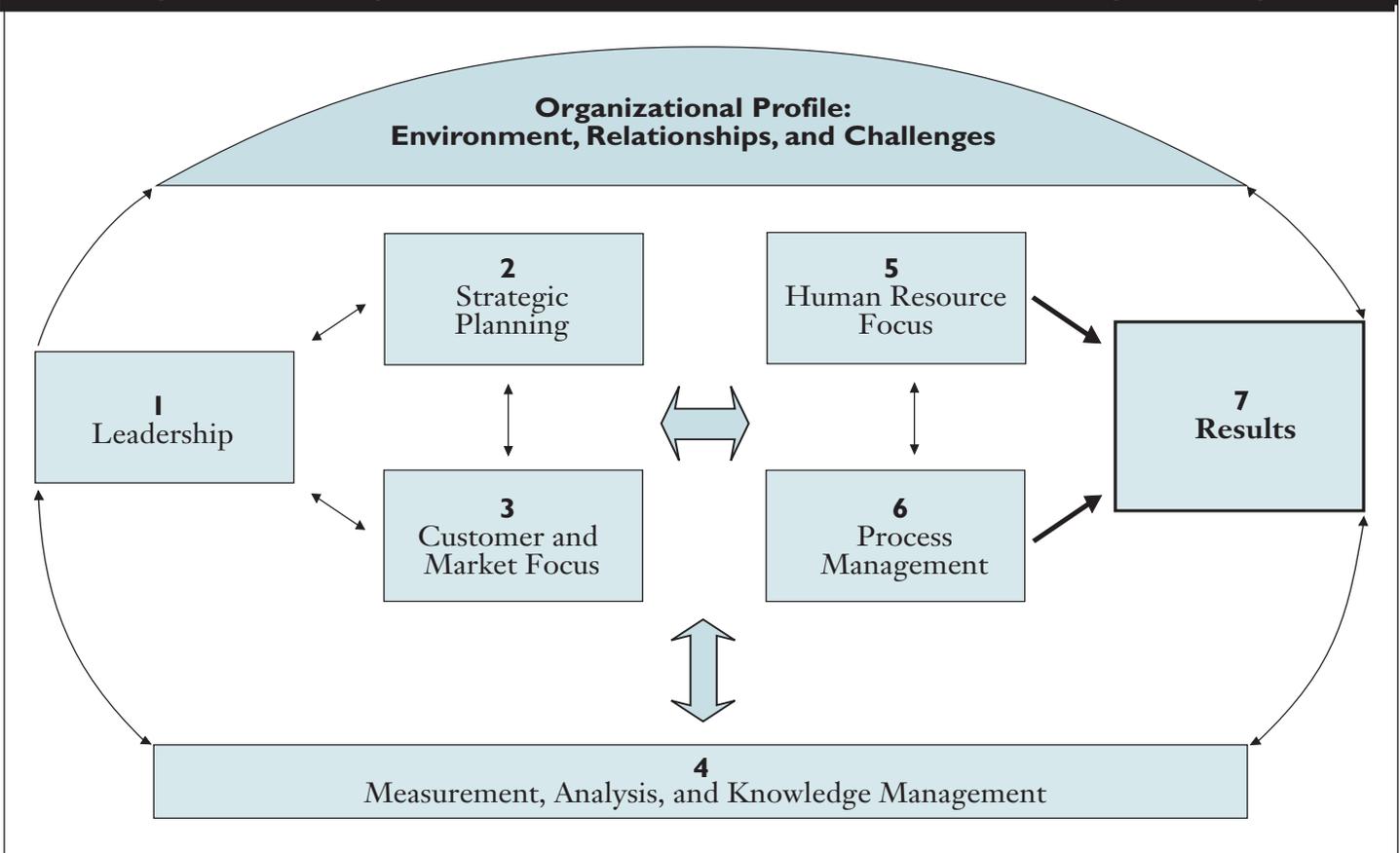
The horizontal arrow in the center of the framework links the leadership triad to the results triad, a linkage critical to organizational success. Furthermore, the arrow indicates the central relationship between Leadership (Category 1) and Results (Category 7). The two-headed arrows indicate the importance of feedback in an effective performance management system.

System Foundation

Measurement, Analysis, and Knowledge Management (Category 4) are critical to the effective management of your organization and to a fact-based, knowledge-driven system for improving performance and competitiveness. Measurement, analysis, and knowledge management serve as a foundation for the performance management system.

Criteria Structure

The seven Criteria Categories shown in the figure are subdivided into Items and Areas to Address.

Items

There are 19 Items, each focusing on a major requirement.

Areas to Address

Items consist of one or more Areas to Address (Areas). Organizations should address their responses to the specific requirements of these Areas.

Key Characteristics of the Criteria

1. **The Criteria focus on results.**
   The Criteria focus on the key areas of organizational performance given below.

   > **Organizational performance areas:**
   > (1) product and service outcomes
   >
   > (2) customer-focused outcomes
   >
   > (3) financial and market outcomes
   >
   > (4) human resource outcomes
   >
   > (5) organizational effectiveness outcomes, including key internal operational performance measures
   >
   > (6) leadership and social responsibility outcomes

   The use of this composite of measures is intended to ensure that strategies are balanced—that they do not inappropriately trade off among important stakeholders, objectives, or short- and longer-term goals.

2. **The Criteria are nonprescriptive and adaptable.**
   The Criteria are made up of results-oriented requirements. However, the Criteria *do not* prescribe

   - how your organization should be structured;
   - that your organization should or should not have departments for quality, planning, or other functions; or
   - that different units in your organization should be managed in the same way.

   These factors differ among organizations, and they are likely to change as needs and strategies evolve.

   The Criteria are nonprescriptive for the following reasons:

   (1) The focus is on results, not on procedures, tools, or organizational structure. Organizations are encouraged to develop and demonstrate creative, adaptive, and flexible approaches for meeting requirements. Nonprescriptive requirements are intended to foster incremental and major ("breakthrough") improvements, as well as basic change through innovation.

   (2) The selection of tools, techniques, systems, and organizational structure usually depends on factors such as business type and size, organizational relationships, your organization's stage of development, and employee capabilities and responsibilities.

   (3) A focus on common requirements, rather than on common procedures, fosters understanding, communication, sharing, alignment, and integration, while supporting innovation and diversity in approaches.

3. **The Criteria support a systems perspective to maintaining organization-wide goal alignment.**
   The systems perspective to goal alignment is embedded in the integrated structure of the Core Values and Concepts, the Organizational Profile, the Criteria, the Scoring Guidelines, and the results-oriented, cause-effect linkages among the Criteria Items.

   Alignment in the Criteria is built around connecting and reinforcing measures derived from your organization's processes and strategy. These measures tie directly to customer and stakeholder value and to overall performance. The use of measures thus channels different activities in consistent directions with less need for detailed procedures, centralized decision making, or overly complex process management. Measures thereby serve both as a communications tool and as a basis for deploying consistent overall performance requirements. Such alignment ensures consistency of purpose while also supporting agility, innovation, and decentralized decision making.

   A systems perspective to goal alignment, particularly when strategy and goals change over time, requires dynamic linkages among Criteria Items. In the Criteria, action-oriented cycles of learning take place via feedback between processes and results.

   The learning cycles have four, clearly defined stages:

   (1) planning, including design of processes, selection of measures, and deployment of requirements

   (2) executing plans

   (3) assessing progress and capturing new knowledge, taking into account internal and external results

   (4) revising plans based on assessment findings, learning, new inputs, new requirements, and opportunities for innovation

4. **The Criteria support goal-based diagnosis.**
   The Criteria and the Scoring Guidelines make up a two-part diagnostic (assessment) system. The Criteria are a set of 19 performance-oriented requirements. The Scoring Guidelines spell out the assessment dimensions—Process and Results—and the key factors used to assess each dimension. An assessment thus provides a profile of strengths and opportunities for improvement relative to the 19 performance-oriented requirements and relative to process and performance maturity as determined by the Scoring Guidelines. In this way, assessment leads to actions that contribute to performance improvement in all areas, as described in the box above. This diagnostic assessment is a useful management tool that goes beyond most performance reviews and is applicable to a wide range of strategies, management systems, and types of organizations.

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Changes from the 2005 Criteria

The Criteria for Performance Excellence have evolved significantly over time to help organizations address a dynamic environment, focus on strategy-driven performance, and, most recently, address concerns about governance, ethics, and organizational sustainability. The Criteria have continually progressed toward a comprehensive, integrated systems perspective of overall organizational performance management.

Each year, the decision whether to revise the Criteria must balance two important considerations. On one hand, there is a need for Criteria that are at the leading edge of validated management practice to help users address the increasingly complex challenges they face; on the other hand, there is a desire for Criteria that are stable to allow users continuity in their performance assessments. In 2005, the APIC Criteria were significantly revised to address the focused demands on senior leaders, the need for long-term (as well as short-term) organizational sustainability, the great challenges of innovating organizations (not just technology), the difficulty of *executing* new processes and strategic plans, and the benefits of improved alignment of all aspects of your management system with your results measurements. Recognizing the challenges for organizations to address these opportunities, the decision was made to make no substantive revisions to the Criteria for 2006.

The most significant changes in the Criteria booklet for 2006 are summarized as follows:

- The language throughout the Criteria booklet has been adjusted to better address nonprofit organizations, as well as for-profit businesses.
- Item Notes have been added that specifically address nonprofit organizations.
- Each Criteria Item title now includes a simple question that encompasses the central concept of the Item.
- "Employee" has been added to the Glossary of Key Terms.

Minor wording improvements have been made throughout the Criteria booklet.

Criteria Item Titles

Each Criteria Item title now includes a simple question that addresses the basic requirements of the Item. This question identifies for Criteria users the most central concept or fundamental theme of the Item. Criteria users who have completed their Organizational Profile may choose to perform their first "complete" APIC assessment by responding to the 19 Item title questions, using the detailed content of the Criteria Item as an educational guide to understand the central concept more fully.

Glossary of Key Terms

The term "employee" has specific meaning and significance in an APIC assessment. The term has been defined to help users better understand all the people who may be included as employees for an APIC assessment.

The descriptions of other terms in the Glossary have been revised to align better with the language changes to accommodate nonprofit organizations within the Criteria.

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Importance of Beginning With Your Organizational Profile

Your Organizational Profile is critically important because

- it is the most appropriate starting point for self-assessment and for writing an application;

- it helps you identify potential gaps in key information and focus on key performance requirements and results;

- it is used by the Examiners and Judges in application review, including the site visit, to understand your organization and what you consider important; and

- it also may be used by itself for an initial self-assessment. If you identify topics for which conflicting, little, or no information is available, it is possible that the Organizational Profile can serve as your complete assessment, and you can use these topics for action planning.

P Preface: Organizational Profile

The *Organizational Profile* is a snapshot of your organization, the KEY influences on HOW you operate, and the KEY challenges you face.

P.1 Organizational Description: What are your key organizational characteristics?

Describe your organization's operating environment and your KEY relationships with CUSTOMERS, suppliers, PARTNERS, and STAKEHOLDERS.

Within your response, include answers to the following questions:

a. Organizational Environment
   (1) What are your organization's main products and services? What are the delivery mechanisms used to provide your products and services to your CUSTOMERS?

   (2) What is your organizational culture? What are your stated PURPOSE, VISION, MISSION, and VALUES?

   (3) What is your EMPLOYEE profile? What are your categories and types of EMPLOYEES? What are their educational LEVELS? What are your organization's workforce and job DIVERSITY, organized bargaining units, use of contract EMPLOYEES, and special health and safety requirements?

   (4) What are your major technologies, equipment, and facilities?

   (5) What is the regulatory environment under which your organization operates? What are the applicable occupational health and safety regulations; accreditation, certification, or registration requirements; relevant industry standards; and environmental, financial, and product regulations?

b. Organizational Relationships
   (1) What are your organizational structure and GOVERNANCE system? What are the reporting relationships among your GOVERNANCE board, SENIOR LEADERS, and parent organization, as appropriate?

   (2) What are your KEY CUSTOMER and STAKEHOLDER groups and market SEGMENTS, as appropriate? What are their KEY requirements and expectations for your products, services, and operations? What are the differences in these requirements and expectations among CUSTOMER and STAKEHOLDER groups and market SEGMENTS?

   (3) What role do suppliers, PARTNERS, and distributors play in your VALUE CREATION and KEY support PROCESSES? What role, if any, do they play in your organizational INNOVATION PROCESSES? What are your most important types of suppliers, PARTNERS, and distributors? What are your most important supply chain requirements?

   (4) What are your KEY supplier and CUSTOMER partnering relationships and communication mechanisms?

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Notes:

N1. Product and service delivery mechanisms to your customers (P.1a[1]) might be direct or through dealers, distributors, collaborators, or channel partners.

N2. Market segments (P.1b[2]) might be based on product or service lines or features, geography, distribution channels, business volume, or other factors that are important to your organization to define related market characteristics.

N3. Customer and stakeholder group and market segment requirements (P.1b[2]) might include on-time delivery, low defect levels, ongoing price reductions, electronic communication, rapid response, and after-sales service. *For some organizations, requirements also might include administrative cost reductions, at-home services, rapid response to emergencies, and multilingual services.*

N4. Communication mechanisms (P.1b[4]) should be two-way and might be in person, via regular mail or e-mail, Web-based, or by telephone. For many organizations, these mechanisms may change as marketplace, customer, or stakeholder requirements change.

N5. *While some* organizations offer products and services (P.1a[1]), *many might appropriately interpret this phrase as programs or projects and services.*

N6. *Customers (P.1a[1]) are the users and potential users of your products, programs, and services. In some organizations, customers might include members, taxpayers, citizens, recipients, clients, and beneficiaries. Market segments might be referred to as constituencies.*

N7. *Many organizations rely heavily on volunteers to supplement the work of their employees. These organizations should interpret employees (P.1a[3]) to mean employees and volunteers.*

N8. *For some organizations, relevant industry standards (P.1a[5]) might include "industry-wide" codes of conduct and policy guidance.*

N9. *For some organizations, governance and reporting relationships (P.1b[1]) might include relationships with major agency or foundation funding sources.*

N10. *For some organizations, key suppliers and distributors (P.1b[3,4]) might include collaborators and collaborating organizations.*

For definitions of key terms presented throughout the Criteria and Scoring Guidelines text in small caps/sans serif, see the Glossary of Key Terms

Frequently, several questions are grouped under one number (e.g., P.1a[3]). These questions are related and do not require separate responses. These multiple questions serve as a guide in understanding the full meaning of the information being requested.

Item notes serve three purposes: (1) to clarify terms or requirements presented in an Item, (2) to give instructions on responding to the Item requirements, and (3) to indicate key linkages to other Items. In all cases, the intent is to help you respond to the Item requirements.

Recommendation
It is strongly recommended that the Organizational Profile be prepared first and then used as a guide in self-assessment and in writing and applying for an Army Award

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2006 Army Performance Improvement Criteria

P.2 Organizational Challenges: What are your key organizational challenges?

Describe your organization's competitive environment, your KEY STRATEGIC CHALLENGES, and your system for PERFORMANCE improvement.

Within your response, include answers to the following questions:

a. Competitive Environment

(1) What is your competitive position? What is your relative size and growth in your industry or markets served? What are the numbers and types of competitors and KEY collaborators for your organization?

(2) What are the principal factors that determine your success relative to your competitors? What are any KEY changes taking place that affect your competitive situation, including opportunities for collaboration, as appropriate?

(3) What are your KEY available sources of comparative and competitive data from within your industry? What are your KEY available sources of comparative data for analogous PROCESSES outside your industry? What limitations, if any, are there in your ability to obtain these data?

b. STRATEGIC CHALLENGES

What are your KEY business, operational, and human resource STRATEGIC CHALLENGES? What are your KEY STRATEGIC CHALLENGES associated with organizational SUSTAINABILITY?

c. PERFORMANCE Improvement System

How do you maintain an overall organizational focus on PERFORMANCE improvement, including organizational LEARNING? How do you achieve SYSTEMATIC evaluation and improvement of KEY PROCESSES?

Notes:

N1. Principal factors (P.2a[2]) might include differentiators such as price leadership, design services, e-services, geographic proximity, accessibility, and warranty and product options. *For some nonprofit organizations, differentiators also might include relative influence with decision makers, ratio of administrative costs to programmatic contributions, past reputation for program or service delivery, and wait times for service.*

N2. Strategic challenges (P.2b) might include rapid technological change, disruptive technologies that rapidly revolutionize or make obsolete existing processes or products, reduced cycle times for product or service introduction, industry volatility, declining market share, the changing marketplace, mergers and acquisitions, global marketing and competition, customer retention, changing or emerging customer or regulatory requirements, employee retention, an aging workforce, competition from new nonprofit or for-profit organizations, and value chain integration.

N3. Performance improvement (P.2c) is an assessment dimension used in the Scoring System to evaluate the maturity of organizational approaches and deployment (see pages 51–54). This question is intended to help

you and the ACOE Examiners set an overall context for your approach to performance improvement.

N4. Overall approaches to process improvement (P.2c) might include implementing a Lean Enterprise System, applying Six Sigma methodology, using ISO 9000:2000 standards, or employing other process improvement tools.

N5. *Some organizations frequently believe they are not in a competitive environment; however, they often must compete with other organizations and with alternative sources for similar services to secure financial and volunteer resources, membership, visibility in appropriate communities, and media attention.*

N6. *The term "industry" (P.2a[1]) is used throughout the Criteria to refer to the sector in which you operate. For nonprofit organizations, this sector might be charitable organizations, professional associations, or government or sub-sectors of one of these.*

N7. *For some organizations, the term "business" (P.2b) is used throughout the Criteria to refer to factors related to your main mission area or enterprise activity.*

Page Limit: For Army Award Program applicants (ACOE, APEA), the Organizational Profile is limited to 5 pages. These pages are not counted in the overall application page limit. Typing and format instructions for the Organizational Profile are the same as for the application.

Preface: Organizational Profile

The Organizational Profile provides an overview of your organization. The profile addresses your operating environment, your key organizational relationships, your competitive environment and strategic challenges, and your approach to performance improvement. Your Organizational Profile provides a context for understanding your organization and for guiding and prioritizing the information you present in response to the Criteria Items in Categories 1–7.

P.1 Organizational Description

Purpose

This Item addresses the key characteristics and relationships that shape your organizational environment. It also addresses your organization's governance system. The aim is to set the context for your organization and for your responses to the Criteria requirements in Categories 1–7.

Comments

- The Organizational Profile provides your organization with critical insight into the key internal and external factors that shape your operating environment. These factors, such as the mission, vision, values, competitive environment, and strategic challenges, impact the way that your organization is run and the decisions you make. As such, the Organizational Profile helps your organization understand better the context in which it operates; the key requirements for current and future business success and organizational sustainability; and the needs, opportunities, and constraints placed upon your organization's performance management system.

- Use of such terms as "purpose," "vision," "mission," and "values" vary depending on the organization, and some organizations may not use one or more of these terms. Nevertheless, you should have a clear understanding of the essence of your organization, why it exists, and where your senior leaders want to take the organization in the future. This clarity enables you to make and implement strategic decisions affecting the future of your organization.

- The regulatory environment in which you operate places requirements on your organization and impacts how you run it. Understanding this environment is key to making effective operational and strategic decisions. Further, it allows you to identify whether you are merely complying with the minimum requirements of applicable laws and regulations or exceeding them, a hallmark of leading organizations.

- Leading organizations have well-defined governance systems with clear reporting relationships. It is important to clearly identify which functions are performed by senior leaders and, as applicable, by your board of directors and your parent organization. Board independence and accountability are frequently key considerations in governance structure.

- In supplier-dependent organizations, suppliers play critical roles in processes that are important to running the organization and to maintaining or achieving a sustainable competitive advantage. Supply chain requirements might include on-time or just-in-time delivery, flexibility, variable staffing, research and design capability, and customized manufacturing or services.

P.2 Organizational Challenges

Purpose

This Item addresses the competitive environment in which your organization operates and the key strategic challenges that your organization faces. It also addresses how you approach performance improvement and organizational learning. The aim is to understand your key organizational challenges and your

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system for maintaining a sustainable advantage.

Comments

- Knowledge of an organization's strengths, vulnerabilities, and opportunities for both improvement and growth is essential to the success and sustainability of the business. With this knowledge, you can identify those products, service offerings, processes, and performance attributes that are unique to your organization; those that set you apart from your competitors; and those that help you to sustain your competitive advantage.

- Understanding who your competitors are, how many you have, and their key characteristics is essential for determining what your competitive advantage is in your industry and marketplace. Leading organizations have an in-depth understanding of their current competitive environment, including the factors that affect day-to-day performance and factors that could impact future performance.

- Sources of comparative and competitive data might include industry journals and other publications, benchmarking activities, annual reports for publicly traded companies, conferences, local networks, and trade associations.

- Operating your organization in today's highly competitive marketplace means you are facing many strategic challenges that can affect your ability to sustain performance and maintain your competitive advantage. These challenges might include your operational costs (e.g., material, labor, or geographic location); expanding or decreasing markets; mergers or acquisitions both by your organization and by your competitors; economic conditions, including fluctuating demand and economic downturns both local and global; the cyclical nature of your industry; the introduction of new or substitute products or services possibly based on a disruptive technology; rapid technological changes; or new competitors entering the market. In addition, your organization may face challenges related to the recruitment, hiring, and retention of qualified employees.

- A particularly significant challenge, if it occurs to your organization, is being unprepared for a disruptive technology that threatens your competitive position or your marketplace. Examples of such technologies include personal computers replacing typewriters; cell phones challenging traditional phones and pay phones; fax machines capturing business from overnight delivery services; and e-mail challenging all other means of correspondence. Today, organizations need to be scanning the environment inside and outside their immediate industry to detect such challenges at the earliest possible point in time.

- One of the many issues facing organizations today is how to manage, use and share your ever-increasing organizational knowledge. Leading organizations already benefit from the knowledge assets of their employees, customers, suppliers, and partners, who together drive organizational learning and improve performance.

NOTES

I Leadership (120 pts.)

The *Leadership* Category examines HOW your organization's SENIOR LEADERS guide and sustain your organization. Also examined are your organization's GOVERNANCE and HOW your organization addresses its ethical, legal, and community responsibilities.

1.1 Senior Leadership: How do your senior leaders lead? (70 pts.)   Process

Describe HOW SENIOR LEADERS guide and sustain your organization. Describe HOW SENIOR LEADERS communicate with EMPLOYEES and encourage high PERFORMANCE.

Within your response, include answers to the following questions:

a. VISION and VALUES
    (1) How do SENIOR LEADERS set organizational VISION and VALUES? How do SENIOR LEADERS deploy your organization's VISION and VALUES through your LEADERSHIP SYSTEM, to all EMPLOYEES, to KEY suppliers and PARTNERS, and to CUSTOMERS and other STAKEHOLDERS, as appropriate? How do their personal actions reflect a commitment to the organization's VALUES?

    (2) How do SENIOR LEADERS promote an environment that fosters and requires legal and ETHICAL BEHAVIOR?

    (3) How do SENIOR LEADERS create a SUSTAINABLE organization? How do SENIOR LEADERS create an environment for PERFORMANCE improvement, accomplishment of your MISSION and STRATEGIC OBJECTIVES, INNOVATION, and organizational agility? How do they create an environment for organizational and EMPLOYEE LEARNING? How do they personally participate in succession planning and the development of future organizational leaders?

b. Communication and Organizational PERFORMANCE
    (1) How do SENIOR LEADERS communicate with, empower, and motivate all EMPLOYEES throughout the organization? How do SENIOR LEADERS encourage frank, two-way communication throughout the organization? How do SENIOR LEADERS take an active role in EMPLOYEE reward and recognition to reinforce high PERFORMANCE and a CUSTOMER and business focus?

    (2) How do SENIOR LEADERS create a focus on action to accomplish the organization's objectives, improve PERFORMANCE, and attain your VISION? How do SENIOR LEADERS include a focus on creating and balancing VALUE for CUSTOMERS and other STAKEHOLDERS in their organizational PERFORMANCE expectations?

Notes:

N1. Organizational vision (1.1a[1]) should set the context for strategic objectives and action plans, which are described in Items 2.1 and 2.2.

N2. A sustainable organization (1.1a[3]) is capable of addressing current business needs and possesses the agility and strategic management to prepare successfully for its future business and market environment. In this context, the concept of innovation includes both technological and organizational innovation to succeed in the future.

N3. A focus on action (1.1b[2]) considers both the people and the hard assets of the organization. It includes ongoing improvements in productivity that may be achieved through eliminating waste or reducing cycle time, and it might use techniques such as Six Sigma and Lean Production. It also includes the actions to accomplish the organization's strategic objectives.

N4. Your organizational performance results should be reported in Items 7.1–7.6.

N5. *For* organizations that rely on volunteers to *supplement the work of their employees, responses to 1.1b(1) also should discuss your efforts to communicate with, empower, and motivate the volunteer workforce.*

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1.2 Governance and Social Responsibilities: How do you govern and address your social responsibilities? (50 pts.)

Process

Describe your organization's GOVERNANCE system. Describe HOW your organization addresses its responsibilities to the public, ensures ETHICAL BEHAVIOR, and practices good citizenship.

Within your response, include answers to the following questions:

a. Organizational GOVERNANCE

   (1) How does your organization address the following KEY factors in your GOVERNANCE system:

- accountability for management's actions
- fiscal accountability
- transparency in operations and selection and disclosure policies for GOVERNANCE board members, as appropriate
- independence in internal and external audits
- protection of STAKEHOLDER and stockholder interests, as appropriate

   (2) How do you evaluate the PERFORMANCE of your SENIOR LEADERS, including the chief executive? How do you evaluate the PERFORMANCE of members of the GOVERNANCE board, as appropriate? How do SENIOR LEADERS and the GOVERNANCE board use these PERFORMANCE reviews to improve both their personal leadership EFFECTIVENESS and that of your board and LEADERSHIP SYSTEM, as appropriate?

b. Legal and ETHICAL BEHAVIOR

   (1) How do you address any adverse impacts on society of your products, services, and operations? How do you anticipate public concerns with current and future products, services, and operations? How do you prepare for these concerns in a proactive manner, including using resource-sustaining PROCESSES, as appropriate? What are your KEY compliance PROCESSES, MEASURES, and GOALS for achieving and surpassing regulatory and legal requirements, as appropriate? What are your KEY PROCESSES, MEASURES, and GOALS for addressing risks associated with your products, services, and operations?

   (2) How does your organization promote and ensure ETHICAL BEHAVIOR in all your interactions? What are your KEY PROCESSES and MEASURES or INDICATORS for enabling and monitoring ETHICAL BEHAVIOR in your GOVERNANCE structure, throughout your organization, and in interactions with CUSTOMERS, PARTNERS, and other STAKEHOLDERS? How do you monitor and respond to breaches of ETHICAL BEHAVIOR?

c. Support of KEY Communities

How does your organization actively support and strengthen your KEY communities? How do you identify KEY communities and determine areas of emphasis for organizational involvement and support? What are your KEY communities? How do your SENIOR LEADERS and your EMPLOYEES contribute to improving these communities?

Notes:

N1. Societal responsibilities in areas critical to your organization's ongoing success also should be addressed in Strategy Development (Item 2.1) and in Process Management (Category 6). Key results, such as results of regulatory and legal compliance (including the results of mandated financial audits) or environmental improvements through use of "green" technology or other means, should be reported as Leadership and Social Responsibility Results (Item 7.6).

N2. Transparency in operations (1.2a[1]) should include your internal controls on governance processes. *For those organizations that serve as stewards of public funds, stewardship of those funds and transparency in operations are areas of emphasis.*

N3. Leadership performance evaluation (1.2a[2]) might be supported by peer reviews, formal performance

management reviews (5.1b), and formal or informal employee and other stakeholder feedback and surveys. *For some businesses and governmental organizations, external advisory boards might evaluate the performance of senior leaders and the governance board.*

N4. Measures or indicators of ethical behavior (1.2b[2]) might include the percentage of independent board members, measures of relationships with stockholder and nonstockholder constituencies, instances of ethical conduct breaches and responses, survey results on employee perceptions of organizational ethics, ethics hotline use, and results of ethics reviews and audits. They also might include evidence that policies, staff training, and monitoring systems are in place with respect to conflicts of interest and proper use of funds.

N5. Areas of community support appropriate for inclusion in 1.2c might include your efforts to strengthen local community services, education, and health; the environment; and practices of trade, business, or professional associations.

N6. The health and safety of employees are not addressed in Item 1.2; you should address these employee factors in Item 5.3.

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2006 Army Performance Improvement Criteria

Leadership (Category 1)

Leadership addresses how your senior leaders guide and sustain your organization, setting organizational vision, values, and performance expectations. Attention is given to how your senior leaders communicate with employees, develop future leaders, and create an environment that encourages ethical behavior and high performance. The Category also includes your organization's governance system, its legal and ethical responsibilities to the public, and how your organization supports its community.

1.1 Senior Leadership

Purpose

This item examines the key aspects of your senior leaders responsibilities. It examines how your senior leaders set and communicate the organization's vision and values. It focuses on the actions of your senior leaders to create and sustain a high-performance organization.

Comments

• Senior leadership's central roles in setting values and directions, communicating, creating and balancing value for all stakeholders, and creating an organizational bias for action are the focus of this Item. Success requires a strong orientation to the future and a commitment to both improvement and innovation. Increasingly, this requires creating an environment for empowerment, agility, and learning.

• In highly respected organizations, senior leaders are committed to the development of the organization's future leaders and to the reward and recognition of employee performance. They personally participate in the development of future leaders, in succession planning, and in employee recognition opportunities and events. Development activities

for future leaders might include personal mentoring or participation in leadership development courses.

1.2 Governance and Social Responsibility

Purpose

This Item examines key aspects of your organization's governance system. It also examines how your organization fulfills its public responsibilities, how your senior leaders ensure that you behave legally and ethically, and how your senior leaders and employees encourage and practice good citizenship.

Comments

• The organizational governance requirement is intended to address the need for a responsible, informed, and accountable governance or advisory body that can protect the interests of key stakeholders. It should have independence in review and audit functions. It also should have a performance evaluation function that monitors organizational and senior leaders' performance.

• An integral part of performance management and improvement is proactively addressing (1) the need for ethical behavior, (2) legal and regulatory requirements, and (3) risk factors. Addressing these areas requires establishing appropriate measures or indicators that senior leaders track in their performance reviews. Your organization should be sensitive to issues of public concern, whether or not these issues are currently embodied in law. Role model organizations look for opportunities to exceed requirements and to excel in areas of legal and ethical behavior.

• This Item addresses the use of resource-sustaining processes. These processes might include "green" technologies, replacement of hazardous chemicals with water-based chemicals, energy conservation, use of cleaner energy
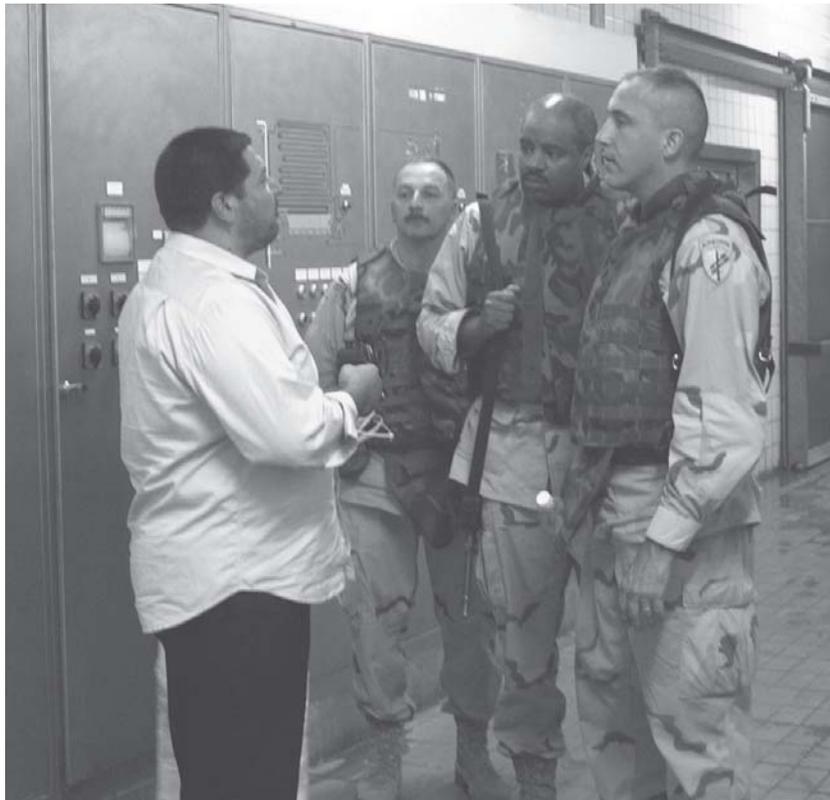
sources, or the recycling of by-products or wastes.

● Social responsibility implies going beyond a compliance orientation. Good citizenship opportunities are available to organizations of all sizes. These opportunities include encouraging and supporting your employees' community service.

● Examples of organizational community involvement include partnering with schools and school boards to improve education; partnering with health care providers to improve health in the local community by providing education and volunteer services to address public health issues; and partnering to influence trade, business, and professional associations to engage in beneficial, cooperative activities, such as sharing best practices to improve overall U.S. global competitiveness and the environment.

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NOTES

2 Strategic Planning (85 pts.)

The *Strategic Planning* Category examines HOW your organization develops STRATEGIC OBJECTIVES and ACTION PLANS. Also examined are HOW your chosen STRATEGIC OBJECTIVES and ACTION PLANS are deployed and changed if circumstances require, and HOW progress is measured.

2.1 Strategy Development: How do you develop your strategy? (40 pts.)　Process

Describe HOW your organization establishes its strategy and STRATEGIC OBJECTIVES, including HOW you address your STRATEGIC CHALLENGES. Summarize your organization's KEY STRATEGIC OBJECTIVES and their related GOALS.

Within your response, include answers to the following questions:

a. Strategy Development PROCESS

   (1) How does your organization conduct its strategic planning? What are the KEY PROCESS steps? Who are the KEY participants? How does your PROCESS identify potential blind spots? What are your short- and longer-term planning time horizons? How are these time horizons set? How does your strategic planning PROCESS address these time horizons?

   (2) How do you ensure that strategic planning addresses the KEY factors listed below? How do you collect and analyze relevant data and information pertaining to these factors as part of your strategic planning PROCESS:

   • your organization's strengths, weaknesses, opportunities, and threats
   • early indications of major shifts in technology, markets, competition, or the regulatory environment
   • long-term organizational SUSTAINABILITY and continuity in emergencies
   • your ability to execute the strategic plan

b. STRATEGIC OBJECTIVES

   (1) What are your KEY STRATEGIC OBJECTIVES and your timetable for accomplishing them? What are your most important GOALS for these STRATEGIC OBJECTIVES?

   (2) How do your STRATEGIC OBJECTIVES address the challenges identified in response to P.2 in your Organizational Profile? How do you ensure that your STRATEGIC OBJECTIVES balance short- and longer-term challenges and opportunities? How do you ensure that your STRATEGIC OBJECTIVES balance the needs of all KEY STAKEHOLDERS?

Notes:

N1. "Strategy development" refers to your organization's approach (formal or informal) to preparing for the future. Strategy development might utilize various types of forecasts, projections, options, scenarios, or other approaches to envisioning the future for purposes of decision making and resource allocation. Strategy development might involve key suppliers, distributors, partners, and customers.

N2. "Strategy" should be interpreted broadly. Strategy might be built around or lead to any or all of the following: new products, services, and markets; revenue growth via various approaches, including acquisitions, grants, and endowments; divestitures; new partnerships and alliances; and new employee or volunteer relationships. Strategy might be directed toward becoming a preferred supplier, a local supplier in each of your major customers' or partners' markets, a low-cost producer, a market innovator, or a high-end or customized product or service provider.

N3. Your organization's strengths, weaknesses, opportunities, and threats (2.1a[2]) should address all factors that are key to your organization's future success, including the following, as appropriate: your customer and market needs, expectations, and opportunities; your competitive environment and your capabilities relative to competitors and comparable organizations; your product life cycle; technological and other key innovations or changes that might affect your products and services and how you operate, as well as the rate of that innovation; your human and other resource needs; your opportunities to redirect resources to higher-priority products, services, or areas; financial, societal, ethical, regulatory, technological, and other potential risks; changes in the national or global economy; partner and supply chain needs, strengths, and weaknesses; and other factors unique to your organization.

N4. Your ability to execute the strategic plan (2.1a[2]) also should address your organizational agility based on contingency plans or if circumstances require a shift in plans and rapid execution of new or changed plans.

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N5. Strategic objectives that address key challenges (2.1b[2]) might include rapid response, customization, co-location with major customers or partners, specific joint ventures, virtual manufacturing, rapid innovation, ISO 9000:2000 or ISO 14000 registration, Web-based supplier and customer relationship management, and product and service quality enhancements. Responses to Item 2.1 should focus on your specific challenges—those most important to your ongoing success and to strengthening your organization's overall performance.

N6. Item 2.1 addresses your overall organizational strategy, which might include changes in services, products, and product lines. However, the Item does not address product and service design; you should address these factors in Item 6.1, as appropriate.

2.2 Strategy Deployment: How do you deploy your strategy? (45 pts.) `Process`

Describe HOW your organization converts its STRATEGIC OBJECTIVES into ACTION PLANS. Summarize your organization's ACTION PLANS and related KEY PERFORMANCE MEASURES or INDICATORS. Project your organization's future PERFORMANCE on these KEY PERFORMANCE MEASURES or INDICATORS.

Within your response, include answers to the following questions:

a. ACTION PLAN Development and DEPLOYMENT

(1) How do you develop and deploy ACTION PLANS to achieve your KEY STRATEGIC OBJECTIVES? How do you allocate resources to ensure accomplishment of your ACTION PLANS? How do you ensure that the KEY changes resulting from your ACTION PLANS can be sustained?

(2) How do you establish and deploy modified ACTION PLANS if circumstances require a shift in plans and rapid execution of new plans?

(3) What are your KEY short- and longer-term ACTION PLANS? What are the KEY changes, if any, in your products and services and your CUSTOMERS and markets, and how you will operate?

(4) What are your KEY human resource plans that derive from your short- and longer-term STRATEGIC OBJECTIVES and ACTION PLANS?

(5) What are your KEY PERFORMANCE MEASURES or INDICATORS for tracking progress on your ACTION PLANS? How do you ensure that your overall ACTION PLAN measurement system reinforces organizational ALIGNMENT? How do you ensure that the measurement system covers all KEY DEPLOYMENT areas and STAKEHOLDERS?

b. PERFORMANCE PROJECTION

For the KEY PERFORMANCE MEASURES or INDICATORS identified in 2.2a(5), what are your PERFORMANCE PROJECTIONS for both your short- and longer-term planning time horizons? How does your projected PERFORMANCE compare with the projected PERFORMANCE of your competitors or comparable organizations? How does it compare with KEY BENCHMARKS, GOALS, and past PERFORMANCE, as appropriate? If there are current or projected gaps in PERFORMANCE against your competitors or comparable organizations, HOW will you address them?

Notes:

N1. Strategy and action plan development and deployment are closely linked to other Items in the Criteria. The following are examples of key linkages:

- Item 1.1 for how your senior leaders set and communicate directions;
- Category 3 for gathering customer and market knowledge as input to your strategy and action plans and for deploying action plans;
- Category 4 for measurement, analysis, and knowledge management to support your key information needs, to support your development of strategy, to provide an effective basis for your performance measurements, and to track progress relative to your strategic objectives and action plans;
- Category 5 for your work system needs and employee education, training, and development needs, and for implementing human resource-related changes resulting from action plans;
- Category 6 for process requirements resulting from your action plans; and

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Strategic Planning (Category 2)

Strategic Planning addresses strategic and action planning, deployment of plans, how plans are changed if circumstances require a change, and how accomplishments are measured and sustained. The Category stresses that long-term organizational sustainability and your competitive environment are key strategic issues that need to be integral parts of your organization's overall planning.

Specifically there are 3 key aspects of organizational excellence important to strategic planning:

- Customer-driven quality is a strategic view of quality. The focus is on the drivers of customer satisfaction, customer retention, customer loyalty, new markets, and market share—key factors in competitiveness, profitability, and business success.

- Operational performance improvement contributes to short- and longer-term productivity growth and cost/price competitiveness. Building operational capability—including speed, responsiveness, and flexibility—represents an investment in strengthening your competitive fitness.

- Organizational and personal learning are necessary strategic considerations in today's fast-paced environment. The Criteria emphasize that improvement and learning need to be embedded in work processes. The special role of strategic planning is to align work processes and learning initiatives with your organization's strategic directions, thereby ensuring that improvement and learning prepare you for and reinforce organizational priorities.

Category 2 examines how the organization:

- determines its key strengths, weaknesses, opportunities and threats, and its ability to execute your strategy.

- optimizes the use of resources, ensures the availability of trained employees, and bridges short- and longer-term requirements that may entail capital expenditures, technology development or acquisition, and supplier development.

- ensures that deployment will be effective--that there are mechanisms to communicate requirements and achieve alignment on three levels: (1) organization and the executive level, (2) the key process level, and (3) the work unit and individual job level.

The requirements in the Strategic Planning Category encourage strategic thinking and acting -- to develop a basis

for a distinct competitive position in the marketplace. *These requirements do not imply formalized plans, planning systems, departments, or specific planning cycles.* They also do not imply that all your improvements could or should be planned in advance. An effective improvement system combines improvements of many types and degrees of involvement. This requires clear strategic guidance, particularly when improvement alternatives, including major change, compete for limited resources. In most cases, setting priorities depends heavily on a cost rationale. However, you also might have critical requirements, such as public responsibilities, that are not driven by cost considerations alone.

2.1 Strategy Development

Purpose

This Item examines how your organization sets strategic directions and develops your strategic objectives to guide and strengthen your overall performance, competitiveness, and future success.

Comments

- This Item calls for basic information on the planning process and for information on all the key influences, risks, challenges, and other requirements that might affect your organization's future opportunities and directions—taking as long term a view as appropriate and as possible and from the perspectives of your organization and your industry or marketplace. This approach is intended to provide a thorough and realistic context for the developed development of a customer- and market-focused strategy to guide ongoing decision-making, resource allocation, and overall management.

- This Item is intended to cover all types of organizations, competitive situations, strategic issues, planning approaches, and plans. The requirements explicitly call for a future-oriented basis for action but do not imply planning departments, specific planning cycles, or a specified way of visualizing the future. Even if your organization is seeking to create an entirely new organizational situation, it is still necessary to set and to test the objectives that define and guide critical actions and performance.

- This Item emphasizes competitive leadership, which usually depends on revenue growth and operational effectiveness. Competitive leadership requires a view of the future that includes not only the markets or segments in which your organization competes but also how it competes. *How it competes* presents many options and requires that you

understand your organization's and your competitors' strengths and weaknesses. Although no specific time horizons are included, the thrust of this Item is sustained competitive leadership.

- An increasingly important part of strategic planning is projecting the future competitive environment. Such projections help to detect and reduce competitive threats, to shorten reaction time, and to identify opportunities. Depending on the size and type of organization, maturity of markets, pace of change, and competitive parameters (such as price or innovation rate), organizations might use a variety of modeling, scenarios, or other techniques and judgments to anticipate the competitive environment.

- While many organizations are increasingly adept at strategic planning, plan execution is still a significant challenge. This is especially true given market demands to be agile and to be prepared for unexpected change, such as disruptive technologies that can upset an otherwise fast-paced but more predictable marketplace. This Item and Item 2.2 highlight the need to place a focus not only on developing your plans but also on your capability to execute them.

2.2 Strategy Deployment

Purpose

This Item examines how your organization converts your strategic objectives into action plans to accomplish the objectives. It also examines how your organization assesses progress relative to these action plans. The aim is to ensure that your strategies are deployed for goal achievement.

Comments

- This Item asks how your action plans are developed and deployed. Accomplishment of action plans requires resources, and performance measures, as well as the alignment of work unit and supplier and partner plans. Of central importance is

how you achieve alignment and consistency—for example, via key processes and key measurements. Also, alignment and consistency are intended to provide a basis for setting and communicating priorities for ongoing improvement activities—part of the daily work of all work units. In addition, performance measures are critical for tracking performance.

- Key changes in your products and services or customers and markets might include Web-based or e-commerce initiatives integrated within or separate from your current business.

- Action plans should include human resource plans that are aligned with and support your overall strategy.

- Examples of possible human resource plan elements are:

  • a redesign of your work organization and jobs to increase employee empowerment and decision making;

  • initiatives to promote greater labor-management cooperation, such as union partnerships;

  • initiatives to foster knowledge sharing and organizational learning;

  • modification of your compensation and recognition systems to recognize team, organizational, customer, or other performance attributes; or

  • education and training initiatives, such as developmental programs for future leaders, partnerships with universities to help ensure the availability of future employees, and establishment of training programs on new technologies important to your future organizational success.

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■ Projections and comparisons in this Item are intended to improve your organization's ability to understand and track dynamic, competitive performance factors. Through this tracking process, your organization should be better prepared to take into account its rate of improvement and change relative to competitors' and relative to its own targets or stretch goals. Such tracking serves as a key diagnostic management tool.

■ In addition to improvement relative to past performance and competitors' projected performance, projected performance might include changes resulting from new business ventures, entry into new markets, introduction of new technologies, product or service innovations, or other strategic thrusts.

NOTES

3 Customer and Market Focus (85 pts.)

The **CUSTOMER and Market Focus** Category examines HOW your organization determines the requirements, needs, expectations, and preferences of CUSTOMERS and markets. Also examined is HOW your organization builds relationships with CUSTOMERS and determines the KEY factors that lead to CUSTOMER acquisition, satisfaction, loyalty, and retention and to business expansion and SUSTAINABILITY.

3.1 Customer and Market Knowledge: How do you use customer and market knowledge? (40 pts.)

Process

Describe HOW your organization determines requirements, needs, expectations, and preferences of CUSTOMERS and markets to ensure the continuing relevance of your products and services and to develop new business opportunities.

Within your response, include answers to the following questions:

a. CUSTOMER and Market Knowledge

(1) How do you identify CUSTOMERS, CUSTOMER groups, and market SEGMENTS? How do you determine which CUSTOMERS, CUSTOMER groups, and market SEGMENTS to pursue for current and future products and services? How do you include CUSTOMERS of competitors and other potential CUSTOMERS and markets in this determination?

(2) How do you listen and learn to determine KEY CUSTOMER requirements, needs, and changing expectations (including product and service features) and their relative importance to CUSTOMERS' purchasing or relationship decisions? How do your determination methods vary for different CUSTOMERS or CUSTOMER groups? How do you use relevant information and feedback from current and former CUSTOMERS, including marketing and sales information, CUSTOMER loyalty and retention data, win/loss ANALYSIS, and complaint data for PURPOSES of planning products and services, marketing, making PROCESS improvements, and developing new business opportunities? How do you use this information and feedback to become more CUSTOMER-focused and to better satisfy CUSTOMER needs and desires?

(3) How do you keep your listening and LEARNING methods current with business needs and directions, including changes in your marketplace?

Notes:

N1. Your responses to this Item should include the customer groups and market segments identified in P.1b(2).

N2. If your products and services are sold or delivered to end-use customers via other businesses or organizations (e.g., those that are part of your "value chain," such as retail stores, dealers, or local distributors), customer groups (3.1a[1]) should include both the end users and these intermediate organizations.

N3. "Product and service features" (3.1a[2]) refers to all the important characteristics of products and services and to their performance throughout their full life cycle and the full "consumption chain." This includes all customers' purchase and interaction experiences with your organization that influence purchase and relationship decisions. The focus should be on features that affect customer preference and loyalty—for example, those features that differentiate your products and services from competing offerings or

other organizations' services. Those features might include price, reliability, value, delivery, timeliness, ease of use, requirements for hazardous materials use and disposal, customer or technical support, and the sales relationship. Key product and service features and purchasing and relationship decisions (3.1a[2]) might take into account how transactions occur and factors such as confidentiality and security.

N4. Listening and learning (3.1a[2]) might include gathering and integrating survey data, focus group findings, Web-based data, and other data and information that affect customers' purchasing and relationship decisions. Keeping your listening and learning methods current with business needs and directions (3.1a[3]) also might include use of newer technology, such as Web-based data gathering.

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3.2 Customer Relationships and Satisfaction: How do you build relationships and grow customer satisfaction and loyalty? (45 pts.)   `Process`

Describe HOW your organization builds relationships to acquire, satisfy, and retain CUSTOMERS and to increase CUSTOMER loyalty. Describe also HOW your organization determines CUSTOMER satisfaction.

Within your response, include answers to the following questions:

a. **CUSTOMER Relationship Building**

(1) How do you build relationships to acquire CUSTOMERS, to meet and exceed their expectations, to increase loyalty and repeat business, and to gain positive referrals?

(2) How do your KEY access mechanisms enable CUSTOMERS to seek information, conduct business, and make complaints? What are your KEY access mechanisms? How do you determine KEY CUSTOMER contact requirements for each mode of CUSTOMER access? How do you ensure that these contact requirements are deployed to all people and PROCESSES involved in the CUSTOMER response chain?

(3) How do you manage CUSTOMER complaints? How do you ensure that complaints are resolved EFFECTIVELY and promptly? How do you minimize CUSTOMER dissatisfaction and, as appropriate, loss of repeat business? How are complaints aggregated and analyzed for use in improvement throughout your organization and by your PARTNERS?

(4) How do you keep your APPROACHES to building relationships and providing CUSTOMER access current with business needs and directions?

b. **CUSTOMER Satisfaction Determination**

(1) How do you determine CUSTOMER satisfaction, dissatisfaction, and loyalty? How do these determination methods differ among CUSTOMER groups? How do you ensure that your measurements capture actionable information for use in exceeding your CUSTOMERS' expectations? How do you ensure that your measurements capture actionable information for use in securing your CUSTOMERS' future business and gaining positive referrals, as appropriate? How do you use CUSTOMER satisfaction and dissatisfaction information for improvement?

(2) How do you follow up with CUSTOMERS on the quality of products, services, and transactions to receive prompt and actionable feedback?

(3) How do you obtain and use information on your CUSTOMERS' satisfaction relative to their satisfaction with your competitors, other organizations providing similar products or services, and/or industry BENCHMARKS?

(4) How do you keep your APPROACHES to determining satisfaction current with business needs and directions?

Notes:

N1. Customer relationship building (3.2a) might include the development of partnerships or alliances with customers.

N2. Determining customer satisfaction and dissatisfaction (3.2b) might include use of any or all of the following: surveys, formal and informal feedback, customer account histories, complaints, win/loss analysis, and transaction completion rates. Information might be gathered on the Internet, through personal contact or a third party, or by mail.

N3. Customer satisfaction measurements (3.2b[1]) might include both a numerical rating scale and descriptors for each unit in the scale. Actionable customer satisfaction measurements provide useful information about specific product and service features, delivery, relationships, and transactions that affect customers' future actions—repeat business and positive referral.

N4. Other organizations providing similar products or services (3.2b[3]) might include other organizations with whom you don't compete but provide similar products and services in other geographic areas or to different populations of people.

N5. Your customer satisfaction and dissatisfaction results should be reported in Item 7.2.

N6. *For some organizations (e.g., some government agencies or charitable organizations), customers may be assigned or may be required to use your organization, and relationships may be short term. For those organizations, relationship building (3.2a[1]) might be focused on meeting and exceeding expectations during the short-term relationship, resulting in positive comments to other people, including key stakeholders of your organization.*

Customer and Market Focus (Category 3)

Customer and Market Focus addresses how your organization seeks to understand the voices of customers and of the marketplace with a focus on meeting customers' expectations and requirements, delighting customers, and building loyalty. The Category stresses relationships as an important part of an overall listening, learning, and performance excellence strategy. Your customer satisfaction and dissatisfaction results provide vital information for understanding your customers and the marketplace. In many cases, such results and trends provide the most meaningful information, not only on your customers' views but also on their marketplace behaviors—repeat business and positive referrals and how these views and behaviors may contribute to the sustainability of your organization.

3.1 Customer and Market Knowledge

Purpose

This Item examines your organization's key processes for gaining knowledge about your current and future customers and markets, with the aim of offering relevant products and services, understanding emerging customer requirements and expectations, and keeping pace with marketplace changes and changing ways of doing business.

Comments

▪ In a rapidly changing competitive environment, many factors may affect customer preference and loyalty and your interface with customers in the marketplace. This makes it necessary to continuously listen and learn. To be effective, listening and learning need to be closely linked with your organization's overall business strategy.

▪ Knowledge of customer groups and market segments allows your organization to tailor listening and learning strategies and market-place offerings, to support and tailor your marketing strategies, to develop new business, and to ensure marketplace sustainability.

▪ A relationship strategy may be possible with some customers but not with others. Differing relationships may require distinctly different listening and learning strategies.

▪ Selection of listening and learning strategies depends on your organization's key business factors. Increasingly, organizations interact with customers via multiple modes. Some frequently used modes include focus groups with key customers; close integration with key customers; interviews with lost and potential customers about their purchase decisions; use of the customer complaint process to understand key product and service attributes; win/loss analysis relative to competitors; and survey or feedback information, including information collected on the Internet.

3.2 Customer Relationships and Satisfaction

Purpose

This Item examines your organization's processes for building customer relationships and determining customer satisfaction, with the aim of acquiring new customers, retaining existing customers, and developing new market opportunities.

Comments

▪ This Item emphasizes how you obtain actionable information from customers. Information that is actionable can be tied to key product, service, and business processes and be used to determine cost and revenue implications for setting improvement and priorities for change.

▪ Complaint aggregation, analysis, and root cause determination should lead to effective elimination of the causes of complaints and to setting priorities for process, product, and service improvements. Successful outcomes require effective deployment of information throughout the organization.

▪ In determining customers' satisfaction, a key aspect is their comparative satisfaction with competitors and competing or alternative offerings. Such information might be derived from your own comparative studies or from independent studies. The factors that lead to customer preference are of critical importance in understanding factors that drive markets and potentially affect longer-term competitiveness and organizational sustainability.

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- Changing business needs and directions might include changing modes of customer access, such as the Internet. In such cases, key contact requirements might include on-line security for customers and access to personal assistance.

NOTES

4 Measurement, Analysis, and Knowledge Management (90 pts.)

The *Measurement, ANALYSIS, and Knowledge Management* Category examines HOW your organization selects, gathers, analyzes, manages, and improves its data, information, and KNOWLEDGE ASSETS. Also examined is HOW your organization reviews its PERFORMANCE.

4.1 Measurement, Analysis, and Review of Organizational Performance: How do you measure, analyze, and review organizational performance? (45 pts.)   `Process`

Describe HOW your organization measures, analyzes, aligns, reviews, and improves its PERFORMANCE data and information at all LEVELS and in all parts of your organization.

Within your response, include answers to the following questions:

a. PERFORMANCE Measurement

   (1) How do you select, collect, align, and integrate data and information for tracking daily operations and for tracking overall organizational PERFORMANCE, including progress relative to STRATEGIC OBJECTIVES and ACTION PLANS? What are your KEY organizational PERFORMANCE MEASURES? How do you use these data and information to support organizational decision making and INNOVATION?

   (2) How do you select and ensure the EFFECTIVE use of KEY comparative data and information to support operational and strategic decision making and INNOVATION?

   (3) How do you keep your PERFORMANCE measurement system current with business needs and directions? How do you ensure that your PERFORMANCE measurement system is sensitive to rapid or unexpected organizational or external changes?

b. PERFORMANCE ANALYSIS and Review

   (1) How do you review organizational PERFORMANCE and capabilities? HOW do your SENIOR LEADERS participate in these reviews? What ANALYSES do you perform to support these reviews and to ensure that conclusions are valid? How do you use these reviews to assess organizational success, competitive PERFORMANCE, and progress relative to STRATEGIC OBJECTIVES and ACTION PLANS? How do you use these reviews to assess your organization's ability to rapidly respond to changing organizational needs and challenges in your operating environment?

   (2) How do you translate organizational PERFORMANCE review findings into priorities for continuous and breakthrough improvement and into opportunities for INNOVATION? How are these priorities and opportunities deployed to work group- and functional-level operations throughout your organization to enable EFFECTIVE support for their decision making? When appropriate, HOW are the priorities and opportunities deployed to your suppliers, PARTNERS, and collaborators to ensure organizational ALIGNMENT?

Notes:

N1. Performance measurement is used in fact-based decision making for setting and aligning organizational directions and resource use at the work unit, key process, departmental, and whole organization levels.

N2. Comparative data and information (4.1a[2]) are obtained by benchmarking and by seeking competitive comparisons. "Benchmarking" refers to identifying processes and results that represent best practices and performance for similar activities, inside or outside your organization's industry. Competitive comparisons relate your organization's performance to that of competitors and other organizations providing similar products and services.

N3. Organizational performance reviews (4.1b[1]) should be informed by organizational performance measurement and guided by the strategic objectives and action plans described in Items 2.1 and 2.2. The reviews also might be informed by internal or external APIC assessments.

N4. Analysis includes examining trends; organizational, industry, and technology projections; and comparisons, cause-effect relationships, and correlations intended to support your performance reviews, help determine root causes, and help set priorities for resource use. Accordingly, analysis draws on all types of data: customer-related, financial and market, operational, and competitive.

N5. The results of organizational performance analysis and review should contribute to your organizational strategic planning in Category 2.

N6. Your organizational performance results should be reported in Items 7.1–7.6.

N7. 4.a(1). For the selection, collection, alignment and integration of data and information, ARNG organizations may include Balanced Scorecard development.

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4.2 Information and Knowledge Management: How do you manage organizational information and knowledge? (45 pts.)

Describe HOW your organization ensures the quality and availability of needed data and information for EMPLOYEES, suppliers, PARTNERS, collaborators, and CUSTOMERS. Describe HOW your organization builds and manages its KNOWLEDGE ASSETS.

Within your response, include answers to the following questions:

a. Data and Information Availability

   (1) How do you make needed data and information available? How do you make them accessible to EMPLOYEES, suppliers, PARTNERS, collaborators, and CUSTOMERS, as appropriate?

   (2) How do you ensure that hardware and software are reliable, secure, and user-friendly?

   (3) How do you ensure the continued availability of data and information, including the availability of hardware and software systems, in the event of an emergency?

   (4) How do you keep your data and information availability mechanisms, including your software and hardware systems, current with business needs and directions and with technological changes in your operating environment?

b. Organizational Knowledge Management
How do you manage organizational knowledge to accomplish the following:

- the collection and transfer of EMPLOYEE knowledge
- the transfer of relevant knowledge from and to CUSTOMERS, suppliers, PARTNERS, and collaborators
- the rapid identification, sharing, and implementation of best practices

c. Data, Information, and Knowledge Quality
How do you ensure the following properties of your data, information, and organizational knowledge:

- accuracy
- integrity and reliability
- timeliness
- security and confidentiality

Notes:

N1. Data and information availability (4.2a) are of growing importance as the Internet, e-business, and e-commerce are used increasingly for business-to-business, organization-to-organization, and business-to-consumer interactions and as intranets become more important as a major source of organization-wide communications.

N2. Data and information access (4.2a[1]) might be via electronic or other means.

N3. 4.2c should address key installation databases such as RPLANS, ASIP, RPI and GIS. (This note gives guidance to which data/reports/databases need to be considered when reviewing the installations information management capabilities. Emphasis is specific here as these data areas feed into specific reports such as the Installation Status Report (ISR) used at higher headquarters. It is also a decision support tool that can improve management and decision-making for Garrison Commanders.)

Measurement, Analysis, and Knowledge Management (Category 4)

The Measurement, Analysis, and Knowledge Management Category is the main point within the Criteria for all key information about effectively measuring, analyzing and reviewing performance and managing organizational knowledge to drive improvement and organizational competitiveness. In the simplest terms, Category 4 is the "brain center" for the alignment of your organization's operations and its strategic objectives. Central to such use of data and information are their quality and availability. Furthermore, since information, analysis, and knowledge management might themselves be primary sources of competitive advantage and productivity growth, the Category also includes such strategic considerations.

4.1 Measurement, Analysis and Review of Organizational Performance

Purpose

This Item examines your organization's selection, management, and use of data and information for performance measurement,

analysis and review in support of organizational planning and performance improvement. The Item serves as a central collection and analysis point in an integrated performance measurement and management system that relies on financial and nonfinancial data and information. The aim of

measurement, analysis, and review is to guide your organization's process management toward the achievement of key business results and strategic objectives and to anticipate and respond to rapid or unexpected organizational or external changes.

Comments

- Alignment and integration are key concepts for successful implementation of your performance measurement system. They are viewed in terms of extent and effectiveness of use to meet your performance assessment needs. Alignment and integration include how measures are aligned throughout your organization, how they are integrated to yield organization-wide data and information. Alignment and integration also includes how performance measurement requirements are deployed by your senior leaders to track work group and process-level performance on key measures targeted for organization-wide significance or improvement.

- The use of comparative data and information is important to all organizations. The major premises for use are (1) your organization needs to know where it stands relative to competitors and to best practices, (2) comparative information and information obtained from benchmarking often provide the impetus for significant ("breakthrough") improvement or change, and (3) comparing performance information frequently leads to a better understanding of your processes and their performance. Comparative information also may support business analysis and decisions relating to core competencies, alliances, and outsourcing.

- Your effective selection and use of comparative data and information require (1) determination of needs and priorities; (2) criteria for seeking appropriate sources for comparisons—from within and outside your organization's scope; and (3) use of data and information to set stretch goals and to promote major, nonincremental ("breakthrough") improvements in areas most critical to your organization's competitive strategy.

- The organizational review called for in this Item is intended to cover all areas of performance. This includes not only how well you currently are performing but also how well you are moving toward the future. It is anticipated that the review findings will provide a reliable means to guide both improvement and opportunities for innovation that are tied to your organization's key objectives, success factors, and measures. Therefore, an important component of your organizational review is the translation of the review findings into an action agenda sufficiently specific for deployment throughout your organization and to your suppliers, partners, and key customers.

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- Analyses that your organization conducts to gain an understanding of performance and needed actions may vary widely depending on your type of organization, size, competitive environment, and other factors. Examples of possible analyses include

  - how product and service quality improvement correlates with key customer indicators such as customer satisfaction, customer retention, and market share

  - cost and revenue implications of customer-related problems and effective problem resolution

  - interpretation of market share changes in terms of customer gains and losses and changes in customer satisfaction

  - improvement trends in key operational performance indicators such as productivity, cycle time, waste reduction, new product introduction, and defect levels

  - relationships between employee and organizational learning and value added per employee.

  - financial benefits derived from improvements in employee safety, absenteeism, and turnover

  - benefits and costs associated with education and training, including Internet-based or e-learning opportunities

  - benefits and costs associated with improved organizational knowledge management and sharing

  - the relationship between knowledge management and innovation

  - how the ability to identify and meet employee requirements correlates with employee retention, motivation, and productivity

  - cost and revenue implications of employee-related problems and effective problem resolution

  - individual or aggregate measures of productivity and quality relative to competitors' performance

  - cost trends relative to competitors' trends

  - relationships among product and service quality, operational performance indicators, and overall financial performance trends as reflected in indicators such as operating costs, revenues, asset utilization, and value added per employee

  - allocation of resources among alternative improvement projects based on cost/benefit implications or environmental and community impact

  - net earnings derived from quality, operational, and human resource performance improvements

  - comparisons among business units showing how quality and operational performance improvement affect financial performance

  - contributions of improvement activities to cash flow, working capital use, and shareholder value

  - profit impacts of customer retention

  - cost and revenue implications of new market entry, including global market entry or expansion

  - cost and revenue, customer, and productivity implications of engaging in or expanding e-commerce or e-business and use of the Internet and intranets

  - market share versus profits

  - trends in economic and market indicators of value and the impact of these trends in organizational sustainability.

- Individual facts and data do not usually provide an effective basis for setting organizational priorities. This Item emphasizes that close alignment is needed between your analysis and your organizational performance review and between your analysis and your organizational planning. This ensures that analysis is relevant to decision making and that decision making is based on relevant data and information.

- Action depends on understanding cause-effect connections among processes and between processes and results or outcomes. Process actions and their results may have many resource implications. Organizations have a critical need to provide an effective analytical basis for decisions because resources for improvement are limited and cause-effect connections often are unclear.

4.2 Information and Knowledge Management

Purpose

This Item examines how your organization ensures the availability of high-quality, timely data and information for all your key users—employees, suppliers and partners, and customers. It also examines how your organization builds and manages its knowledge assets. The aim is to improve

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organizational efficiency, effectiveness, and innovation.

Comments

- Managing information can require a significant commitment of resources as the sources of data and information grow dramatically. The expanding use of electronic information within organizations' operations, as part of organizational knowledge networks, from the Internet, and in business-to-business and business-to-consumer communications, challenges organizational abilities to ensure reliability and availability in a user-friendly format.

- Data and information are especially important in organizational networks, alliances, and supply chains. Your responses to this Item should take into account this use of data and information and should recognize the need for rapid data validation and reliability assurance, given the increasing use of electronic data transfer.

- Organizations should carefully plan how they will continue to provide data and information in the event of either a natural or man-made disaster. These plans should consider the needs of all of the organization's stakeholders, including employees, customers, and suppliers and partners. The plans also should be coordinated with the organization's overall plan for business continuity (Item 6.2).

- The focus of an organization's knowledge management is on the knowledge that people need to do their work; improve processes, products, and services; keep current with changing business needs and directions; and develop innovative solutions that add value for the customer and the organization.

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5 Human Resource Focus (85 pts.)

The *Human Resource Focus* Category examines HOW your organization's WORK SYSTEMS and your EMPLOYEE LEARNING and motivation enable EMPLOYEES to develop and utilize their full potential in ALIGNMENT with your organization's overall objectives, strategy, and ACTION PLANS. Also examined are your organization's efforts to build and maintain a work environment and EMPLOYEE support climate conducive to PERFORMANCE EXCELLENCE and to personal and organizational growth.

5.1 Work Systems: How do you enable employees to accomplish the work of your organization? (35 pts.)

Process

Describe HOW your organization's work and jobs enable EMPLOYEES and the organization to achieve HIGH PERFORMANCE. Describe HOW compensation, career progression, and related workforce practices enable EMPLOYEES and the organization to achieve HIGH PERFORMANCE.

Within your response, include answers to the following questions:

a. Organization and Management of Work
   (1) How do you organize and manage work and jobs, including skills, to promote cooperation, initiative, EMPOWERMENT, INNOVATION, and your organizational culture? How do you organize and manage work and jobs, including skills, to achieve the agility to keep current with business needs and to achieve your ACTION PLANS?

   (2) How do your WORK SYSTEMS capitalize on the diverse ideas, cultures, and thinking of your EMPLOYEES and the communities with which you interact (your EMPLOYEE hiring and your CUSTOMER communities)?

   (3) How do you achieve EFFECTIVE communication and skill sharing across work units, jobs, and locations?

b. EMPLOYEE PERFORMANCE Management System
   How does your EMPLOYEE PERFORMANCE management system, including feedback to EMPLOYEES, support HIGH-PERFORMANCE WORK and contribute to the achievement of your ACTION PLANS? How does your EMPLOYEE PERFORMANCE management system support a CUSTOMER and business focus? How do your compensation, recognition, and related reward and incentive practices reinforce HIGH-PERFORMANCE WORK and a CUSTOMER and business focus?

c. Hiring and Career Progression
   (1) How do you identify characteristics and skills needed by potential EMPLOYEES?

   (2) How do you recruit, hire, and retain new EMPLOYEES? How do you ensure EMPLOYEES represent the diverse ideas, cultures, and thinking of your hiring community?

   (3) How do you accomplish EFFECTIVE succession planning for leadership and management positions? How do you manage EFFECTIVE career progression for all EMPLOYEES throughout the organization?

Notes:

N1. "Employees" refers to your organization's permanent, temporary, and part-time personnel, as well as any contract employees supervised by your organization. Employees include team leaders, supervisors, and managers at all levels. Contract employees supervised by a contractor should be addressed in Category 6.

N2. "Your organization's work" refers to how your employees are organized or organize themselves in formal and informal, temporary, or longer-term units. This might include work teams, process teams, project teams, customer action teams, problem-solving teams, centers of excellence, functional units, remote workers (e.g., at home), cross-functional teams, and departments—self-managed or managed by supervisors.

"Jobs" refers to responsibilities, authorities, and tasks of individuals. In some work systems, jobs might be shared by a team.

N3. Compensation, recognition, and related reward and incentive practices (5.1b) include promotions and bonuses that might be based on performance, skills acquired, and other factors. *In some organizations, compensation systems are set by law or regulation. Since recognition can include monetary and nonmonetary, formal and informal, and individual and group mechanisms, reward and recognition systems still permit flexibility.*

5.2 Employee Learning and Motivation: How do you contribute to employee learning and motivate employees? (25 pts.)

Describe HOW your organization's EMPLOYEE education, training, and career development support the achievement of your overall objectives and contribute to HIGH PERFORMANCE. Describe HOW your organization's education, training, and career development build EMPLOYEE knowledge, skills, and capabilities.

Within your response, include answers to the following questions:

a. EMPLOYEE Education, Training, and Development

(1) How do EMPLOYEE education and training contribute to the achievement of your ACTION PLANS? How do your EMPLOYEE education, training, and development address your KEY needs associated with organizational PERFORMANCE measurement, PERFORMANCE improvement, and technological change? How does your education and training APPROACH balance short- and longer-term organizational objectives with EMPLOYEE needs for development, ongoing LEARNING, and career progression?

(2) How do EMPLOYEE education, training, and development address your KEY organizational needs associated with new EMPLOYEE orientation, DIVERSITY, ethical business practices, and management and leadership development? How do EMPLOYEE education, training, and development address your KEY organizational needs associated with EMPLOYEE, workplace, and environmental safety?

(3) How do you seek and use input from EMPLOYEES and their supervisors and managers on education, training, and development needs? How do you incorporate your organizational LEARNING and KNOWLEDGE ASSETS into your education and training?

(4) How do you deliver education and training? How do you seek and use input from EMPLOYEES and their supervisors and managers in determining your delivery APPROACHES? How do you use both formal and informal delivery APPROACHES, including mentoring and other APPROACHES, as appropriate?

(5) How do you reinforce the use of new knowledge and skills on the job and retain this knowledge for long-term organizational use? How do you SYSTEMATICALLY transfer knowledge from departing or retiring EMPLOYEES?

(6) How do you evaluate the EFFECTIVENESS of education and training, taking into account individual and organizational PERFORMANCE?

b. Motivation and Career Development

How do you motivate EMPLOYEES to develop and utilize their full potential? How does your organization use formal and informal mechanisms to help EMPLOYEES attain job- and career-related development and LEARNING objectives? How do managers and supervisors help EMPLOYEES attain job- and career-related development and LEARNING objectives?

Notes:

N1. Many organizations may have unique considerations relative to employee education, training, development, motivation, and career progression. If this is the case for your organization, your response to Item 5.2 should include how you address these considerations. *Some organizations may have unique considerations relative to the education, training, development, and motivation of volunteers. Some organizations may also* *need to be sensitive to stakeholder perceptions about how nonprofit dollars are spent, resulting in limitations on expenses for volunteer training-related activities.*

N2. Education and training delivery (5.2a[4]) might occur inside or outside your organization and involve on-the-job, classroom, computer-based, distance learning, or other types of delivery (formal or informal).

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5.3 Employee Well-Being and Satisfaction: How do you contribute to employee well-being and grow employee satisfaction? (25 pts.)

Describe HOW your organization maintains a work environment and an EMPLOYEE support climate that contribute to the well-being, satisfaction, and motivation of all EMPLOYEES.

Within your response, include answers to the following questions:

a. Work Environment

(1) How do you ensure and improve workplace health, safety, security, and ergonomics in a proactive manner? How do EMPLOYEES take part in these improvement efforts? What are your PERFORMANCE MEASURES or improvement goals for each of these KEY workplace factors? What are the significant differences in these workplace factors and PERFORMANCE MEASURES or targets if different EMPLOYEE groups and work units have different work environments?

(2) How do you ensure workplace preparedness for disasters or emergencies?

b. EMPLOYEE Support and Satisfaction

(1) How do you determine the KEY factors that affect EMPLOYEE well-being, satisfaction, and motivation? How are these factors SEGMENTED for a diverse workforce and for different categories and types of EMPLOYEES?

(2) How do you support your EMPLOYEES via services, benefits, and policies? How are these tailored to the needs of a diverse workforce and different categories and types of EMPLOYEES?

(3) What formal and informal assessment methods and MEASURES do you use to determine EMPLOYEE well-being, satisfaction, and motivation? How do these methods and MEASURES differ across a diverse work-force and different categories and types of EMPLOYEES? How do you use other INDICATORS, such as EMPLOYEE retention, absenteeism, grievances, safety, and PRODUCTIVITY, to assess and improve EMPLOYEE well-being, satisfaction, and motivation?

(4) How do you relate assessment findings to KEY business RESULTS to identify priorities for improving the work environment and EMPLOYEE support climate?

Notes:

N1. Specific factors that might affect your employees' well-being, satisfaction, and motivation (5.3b[1]) include effective employee problem or grievance resolution; safety factors; employees' views of management; employee training, development, and career opportunities; employee preparation for changes in technology or the work organization; the work environment and other work conditions; management's empowerment of employees; information sharing by management; workload; cooperation and teamwork; recognition; services and benefits; communications; job security; compensation; and equal opportunity.

N2. Approaches for employee support (5.3b[2]) might include providing counseling, career development and employability services, recreational or cultural activities, nonwork-related education, day care, job rotation or sharing, special leave for family responsibilities or community service, home safety training, flexible work hours and location, outplacement, and retirement benefits (including extended health care).

N3. Measures and indicators of well-being, satisfaction, and motivation (5.3b[3]) might include data on safety and absenteeism; the overall turnover rate; the turnover rate for customer contact employees; employees' charitable contributions; grievances, strikes, and other job actions; insurance costs; workers' compensation claims; and results of surveys. Survey indicators of satisfaction might include employee knowledge of job roles, employee knowledge of organizational direction, and employee perception of empowerment and information sharing. Your results relative to such measures and indicators should be reported in Item 7.4.

N4. Identifying priorities (5.3b[4]) might draw on your human resource results presented in Item 7.4 and might involve addressing employee problems based on their impact on your business results.

Human Resource Focus (Category 5)

Human Resource Focus addresses key human resource practices - those directed toward creating and maintaining a high-performance workplace and toward developing employees to enable them and your organization to adapt to change. The Category covers human resource development and management requirements in an integrated way, i.e., aligned with your organization's strategic objectives and action plans. Your human resource focus includes your work environment and your employee support climate.

To reinforce the basic alignment of human resource management with overall strategy, the Criteria also cover human resource planning as part of overall planning in the Strategic Planning Category (Category 2).

5.1 Work Systems

Purpose

This item examines your organization's systems for work and jobs, compensation, career progression, employee performance management, motivation, recognition, communication, and hiring, with the aim of enabling and encouraging all employees to contribute effectively and to the best of their ability. These systems are intended to foster high performance, to result in individual and organizational learning, and to enable adaptation to change, contributing to organizational sustainability

Comments

High-performance work is characterized by flexibility, innovation, knowledge and skill sharing, alignment with organizational objectives, customer focus, and rapid response to changing business needs and requirements of the market place. The focus of this item is on a workforce capable of achieving high performance. In addition to enabled employees and proper work system design, high-performance work requires ongoing education and training, as well as information systems that ensure proper information flow.

Work and job factors for your consideration include simplification of job classifications, cross-training, job rotation, use of teams (including self-directed teams), and changes in work layout and location. Also important is effective communication across functions and work units to ensure a focus on customer requirements and to ensure an environment of trust, knowledge sharing, and mutural respect.

Compensation and recognition systems should be matched to your work systems. To be effective, compensation and

recognition might be tied to demonstrated skills and to peer evaluations.

Compensation and recognition approaches also might include profit sharing, rewarding exemplary team or unit performance and linkage to customer satisfaction and loyalty measures, achievement of organizational strategic objectives, or other business objectives.

The requirements of high performance work, coupled with the challenges of labor markets, necessitate attention to succession planning and hiring profiles. This should include and capitalize on diversity factors. Employee hiring and career progression planning should consider both internal and external candidates with a focus on the future sustainability and growth of the organization.

5.2 Employee Learning and Motivation

Purpose

This item examines the education, training, and on-the-job reinforcement of knowledge and skills of your organizaation's workforce. It also examines your organization's systems for motivation and employee career development with the aim of meeting ongoing needs of employees and a high-performance workplace.

Comments

Depending on the nature of your organization's work, employees' responsibilities, and the stage of organizational and personal development, education and training needs may vary greatly. These needs might include gaining skills for knowledge sharing, communication, teamwork, and problem solving; interpreting and using data; meeting customer requirements; accomplishing process analysis and simplification; reducing waste and cycle time; and setting priorities based on strategic alignment or cost/benefit analysis. Education needs also might include advanced skills in new technologies or basic skills, such as reading, writing, language, arithmetic, and, increasingly computer skills.

Education and training delivery might occur inside or outside your organization and could involve on-the-job, classroom, computer-based, or distance learning, as well as other type delivery. Training also might occur through developmental assignments within or outside your organization.

When you evaluate education and training, you should seek effectiveness measures as a critical part of the evaluation. Such measures might address the impact on individual unit and organizational performance; the impact on customer-related

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training.

Although this item does not specifically ask you about training for customer contact employees, such training is important and common. It frequently includes learning critical knowledge and skills in the following areas; your products, services, and customers; how to listen to customers; how to recover from problems or failures; and how to effectively manage customer expectations.

An organization's knowledge management system should provide the mechanism for sharing the knowledge employees and the organization to ensure that high-performance work is maintained through transitions. Each organization should determine what knowledge is critical for its operations and should then implement systematic processes for sharing the information. This is particularly important for implicit knowledge (i.e., knowledge personally retained by your employees).

To help employees realize their full potential, many organizations use individual development plans prepared with each employee that address his or her career and learning objectives.

Factors inhibiting motivation should be understood and addressed by your organization. Further understanding of these factors could be developed through employee surveys or exit interviews with departing employees.

5.3 Employee Well-Being and Satisfaction

Purpose

This item examines your organization's work environment, your employee support climate, and how you determine employee satisfaction, with the aim of fostering the well-being, satisfaction, and motivation of all employees while recognizing their diverse needs. It also examines your organization's capabilities for handling emergencies or disasters with the aim of employee protection and workplace safety.

Comments

Most organizations, regardless of size, have many opportunities to contribute to employees' well-being, satisfaction, and motivation. Some examples of services, facilities, activities, and other opportunities are personal and career counseling; career development and employability services; recreational or cultural activities; formal and informal recognition; nonwork-related education; day care; special leave for family responsibilities and community service; flexible work hours and benefits packages; outplacement services; and retiree benefits, including extended health care and access to employee services.

All organizations, regardless of size, are required to meet minimum regulatory standards for workplace safety; however, high-performing organizations have processes in place to ensure that they not only meet these minimum standards but go beyond a compliance orientation. This includes designing proactive processes with input from employees directly involved in the work, to ensure a safe working environment.

Although satisfaction with pay and satisfaction with promotion are important, these two factors generally are not sufficient to ensure overall employee satisfaction, motivation, and high performance. Some examples of other factors to consider are effective employee problem and grievance resolution; employee development and career opportunities; work environment and management support; workplace safety and security; workload; effective communication, cooperation, and teamwork; job security; appreciation of the differing needs of diverse employee groups; and organizational support for serving customers.

In addition to direct measures of employee satisfaction and well-being through formal or informal surveys, some other indicators include absenteeism, turnover, grievances, strikes, Occupational Safety and Health Administration (OSHA) reportables, and workers' compensation claims.

6 Process Management (85 pts.)

The **PROCESS MANAGEMENT** Category examines the KEY aspects of your organization's PROCESS management, including KEY product, service, and organizational PROCESSES for creating CUSTOMER and organizational VALUE and KEY support PROCESSES. This Category encompasses all KEY PROCESSES and all work units.

6.1 Value Creation Processes: How do you identify and manage your key processes? (45 pts.)

Process

Describe HOW your organization identifies and manages its KEY VALUE CREATION PROCESSES for delivering CUSTOMER VALUE and achieving organizational success and growth.

Within your response, include answers to the following questions:

a. VALUE CREATION PROCESSES

(1) How does your organization determine its KEY VALUE CREATION PROCESSES? What are your organization's KEY product, service, and business PROCESSES for creating or adding VALUE? How do these PROCESSES contribute to profitability, SUSTAINABILITY, and organizational success, as appropriate?

(2) How do you determine KEY VALUE CREATION PROCESS requirements, incorporating input from CUSTOMERS, suppliers, PARTNERS, and collaborators, as appropriate? What are the KEY requirements for these PROCESSES?

(3) How do you design these PROCESSES to meet all the KEY requirements? How do you incorporate new technology, organizational knowledge, and the potential need for agility into the design of these PROCESSES? How do you incorporate CYCLE TIME, PRODUCTIVITY, cost control, and other efficiency and EFFECTIVENESS factors into the design of these PROCESSES? How do you implement these PROCESSES to ensure they meet design requirements?

(4) What are your KEY PERFORMANCE MEASURES or INDICATORS used for the control and improvement of your VALUE CREATION PROCESSES? How does your day-to-day operation of these PROCESSES ensure meeting KEY PROCESS requirements? How are in-process MEASURES used in managing these PROCESSES? How is CUSTOMER, supplier, PARTNER, and collaborator input used in managing these PROCESSES, as appropriate?

(5) How do you minimize overall costs associated with inspections, tests, and PROCESS or PERFORMANCE audits, as appropriate? How do you prevent defects, service errors, and rework, and minimize warranty costs, as appropriate?

(6) How do you improve your VALUE CREATION PROCESSES to achieve better PERFORMANCE, to reduce variability, to improve products and services, and to keep the PROCESSES current with business needs and directions? How are improvements and lessons learned shared with other organizational units and PROCESSES to drive organizational LEARNING and INNOVATION?

Notes:

N1. Your key value creation processes are those most important to "running your business" and maintaining or achieving a sustainable competitive advantage. They are the processes that involve the majority of your organization's employees and produce customer, stakeholder, and stockholder value. They include the processes through which your organization adds the greatest value to its products and services. They also include the business processes most critical to adding value to the organization itself, resulting in success and growth.

N2. Key value creation processes differ greatly among organizations, depending on many factors. These factors include the nature of your products and services, how they are produced and delivered, technology

requirements, customer and supplier relationships and involvement, outsourcing, the importance of research and development, the role of technology acquisition, information and knowledge management, supply chain management, mergers and acquisitions, global expansion, legislative mandates, and sales and marketing. Responses to Item 6.1 should be based on the most critical requirements and processes for your products, services, and business.

N3. To achieve better process performance and reduce variability, you might implement approaches such as a Lean Enterprise System, Six Sigma methodology, use of ISO 9000:2000 standards, or other process improvement tools.

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N4. To provide as complete and concise a response as possible for your key value creation processes, you might want to use a tabular format identifying the key processes and the attributes of each as called for in questions 6.1a(1)–6.1a(6).

N5. The results of improvements in product and service performance should be reported in Item 7.1. All other process performance results should be reported in Item 7.5.

6.2 Support Processes and Operational Planning: How do you identify and manage your support processes and accomplish operational planning? (40 pts.) `Process`

Describe HOW your organization manages its KEY PROCESSES that support your VALUE CREATION PROCESSES. Describe your PROCESSES for financial management and continuity of operations in an emergency.

Within your response, include answers to the following questions:

a. Support PROCESSES
   (1) How does your organization determine its KEY support PROCESSES? What are your KEY PROCESSES for supporting your VALUE CREATION PROCESSES?

   (2) How do you determine KEY support PROCESS requirements, incorporating input from internal and external CUSTOMERS, suppliers, PARTNERS, and collaborators, as appropriate? What are the KEY requirements for these PROCESSES?

   (3) How do you design these PROCESSES to meet all the KEY requirements? How do you incorporate new technology, organizational knowledge, and the potential need for agility into the design of these PROCESSES? How do you incorporate CYCLE TIME, PRODUCTIVITY, cost control, and other efficiency and EFFECTIVENESS factors into the design of these PROCESSES? How do you implement these PROCESSES to ensure they meet design requirements?

   (4) What are your KEY PERFORMANCE MEASURES or INDICATORS used for the control and improvement of your support PROCESSES? How does your day-to-day operation of KEY support PROCESSES ensure meeting KEY PERFORMANCE requirements? How are in-process MEASURES used in managing these PROCESSES? How is CUSTOMER, supplier, PARTNER, and collaborator input used in managing these PROCESSES, as appropriate?

   (5) How do you minimize overall costs associated with inspections, tests, and PROCESS or PERFORMANCE audits, as appropriate? How do you prevent defects, service errors, and rework?

   (6) How do you improve your support PROCESSES to achieve better PERFORMANCE, to reduce variability, and to keep the PROCESSES current with business needs and directions? How are improvements and lessons learned shared with other organizational units and PROCESSES to drive organizational LEARNING and INNOVATION?

b. Operational Planning
   (1) How does your organization ensure adequate financial resources are available to support your operations? How do you determine the resources needed to meet current financial obligations? How do you ensure adequate resources are available to support major new business investments, as appropriate? How do you assess the financial risks associated with your current operations and major new business investments?

   (2) How do you ensure continuity of operations in the event of an emergency?

Notes:

N1. Your key support processes (6.2a) are those that are considered most important for support of your organization's value creation processes, employees, and daily operations. These might include facilities management, legal, human resource, project management, and administration processes.

N2. An emergency (6.2b[2]) might be weather-related, utility-related, or due to a local or national emergency.

N3. Your financial management results should be reported in Item 7.3. Other results related to your key support processes and operational planning should be reported in Item 7.5.

Process Management (Category 6)

Process Management is the focal point within the Criteria for all key work processes. Built into the Category are the central requirements for efficient and effective process management: effective design; a prevention orientation; linkage to customers, suppliers, and partners and a focus on value creation for all key stakeholders; operational and financial performance; cycle time; and evaluation, continuous improvement, and organizational learning.

Agility, cost reduction, and cycle time reduction are increasingly important in all aspects of process management and organizational design. In the simplest terms, "agility" refers to your ability to adapt quickly, flexibly, and effectively to changing requirements. Depending on the nature of your organization's strategy and markets, agility might mean rapid changeover from one product to another, rapid response to changing demands, or the ability to produce a wide range of customized services. Agility also increasingly involves decisions to outsource, agreements with key suppliers, and novel partnering arrangements. Flexibility might demand special strategies, such as implementing modular designs, sharing

components, sharing manufacturing lines, and providing specialized training. Cost and cycle time reduction often involve Lean process management strategies. It is crucial to utilize key measures for tracking all aspects of your overall process management.

6.1 Value Creation Processes

Purpose

This Item examines your organization's key product, service, and business processes, with the aim of creating value for your customers and other key stakeholders, and improving your marketplace and operational performance.

Comments

■ This Item calls for information on the management and improvement of key value creation processes. The information required includes a description of the key processes, their specific requirements, and how performance relative to these requirements is determined and maintained. Increasingly, these requirements might include the need for agility—speed and flexibility—to adapt to change.

▪ Your design approaches could differ appreciably depending on the nature of your products and services—whether the products and services are entirely new, are variants, or involve major or minor process changes. You should consider the key requirements for your products and services. Factors that might need to be considered in design include safety, long-term performance, environmental impact, "green" manufacturing, measurement capability, process capability, manufacturability, maintainability, variability in customer expectations requiring product or service options, supplier capability, and documentation. Effective design also must consider cycle time and productivity of production and delivery processes. This might involve detailed mapping of manufacturing or service processes and redesigning ("re-engineering") those processes to achieve efficiency, as well as to meet changing customer requirements.

▪ Your key business processes are those nonproduct and nonservice processes that are considered most important to business growth and success by your senior leaders. These processes frequently relate to an organization's strategic objectives and critical success factors. Key business processes

might include processes for innovation, research and development, technology acquisition, information and knowledge management, supply chain management, supplier partnering, outsourcing, mergers and acquisitions, global expansion, project management, and sales and marketing. Given the diverse nature of these processes, the requirements and performance characteristics might vary significantly for different processes.

▪ For many organizations, supply chain management is a growing factor in achieving productivity and profitability goals and overall business success. Suppliers and partners are receiving increasing strategic attention as organizations re-evaluate their core functions. Supplier processes should fulfill two purposes: to help improve the performance of suppliers and partners and also, on specific actions, to help them contribute to your organization's improved performance. Supply chain management might include processes for supplier selection, with the aim of reducing the total number of suppliers and increasing preferred supplier and partnering agreements.

▪ Many organizations need to consider requirements for suppliers and partners at the design stage. Overall, effective design must take into account all stakeholders in the value chain. If many design projects are carried out in parallel or if your organization's products utilize parts, equipment, and facilities that are used for other products, coordination of resources might be a major concern, but it also might offer a means to significantly reduce unit costs and time to market.

▪ This Item calls for information on the incorporation of new technology. This could include e-technology for sharing information with suppliers and partners, communicating with customers, and giving them continuous (24/7) access, and automated information transfer from in-service products requiring maintenance in the field.

▪ Specific reference is made to in-process measurements and customer and supplier interactions. These measurements and interactions require the identification of critical points in processes for measurement, observation, or interaction. These activities should occur at the earliest points possible in processes to minimize problems and costs that may result from deviations from expected performance. Achieving expected performance frequently requires setting in-process performance levels or standards to guide decision-making. When deviations occur, corrective action is required to restore the performance of the process to its design specifications. Depending on the nature of the process, the corrective action could involve technical and human considerations. Proper corrective action involves changes at the source (root cause) of the deviation. Such corrective action should minimize the likelihood of this type of variation occurring again or

elsewhere in your organization. When customer interactions are involved, differences among customers must be considered in evaluating how well the process is performing. This might entail allowing for specific or general contingencies, depending on the customer information gathered. This is especially true of professional and personal services.

▪ This Item also calls for information on how processes are improved to achieve better performance. Better performance means not only better quality from your customers' perspective but also better financial and operational performance—such as productivity—from your other stakeholders' perspectives. A variety of process improvement approaches are commonly used. These approaches include: (1) sharing successful strategies across your organization to drive learning and innovation, (2) performing process analysis and research (e.g., process mapping, optimization experiments, error proofing), (3) conducting technical and business research and development, (4) benchmarking, (5) using alternative technology, and (6) using information from customers of the processes—within and outside your organization. Process improvement approaches might utilize financial data to evaluate alternatives and set priorities. Together, these approaches offer a wide range of possibilities, including complete redesign ("re-engineering") of processes.

6.2 Support Processes

Purpose

This Item examines your organization's key support processes and operational planning with respect to financial management and planning for the continuity of operations with the aim of improving your overall operational performance.

Comments

▪ Your support processes are those that support your daily operations and your product and service delivery but are not usually designed in detail with the products and services. The support process requirements usually do not depend significantly on product and service characteristics. Support process design requirements usually depend significantly on your internal requirements, and they must be coordinated and integrated to ensure efficient, effective linkage and performance. Support processes might include finance and accounting, facilities management, legal services, human resource services, public relations, and other administrative services.

▪ This Item calls for information on how your organization

evaluates and improves the performance of your key support processes and shares information with other organizational units to drive learning and innovation. Four approaches frequently used are (1) process analysis and research, (2) benchmarking, (3) use of alternative technology, and (4) use of information from customers of the processes. Together, these approaches offer a wide range of possibilities, including minor process modifications and complete redesign ("re-engineering") of processes.

- Many types of analysis can be performed to ensure adequate financial resources are available to support current operations and new business investments and to assess their financial risks. For current operations, these efforts might include the analysis of cash flows, net income statements, and current liabillities versus current assets. For business investments, the efforts might include analysis of discounted cash flows, return on investment (ROI), or return on invested capital (ROIC). The specific types of analyses will vary from organization to organization. These analyses should help your organization assess the financial viability of your current operations and the potential viability of and risks associated with your new business initiatives.

- Efforts to ensure the continuity of operations in an emergency should consider all facets of a business that are needed to provide products or services to customers. You should consider both your value creation and your key support processes in your planning. The specific level of service that you will need to provide will be guided by your type of business and your customers' needs and requirements. For example, a public utility will likely have a higher need for services than businesses that do not provide an essential function. Your continuity of operations efforts should also be coordinated with your efforts to ensure data and information availability (Item 4.1) and workplace preparedness (Item 5.3).

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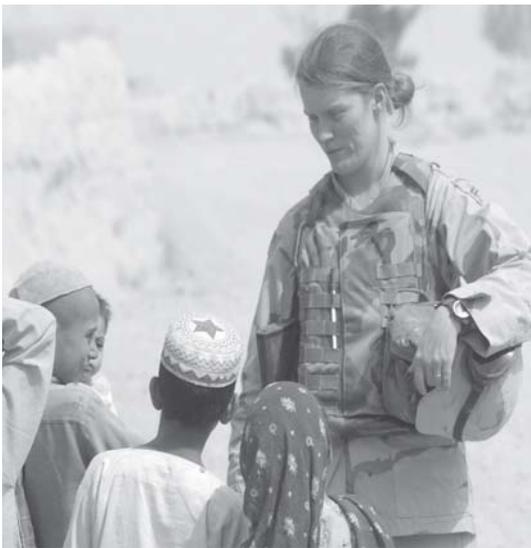
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7 Results (450 pts.)

The **RESULTS** Category examines your organization's PERFORMANCE and improvement in all KEY areas—product and service outcomes, CUSTOMER satisfaction, financial and marketplace PERFORMANCE, human resource outcomes, operational PERFORMANCE, and leadership and social responsibility. PERFORMANCE LEVELS are examined relative to those of competitors and other organizations providing similar products and services.

7.1 Product and Service Outcomes: What are your product and service performance results? (100 pts.)

Results

Summarize your organization's KEY product and service PERFORMANCE RESULTS. SEGMENT your RESULTS by product and service types and groups, CUSTOMER groups, and market SEGMENTS, as appropriate. Include appropriate comparative data.

Provide data and information to answer the following questions:

a. Product and Service RESULTS
What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of product and service PERFORMANCE that are important to your CUSTOMERS? How do these RESULTS compare with the performance of your competitors and other organizations providing similar products and services?

Notes:

N1. Product and service results reported in this Item should relate to the key product, program, and service features identified as customer requirements or expectations in P.1b(2), based on information gathered in Items 3.1 and 3.2. The measures or indicators should address factors that affect customer preference, such as those included in Item P.1, Note 3, and Item 3.1, Note 3.

N2. *For some* organizations, product or service *performance measures might be mandated by your funding sources. These measures should be reported and identified in your response to this Item.*

7.2 Customer-Focused Outcomes: What are your customer-focused performance results? (70 pts.)

Summarize your organization's KEY CUSTOMER-focused RESULTS, including CUSTOMER satisfaction and CUSTOMER-perceived VALUE. SEGMENT your RESULTS by product and service types and groups, CUSTOMER groups, and market SEGMENTS, as appropriate. Include appropriate comparative data.

Provide data and information to answer the following questions:

a. CUSTOMER-Focused RESULTS
   (1) What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of CUSTOMER satisfaction and dissatisfaction? How do these RESULTS compare with the customer satisfaction levels of your competitors and other organizations providing similar products and services?

   (2) What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of CUSTOMER-perceived VALUE, including CUSTOMER loyalty and retention, positive referral, and other aspects of building relationships with CUSTOMERS, as appropriate?

Notes:

N1. Customer satisfaction and dissatisfaction results reported in this Item should relate to the customer groups and market segments discussed in P.1b(2) and Item 3.1 and to the determination methods and data described in Item 3.2.

N2. Measures and indicators of customers' satisfaction with your products and services relative to customers' satisfaction with competitors and comparable organizations (7.2a[1]) might include objective information and data from your customers and from independent organizations.

7.3 Financial and Market Outcomes: What are your financial and market results? (70 pts.)

Summarize your organization's KEY financial and marketplace PERFORMANCE RESULTS by CUSTOMER or market SEGMENTS, as appropriate. Include appropriate comparative data.

Provide data and information to answer the following questions:

a. Financial and Market RESULTS
   (1) What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of financial PERFORMANCE, including aggregate MEASURES of financial return and economic VALUE or budgetary MEASURES, as appropriate?

   (2) What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of marketplace PERFORMANCE, including market share or position, growth, and new markets entered, as appropriate?

Notes:

N1. Responses to 7.3a(1) might include aggregate measures such as return on investment (ROI), asset utilization, operating margins, profitability, profitability by market or customer segment, liquidity, debt-to-equity ratio, value added per employee, and financial activity measures. Measures should relate to the financial management approaches described in Item 6.2.

For some organizations, additional measures might include performance to budget, reserve funds, cost avoidance or savings, administrative expenditures as a percentage of budget.

N2. For some organizations, responses to 7.3a(2) might include number of new programs or services offered.

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7.4 Human Resource Outcomes: What are your human resource results? (70 pts.)

Summarize your organization's KEY human resource RESULTS, including WORK SYSTEM PERFORMANCE and EMPLOYEE LEARNING, development, well-being, and satisfaction. SEGMENT your RESULTS to address the DIVERSITY of your workforce and the different types and categories of EMPLOYEES, as appropriate. Include appropriate comparative data.

Provide data and information to answer the following questions:

a. Human Resource RESULTS

(1) What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of WORK SYSTEM PERFORMANCE and EFFECTIVENESS?

(2) What are your current LEVELS and TRENDS in KEY MEASURES of EMPLOYEE LEARNING and development?

(3) What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of EMPLOYEE well-being, satisfaction, and dissatisfaction?

Notes:

N1. Results reported in this Item should relate to activities described in Category 5. Your results should be responsive to key process needs described in Category 6 and to your organization's action plans and human resource plans described in Item 2.2.

N2. Appropriate measures and indicators of work system performance and effectiveness (7.4a[1]) might include simplification of jobs and job classifications, job rotation, work layout improvement, employee retention and internal promotion rates, and changing supervisory ratios.

N3. Appropriate measures and indicators of employee learning and development (7.4a[2]) might include innovation and suggestion rates, courses completed, learning, on-the-job performance improvements, and cross-training rates.

N4. For appropriate measures of employee well-being and satisfaction (7.4a[3]), see Item 5.3 Notes.

N5. *Organizations that rely on volunteers to supplement the work of their employees should include results for their volunteer workforce, as appropriate.*

7.5 Organizational Effectiveness Outcomes: What are your organizational effectiveness results? (70 pts.)

Summarize your organization's KEY operational PERFORMANCE RESULTS that contribute to the improvement of organizational EFFECTIVENESS. SEGMENT your RESULTS by product and service types and groups and by market SEGMENTS, as appropriate. Include appropriate comparative data.

Provide data and information to answer the following questions:

a. Organizational EFFECTIVENESS RESULTS

(1) What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of the operational PERFORMANCE of your KEY VALUE CREATION PROCESSES? Include PRODUCTIVITY, CYCLE TIME, supplier and PARTNER PERFORMANCE, and other appropriate MEASURES of EFFECTIVENESS and efficiency.

(2) What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of the operational PERFORMANCE of your other KEY PROCESSES? Include PRODUCTIVITY, CYCLE TIME, supplier and PARTNER PERFORMANCE, and other appropriate MEASURES of EFFECTIVENESS and efficiency.

Notes:

N1. Results reported in Item 7.5 should address your key operational requirements as presented in the Organizational Profile and in Items 6.1 and 6.2. Include results not reported in Items 7.1–7.4.

N2. Results reported in Item 7.5 should provide key information for analysis and review of your organizational performance (Item 4.1) and should provide the operational basis for product and service outcomes (Item 7.1), customer-focused outcomes (Item 7.2), and financial and market outcomes (Item 7.3).

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7.6 Leadership and Social Responsibility Outcomes: What are your leadership and social responsibility results? (70 pts.)

Summarize your organization's KEY GOVERNANCE, SENIOR LEADERSHIP, and social responsibility RESULTS, including evidence of ETHICAL BEHAVIOR, fiscal accountability, legal compliance, and organizational citizenship. SEGMENT your RESULTS by organizational units, as appropriate. Include appropriate comparative data.

Provide data and information to answer the following questions:

a. Leadership and Social Responsibility RESULTS

(1) What are your RESULTS for KEY MEASURES or INDICATORS of accomplishment of your organizational strategy and ACTION PLANS?

(2) What are your RESULTS for KEY MEASURES or INDICATORS of ETHICAL BEHAVIOR and of STAKEHOLDER trust in the SENIOR LEADERS and GOVERNANCE of your organization? What are your RESULTS for KEY MEASURES or INDICATORS of breaches of ETHICAL BEHAVIOR?

(3) What are your KEY current findings and TRENDS in KEY MEASURES or INDICATORS of fiscal accountability, both internal and external, as appropriate?

(4) What are your RESULTS for KEY MEASURES or INDICATORS of regulatory and legal compliance?

(5) What are your RESULTS for KEY MEASURES or INDICATORS of organizational citizenship in support of your KEY communities?

Notes:

N1. For examples of measures of ethical behavior and stakeholder trust (7.6a[2]), see Item 1.2, Note 4.

N2. Responses to 7.6a(3) might include financial statement issues and risks, important internal and external auditor recommendations, and management's responses to these matters. *For some nonprofit organizations, results of IRS 990 audits also might be included.*

N3. Regulatory and legal compliance results (7.6a[4]) should address requirements described in 1.2b. Employee-related occupational health and safety results (e.g., OSHA-reportable incidents) should be reported in 7.4a(3).

N4. Organizational citizenship results (7.6a[5]) should address support of the key communities discussed in 1.2c.

Results (Category 7)

The Business Results Category provides a results focus that encompasses your objective evaluation and your customers' evaluation of your organization's products and services, your overall financial and market performance, your leadership system and social responsibility results, and results of all key processes and process improvement activities. Through this focus, the Criteria's purposes—superior value of offerings as viewed by your customers and the marketplace; superior organizational performance as reflected in your operational, legal, ethical, and financial indicators; and organizational and personal learning—are maintained. Category 7 thus provides "realtime" information (measures of progress) for evaluation and improvement of processes, products, and services, in alignment with your overall organizational strategy. Item 4.1 calls for analysis and review of business results data and information to determine your overall organizational performance and to set priorities for improvement.

7.1 Product and Service Outcomes

Purpose

This Item examines your organization's key product and service outcomes, with the aim of delivering product and service quality that leads to customer satisfaction, loyalty,and positive referral.

Comments

- This item places emphasis on measures of product and service performance that serve as indicators of customers' views and decisions relative to future purchases and relationships. These measures of product and service performance are derived from customer-related information gathered in Items 3.1 and 3.2.

- Product and service measures appropriate for inclusion might be based upon the following: internal quality measurements, field performance of products, defect levels, response times, data collected from your customers by other organizations on ease of use or other attributes, and customer surveys on product and service performance.

- The correlation between product and service performance and customer indicators is a a critical management tool with multiple uses: (1) defining and focusing on key quality and customer requirements; (2) identifying product and service differentiators in the marketplace; and (3) determining cause-effect relationships between your product and service

attributes and evidence of customer satisfaction and loyalty, as well as positive referrals. The correlation might reveal emerging or changing market segments, the changing importance of requirements, or even the potential obsolescence of product or service offerings.

7.2 Customer-Focused Results

Purpose

This Item examines your organization's customer-focused performance results, with the aim of demonstrating how well your organization has been satisfying your customers and has developed loyalty, repeat business, and positive referral.

Comments

- This Item focuses on all relevant data to determine and help predict your organization's performance as viewed by your customers. Relevant data and information include customer satisfaction and dissatisfaction; retention, gains, and losses of customers and customer accounts; customer complaints, complaint management, effective complaint resolution, and warranty claims; customer-perceived value based on quality and price; customer assessment of access and ease of use (including courtesy in-service interactions); and awards, ratings, and recognition from customers and independent rating organizations.

- This Item places an emphasis on customer-focused results that go beyond satisfaction measurement because loyalty, repeat business, and longer-term customer relationships are better indicators and measures of future success in the marketplace and of organizational sustainability.

7.3 Financial and Market Results

Purpose

This Item examines your organization's key financial and market results, with the aim of understanding your financial sustainability and your marketplace challenges and opportunities.

Comments

- Measures reported in this Item are those usually tracked by senior leadership on an ongoing basis to assess your organization's performance.

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- Appropriate financial measures and indicators might include revenue, profits or loss, cash-to-cash cycle time, and financial returns. Marketplace performance measures might include market position, market share, measures of business growth, new products and services and markets entered (including emarkets and exports), and the percentage of sales derived from new products or services.

7.4 Human Resource Results

Purpose

This Item examines your organization's human resource results, with the aim of demonstrating how well your organization has been creating and maintaining a productive, learning, and caring work environment for all employees.

Comments

- Results measures reported for work system performance might include improvement in job classification, job rotation, work layout, and local decision-making. Results reported might include input data, such as extent of training, but the main emphasis should be on data that show effectiveness or outcomes. An example of such an outcome measure might be the productivity enhancements of cost savings resulting from the redesign of work processes by work teams.

- Results reported might include generic or organization specific factors. Generic factors might include safety, absenteeism, turnover, satisfaction, and complaints (grievances). For some measures, such as absenteeism and turnover, local or regional comparisons might be appropriate.

- Organization-specific factors are those you assess for determining your work system performance and your employees' well-being and satisfaction. These factors might include the extent of training or cross-training or the extent and success of self-direction.

7.5 Organizational Effectiveness Results

Purpose

This Item examines your organization's other key operational performance results not reported in Items 7.1–7.4, with the aim of achieving organizational effectiveness and process efficiency.

Comments

- This Item encourages your organization to develop and include unique and innovative measures to track key processes and operational improvement. All key areas of business and operational performance should be evaluated by measures that are relevant and important to your organization.

- Measures and indicators of operational effectiveness and efficiency might include reduced emission levels, waste stream reductions, by-product use, and recycling; internal responsiveness indicators such as cycle times, production flexibility, lead times, set-up times, and time to market; business-specific indicators such as innovation rates and increased use of e-technology, product and process yields, Six Sigma initiative results, and delivery performance to request; supply chain indicators such as reductions in inventory and incoming inspections, increases in quality and productivity, improvements in electronic data exchange, and reductions in supply chain management costs; and third-party assessment results such as ISO 9001 audits.

7.6 Leadership and Social Responsibility Results

Purpose

This Item examines your organization's key results in the area of leadership and societal responsibilities, with the aim of maintaining a fiscally sound, ethical organization that is a good citizen in its communities.

Comments

- Because of a lack of appropriate measures, a key challenge for many organizations is measuring their progress in

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accomplishing their strategic objectives. Frequently these progress measures can be discerned by first defining the results that would indicate end-goal scussess in achieving the strategic objective and then using their measure to define intermediate measures.

- Independent of an increased national focus on issues of governance, ethics, and board and leadership accountability, it is important for organizations to practice and demonstrate high standards of overall conduct. Governance bodies and senior leaders should track relevant performance measures on a regular basis and emphasize this performance in stakeholder communications.

- Measures should include environmental and regulatory compliance and noteworthy achievements in these areas, as appropriate. Results also should include indicators of support for key communities and other public purposes.

- If your organization has received sanctions or adverse actions under law, regulation, or contract during the past three years, the incidents and their current status should be summarized.

NOTES

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Scoring System

The scoring of responses to Criteria Items (Items) and Award applicant feedback are based on two evaluation dimensions: (1) Process and (2) Results. Criteria users need to furnish information relating to these dimensions. Specific factors for these dimensions are described below. Scoring Guidelines are given on pages 52–53.

Process

"Process" refers to the methods your organization uses and improves to address the Item requirements in Categories 1–6. The four factors used to evaluate process are Approach, Deployment, Learning, and Integration (A-D-L-I).

"Approach" refers to
- the methods used to accomplish the process
- the appropriateness of the methods to the Item requirements
- the effectiveness of your use of the methods
- the degree to which the approach is repeatable and based on reliable data and information (i.e., systematic)

"Deployment" refers to the *extent* to which
- your approach is applied in addressing Item requirements relevant and important to your organization
- your approach is applied consistently
- your approach is used by all appropriate work units

"Learning" refers to
- refining your approach through cycles of evaluation and improvement
- encouraging breakthrough change to your approach through innovation
- sharing refinements and innovations with other relevant work units and processes in your organization

"Integration" refers to the *extent* to which
- your approach is aligned with your organizational needs identified in other Criteria Item requirements
- your measures, information, and improvement systems are complementary across processes and work units
- your plans, processes, results, analyses, learning, and actions are harmonized across processes and work units to support organization-wide goals

Results

"Results" refers to your organization's *outputs and outcomes* in achieving the requirements in Items 7.1–7.6. The four factors used to evaluate results are
- your current level of performance
- rate (i.e., slope of trend data) and breadth (i.e., how widely deployed and shared) of your performance improvements
- your performance relative to appropriate comparisons and/or benchmarks
- linkage of your results measures (often through segmentation) to important customer, product and service, market, process, and action plan performance requirements identified in your Organizational Profile and in Process Items

Item Classification and Scoring Dimensions

Items are classified according to the kinds of information and data you are expected to furnish relative to the two evaluation dimensions given above.

The two types of Items are designated as
1. Process   **Process**
2. Results   **Results**

In Process Items, Approach-Deployment-Learning-Integration are linked to emphasize that descriptions of approach should always indicate the deployment—consistent with the *specific requirements* of the Item. As processes mature, their description also should indicate how cycles of learning, as well as integration with other processes and work units, occur. Although the Approach-Deployment-Learning-Integration factors are linked, feedback to Award applicants reflects strengths and opportunities for improvement in any or all of these factors.

Results Items call for data showing performance levels, improvement rates, and relevant comparative data for key measures and indicators of organizational performance. Results Items also call for data on breadth of performance improvements. This is directly related to deployment and organizational learning; if improvement processes are widely shared and deployed, there should be corresponding results. A score for a Results Item is thus a composite based on overall performance, taking into account the rate and breadth of improvements and their importance to the Item requirements and your business or mission. (See next paragraph.)

"Importance" as a Scoring Consideration

The two evaluation dimensions described previously are critical to evaluation and feedback. However, another critical consideration in evaluation and feedback is the *importance* of your reported process and results to your key business factors. The areas of greatest importance should be identified in your Organizational Profile and in Items such as 2.1, 2.2, 3.1, 5.1, and 6.1. Your key customer requirements, competitive environment, key strategic objectives, and action plans are particularly important.

Assignment of Scores to Your Responses

The following guidelines should be observed in assigning scores to Item responses.

- All Areas to Address should be included in your Item response. Also, responses should reflect what is important to your organization.

- In assigning a score to an Item, first decide which scoring range (e.g., 50 percent to 65 percent) is most descriptive of the organization's achievement level as presented in the Item response. "Most descriptive of the organization's achievement level" can include some gaps in one or more of the A-D-L-I (process) factors *or* results factors for the chosen scoring range. An organization's achievement level is based on a holistic view of either the four process or four results factors in aggregate and not on a tallying or averaging of independent assessments against each of the four factors. Assigning the actual score *within* the chosen range requires evaluating whether the Item response is closer to the

statements in the next higher or next lower scoring range.

- A Process Item score of 50 percent represents an approach that meets the overall requirements of the Item, that is deployed consistently and to most work units covered by the Item, that has been through some cycles of improvement and learning, and that addresses the key organizational needs. Higher scores reflect greater achievement, demonstrated by broader deployment, significant organizational learning, and increased integration.

- A Results Item score of 50 percent represents a clear indication of improvement trends and/or good levels of performance with appropriate comparative data in the results areas covered in the Item and *important* to the organization's business or mission. Higher scores reflect better improvement rates and/or levels of performance, better comparative performance, and broader coverage and integration with the requirements of your business or mission.

SCORING GUIDELINES

For Use With Categories 1–6

SCORE	PROCESS
0% or 5%	■ No SYSTEMATIC APPROACH is evident; information is ANECDOTAL. (A) ■ Little or no DEPLOYMENT of an APPROACH is evident. (D) ■ An improvement orientation is not evident; improvement is achieved through reacting to problems. (L) ■ No organizational ALIGNMENT is evident; individual areas or work units operate independently. (I)
10%, 15%, 20%, or 25%	■ The beginning of a SYSTEMATIC APPROACH to the BASIC REQUIREMENTS of the Item is evident. (A) ■ The APPROACH is in the early stages of DEPLOYMENT in most areas or work units, inhibiting progress in achieving the BASIC REQUIREMENTS of the Item. (D) ■ Early stages of a transition from reacting to problems to a general improvement orientation are evident. (L) ■ The APPROACH is ALIGNED with other areas or work units largely through joint problem solving. (I)
30%, 35%, 40%, or 45%	■ An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the BASIC REQUIREMENTS of the Item, is evident. (A) ■ The APPROACH is DEPLOYED, although some areas or work units are in early stages of DEPLOYMENT. (D) ■ The beginning of a SYSTEMATIC APPROACH to evaluation and improvement of KEY PROCESSES is evident. (L) ■ The APPROACH is in early stages of ALIGNMENT with your basic organizational needs identified in response to the other Criteria Categories. (I)
50%, 55%, 60%, or 65%	■ An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the OVERALL REQUIREMENTS of the Item, is evident. (A) ■ The APPROACH is well DEPLOYED, although DEPLOYMENT may vary in some areas or work units. (D) ■ A fact-based, SYSTEMATIC evaluation and improvement PROCESS and some organizational LEARNING are in place for improving the efficiency and EFFECTIVENESS of key processes. (L) ■ The APPROACH is ALIGNED with your organizational needs identified in response to the other Criteria Categories. (I)
70%, 75%, 80%, or 85%	■ An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the MULTIPLE REQUIREMENTS of the Item, is evident. (A) ■ The APPROACH is well DEPLOYED, with no significant gaps. (D) ■ Fact-based, SYSTEMATIC evaluation and improvement and organizational LEARNING are KEY management tools; there is clear evidence of refinement and INNOVATION as a result of organizational-level ANALYSIS and sharing. (L) ■ The APPROACH is INTEGRATED with your organizational needs identified in response to the other Criteria Items. (I)
90%, 95%, or 100%	■ An EFFECTIVE, SYSTEMATIC APPROACH, fully responsive to the MULTIPLE REQUIREMENTS of the Item, is evident. (A) ■ The APPROACH is fully DEPLOYED without significant weaknesses or gaps in any areas or work units. (D) ■ Fact-based, SYSTEMATIC evaluation and improvement and organizational LEARNING are KEY organization-wide tools; refinement and INNOVATION, backed by ANALYSIS and sharing, are evident throughout the organization. (L) ■ The APPROACH is well INTEGRATED with your organizational needs identified in response to the other Criteria Items. (I)

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SCORING GUIDELINES

For Use With Category 7

SCORE	RESULTS
0% or 5%	■ There are no organizational PERFORMANCE RESULTS or poor RESULTS in areas reported. ■ TREND data are either not reported or show mainly adverse TRENDS. ■ Comparative information is not reported. ■ RESULTS are not reported for any areas of importance to your organization's KEY MISSION or business requirements.
10%, 15%, 20%, or 25%	■ A few organizational PERFORMANCE RESULTS are reported; there are some improvements and/or early good PERFORMANCE LEVELS in a few areas. ■ Little or no TREND data are reported. ■ Little or no comparative information is reported. ■ RESULTS are reported for a few areas of importance to your organization's KEY MISSION or business requirements.
30%, 35%, 40%, or 45%	■ Improvements and/or good PERFORMANCE LEVELS are reported in many areas addressed in the Item requirements. ■ Early stages of developing TRENDS are evident. ■ Early stages of obtaining comparative information are evident. ■ RESULTS are reported for many areas of importance to your organization's KEY MISSION or business requirements.
50%, 55%, 60%, or 65%	■ Improvement TRENDS and/or good PERFORMANCE LEVELS are reported for most areas addressed in the Item requirements. ■ No pattern of adverse TRENDS and no poor PERFORMANCE LEVELS are evident in areas of importance to your organization's KEY MISSION or business requirements. ■ Some TRENDS and/or current PERFORMANCE LEVELS—evaluated against relevant comparisons and/or BENCHMARKS—show areas of good to very good relative PERFORMANCE. ■ Organizational PERFORMANCE RESULTS address most KEY CUSTOMER, market, and PROCESS requirements.
70%, 75%, 80%, or 85%	■ Current PERFORMANCE is good to excellent in most areas of importance to the Item requirements. ■ Most improvement TRENDS and/or current PERFORMANCE LEVELS are sustained. ■ Many to most reported TRENDS and/or current PERFORMANCE LEVELS—evaluated against relevant comparisons and/or BENCHMARKS—show areas of leadership and very good relative PERFORMANCE. ■ Organizational PERFORMANCE RESULTS address most KEY CUSTOMER, market, PROCESS, and ACTION PLAN requirements.
90%, 95%, or 100%	■ Current PERFORMANCE is excellent in most areas of importance to the Item requirements. ■ Excellent improvement TRENDS and/or sustained excellent PERFORMANCE LEVELS are reported in most areas. ■ Evidence of industry and BENCHMARK leadership is demonstrated in many areas. ■ Organizational PERFORMANCE RESULTS fully address KEY CUSTOMER, market, PROCESS, and ACTION PLAN requirements.

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Steps Toward Mature Processes
An Aid for Scoring Process Items

(1) Reacting to Problems

Strategic and Operational Goals
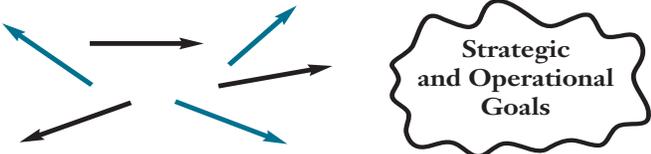
Operations are characterized by activities rather than by processes, and they are largely responsive to immediate needs or problems. Goals are poorly defined.

(2) Early Systematic Approaches

Strategic and Operational Goals
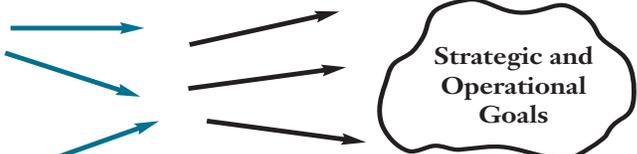
The organization is at the beginning stages of conducting operations by processes with repeatability, evaluation and improvement, and some early coordination among organizational units. Strategy and quantitative goals are being defined.

(3) Aligned Approaches
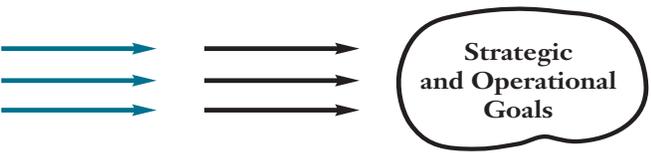
Strategic and Operational Goals

Operations are characterized by processes that are repeatable and regularly evaluated for improvement, with learnings shared and with coordination among organizational units. Processes address key strategies and goals of the organization.

(4) Integrated Approaches
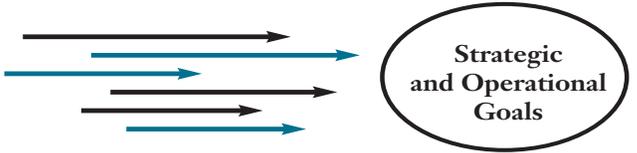
Strategic and Operational Goals

Operations are characterized by processes that are repeatable and regularly evaluated for change and improvement in collaboration with other affected units. Efficiencies across units are sought and achieved through analysis, innovation, and sharing. Processes and measures track progress on key strategic and operational goals.

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Steps Toward Mature Processes

The guidelines given in this section are offered to assist Criteria users in responding most effectively to the requirements of the 19 Criteria Items. Writing an application for the ACOE℠ Award involves responding to these requirements in 50 or fewer pages.

The guidelines are presented in three parts:

(1) General Guidelines regarding the Criteria booklet, including how the Items are formatted

(2) Guidelines for Responding to Process Items

(3) Guidelines for Responding to Results Items

General Guidelines

1. Read the entire Criteria booklet.

The main sections of the booklet provide a full orientation to the Criteria, including how responses are to be evaluated for self-assessment or by Award Examiners. You should become thoroughly familiar with the following sections:

- ■ Criteria for Performance Excellence

- ■ Scoring System

- ■ Glossary of Key Terms

- ■ Category and Item Descriptions

2. Review the Item format and understand how to respond to the Item requirements.

The Item format (see figure below) shows the different parts of Items, the role of each part, and where each part is placed. It is especially important to understand the multiple requirements contained in the Areas to Address. The Item Notes are an aid to help you understand the Areas to Address. Each Item and Area to Address is described in greater detail in the Category and Item Descriptions section

Each Item is classified as either **Process** or **Results,** depending on the type of information required.

Item requirements are presented in question format. Some of the requirements in the Areas to Address include multiple questions. Responses to an Item should contain responses that address all questions; however, each question need not be answered separately. Responses to multiple questions within a single Area to Address may be grouped, as appropriate to your organization. These multiple questions serve as a guide in understanding the full meaning of the information being requested.

Item Format
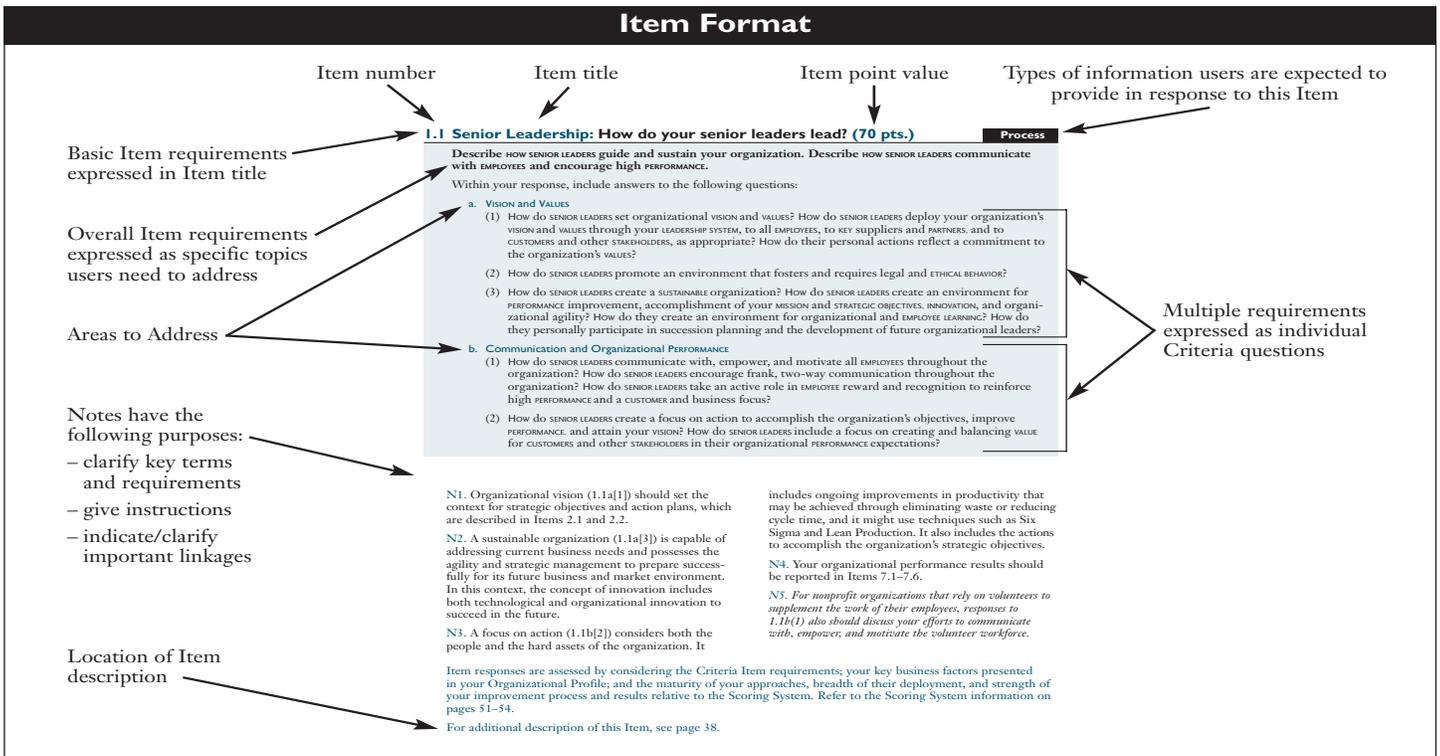
3. Start by preparing the Organizational Profile.

The Organizational Profile is the most appropriate starting point. The Organizational Profile is intended to help everyone—including organizations using the Criteria for self-assessment, application writers, and reviewers—to understand what is most relevant and important to your organization's business and mission and to its performance. The questions to address in responding to the Organizational Profile are on pages 10-14

Guidelines for Responding to Process Items

Although the Criteria focus on key organizational performance results, these results by themselves offer little *diagnostic* value. For example, if some results are poor or are improving at rates slower than your competitors' or comparable organizations', it is important to understand *why* this is so and *what* might be done to accelerate improvement.

The purpose of Process Items is to permit diagnosis of your organization's *most important* processes—the ones that yield fast-paced organizational performance improvement and contribute to key outcomes or performance results. Diagnosis and feedback depend heavily on the content and completeness of your Item responses. For this reason, it is important to respond to these Items by providing your *key* process information. Guidelines for organizing and reviewing such information follow.

2006 Criteria Response Guidelines

1. **Understand the meaning of "how."**

   Process Items include questions that begin with the word "how." *Responses should outline your key process information that addresses approach, deployment, learning, and integration Response lacking such information, or* merely providing an example, are referred to in the Scoring Guidelines as "anecdotal information."

2. **Understand the meaning of "what."**

   Two types of questions in Process Items begin with the word "what." The first type of question requests basic information on key processes and how they work. Although it is helpful to include *who* performs the work, merely stating *who* does not permit diagnosis or feedback. The second type of question requests information on *what* your key findings, plans, objectives, goals, or measures are. These latter questions set the context for showing alignment and integration in your performance management system. For example, when you identify key strategic objectives, your action plans, human resource development plans, some of your performance measures, and some results reported in Category 7 are expected to relate to the stated strategic objectives.

3. **Write and review response(s) with the following guidelines and comments in mind.**

   - Show that approaches are *systematic*.

     Systematic approaches are repeatable and use data and information to enable learning. In other words, approaches are systematic if they build in the opportunity for evaluation, improvement, innovation, and sharing, thereby permitting a gain in maturity.

   - Show deployment.

     Deployment information should summarize how your approaches are implemented in different parts of your organization. Deployment can be shown compactly by using tables.

   - Show evidence of learning.

     Processes should include evaluation and improvement cycles, as well as the potential for breakthrough change. Process improvements should be shared with other appropriate units of the organization to enable organizational learning.

   - Show integration.

     Integration shows alignment and harmonization among processes, plans, measures, and actions that generate organizational effectiveness and efficiencies.

   - Show focus and consistency.

     There are four important considerations regarding focus and consistency: (1) the Organizational Profile should make clear what is important; (2) the Strategic Planning Category, including the strategic objectives and action plans, should highlight areas of greatest focus and describe how deployment is accomplished;

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2006 Criteria Response Guidelines
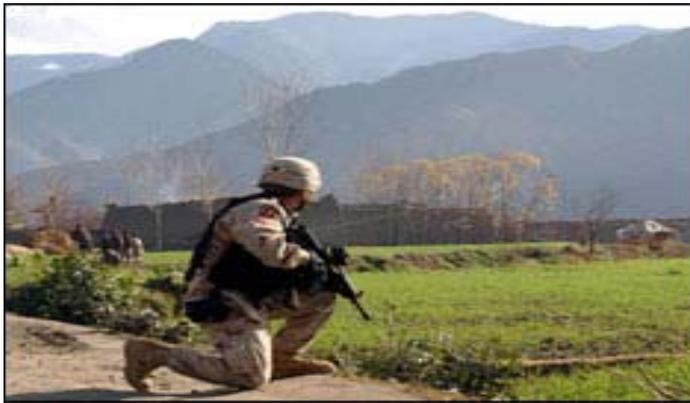
(3) descriptions of organizational-level analysis and review (Item 4.1) should show how your organization analyzes and reviews performance information to set priorities; and (4) the Process Management Category should highlight processes that are key to your overall performance. *Showing focus and consistency in the Process Items and tracking corresponding measures in the Results Items should improve organizational performance.*

■ Respond fully to Item requirements.

Missing information will be interpreted as a gap in your process. All Areas to Address should be addressed. Individual questions within an Area to Address may be addressed individually or together.

4. Cross-reference when appropriate.

As much as possible, each Item response should be self-contained. However, responses to different Items might be mutually reinforcing. It is then appropriate to refer to the other responses rather than to repeat information. In such cases, key process information should be given in the Item requesting this information. For example, employee education and training should be described in detail in Item 5.2. Discussions about education and training elsewhere in your application would then reference but not repeat details given in your Item 5.2 response.

5. Use a compact format.

Applicants should make the best use of the 50 application pages permitted. Applicants are encouraged to use flow-charts, tables, and "bullets" to present information concisely.

6. Refer to the Scoring Guidelines.

Considerations in the evaluation of Process Item responses include the Criteria Item requirements and the maturity of your approaches, breadth of deployment, extent of learning, and integration with other elements of your performance management system, as described in the Scoring Guidelines Therefore you need to consider both the Criteria and the Scoring Guidelines.

Guidelines for Responding to Results Items

The Criteria place a major emphasis on results. The following information, guidelines, and example relate to effective and complete reporting of results.

1. Focus on the most critical organizational performance results.

Results reported should cover the most important requirements for your organization's success, highlighted in your Organizational Profile and in the Strategic Planning, Customer and Market Focus, and Process Management Categories.

2. Note the meaning of the four key requirements from the Scoring Guidelines for effective reporting of results data:

■ *performance* levels that are reported on a meaningful measurement scale

■ *trends* to show directions of results and rates of change

■ *comparisons* to show how results compare with those of other, appropriately selected organizations

■ *breadth and importance of results* to show that all important results are included and segmented (e.g., by important customer, employee, process, and product line groups)

3. Include trend data covering actual periods for tracking trends.

No minimum period of time is specified for trend data. Trends might span five years or more for some results. Time intervals between data points should be meaningful for the specific measure(s) reported. For important results, new data should be included even if trends and comparisons are not yet well established.

4. Use a compact format—graphs and tables.

Many results can be reported compactly by using graphs and tables. Graphs and tables should be labeled for easy interpretation. Results over time or compared with others should be "normalized" (i.e., presented in a way, such as use of ratios, that takes into account various size factors). For example, reporting safety trends in terms of lost work days per 100 employees would be more meaningful than total lost work days if the number of employees has varied over the time period or if you are comparing your results to organizations differing in size.

5. Integrate results into the body of the text.

Discussion of results and the results themselves should be close together in an Award application. *Trends that show a significant positive or negative change should be explained.* Use figure numbers that correspond to Items. For example, the third figure for Item 7.1 would be Figure 7.1-3. (See the example in the figure that follows.)

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Figure 7.1-3 **On-Time Delivery Performance**

- The organization shows excellent improvement trends.
- Product Line A is the current performance leader—showing sustained high performance (on-time delivery) and a slightly positive trend. Product Line B shows rapid improvement. Its delivery schedule is near that of the best industry competitor but trails the "world-class" level.
- Product Line C—identified in the application as a new product—is having early problems with on-time delivery. (The organization should explain briefly these early problems.)

6. **Refer to the Scoring Guidelines.**

   Considerations in the evaluation of Results Item responses include the Criteria Item requirements and the significance of the results trends, actual performance levels, relevant comparative data, alignment with important elements of your performance management system, and strength of the improvement process relative to the Scoring Guidelines. Therefore, you need to consider both the Criteria and the Scoring Guidelines

The graph shown above illustrates data an organization might present as part of a response to Item 7.1, Product and Service Outcomes. In the Organizational Profile, the organization has indicated on-time delivery as a key customer requirement.

The graph illustrates a number of characteristics of clear and effective results reporting.

- A figure number is provided for reference to the graph in the text.
- Both axes and units of measure are clearly labeled.
- Trend lines report data for a key customer requirement—on-time delivery.
- Results are presented for several years.
- An arrow indicates that an upward trend is good for this measure.
- Appropriate comparisons are clearly shown.
- The organization shows, using a single graph, that its three product lines are separately tracked for on-time delivery.

To help interpret the Scoring Guidelines *the* following comments on the graphed results would be appropriate:

- The current overall organizational performance level is excellent. This conclusion is supported by the comparison with industry competitors and with a "world-class" level.

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Glossary of Key Terms

This Glossary of Key Terms defines and briefly describes terms used throughout the Criteria booklet that are important to performance management. As you may have noted, key terms are presented in SMALL CAPS/SANS SERIF every time they appear in the Categories and Scoring Guidelines sections of this Criteria booklet.

Action Plans

The term "action plans" refers to specific actions that respond to short- and longer-term strategic objectives. Action plans include details of resource commitments and time horizons for accomplishment. Action plan development represents the critical stage in planning when strategic objectives and goals are made specific so that effective, organization-wide understanding and deployment are possible. In the Criteria, deployment of action plans includes creating aligned measures for all departments and work units. Deployment also might require specialized training for some employees or recruitment of personnel.

An example of a strategic objective for a supplier in a highly competitive industry might be to develop and maintain a price leadership position. Action plans could entail designing efficient processes and creating an accounting system that tracks activity-level costs, aligned for the organization as a whole. Deployment requirements might include work unit and team training in setting priorities based on costs and benefits. Organizational-level analysis and review likely would emphasize productivity growth, cost control, and quality.

Alignment

The term "alignment" refers to consistency of plans, processes, information, resource decisions, actions, results, and analysis to support key organization-wide goals. Effective alignment requires a common understanding of purposes and goals. It also requires the use of complementary measures and information for planning, tracking, analysis, and improvement at three levels: the organizational level, the key process level, and the work unit level.

Analysis

The term "analysis" refers to an examination of facts and data to provide a basis for effective decisions. Analysis often involves the determination of cause-effect relationships. Overall organizational analysis guides the management of processes toward achieving key business results and toward attaining strategic objectives.

Despite their importance, individual facts and data do not usually provide an effective basis for actions or setting priorities. Effective actions depend on an understanding of relationships, derived from analysis of facts and data.

Anecdotal

The term "anecdotal" refers to process information that lacks specific methods, measures, deployment mechanisms, and evaluation/improvement/learning factors. Anecdotal information frequently uses examples and describes individual activities rather than systematic processes.

An anecdotal response to how senior leaders deploy performance expectations might describe a specific occasion when a senior leader visited all of the organization's facilities. On the other hand, a systematic process might describe the communication methods used by all senior leaders to deliver performance expectations on a regular basis to all employee locations, the measures used to assess effectiveness of the methods, and the tools and techniques used to evaluate and improve the communication methods.

Approach

The term "approach" refers to the methods used by an organization to address the APIC Criteria Item requirements. Approach includes the appropriateness of the methods to the Item requirements and the effectiveness of their use.

Approach is one of the dimensions considered in evaluating Process Items. For further description, see the Scoring System

Basic Requirements

The term "basic requirements" refers to the topic Criteria users need to address when responding to the most central concept of an Item. Basic requirements are the fundamental theme of that Item (e.g., your approach for strategy development for Item 2.1). In the Criteria, the basic requirements of each Item are presented as the Item title question.

Benchmarks

The term "benchmarks" refers to processes and results that represent best practices and performance for similar activities, inside or outside an organization's industry. Organizations engage in benchmarking to understand the current dimensions of world-class performance and to achieve discontinuous (nonincremental) or "breakthrough" improvement.

Benchmarks are one form of comparative data. Other comparative data organizations might use include industry data collected by a third party (frequently industry averages), data on competitors' performance, and comparisons with

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similar organizations in the same geographic area or that provide similar products and services in other geographic areas.

Customer

The term "customer" refers to actual and potential users of your organization's products, programs, or services. Customers include the end users of your products, programs, or services, as well as others who might be the immediate purchasers or users of your products, programs, or services. These others might include distributors, agents, or organizations that further process your product as a component of their product. The Criteria address customers broadly, referencing current and future customers, as well as the customers of your competitors.

Customer-driven excellence is an APIC Core Value embedded in the beliefs and behaviors of high-performance organizations. Customer focus impacts and should integrate an organization's strategic directions, its value creation processes, and its business results.

See the definition of "stakeholders" on page 70 for the relationship between customers and others who might be affected by your products, programs, or services.

Cycle Time

The term "cycle time" refers to the time required to fulfill commitments or to complete tasks. Time measurements play a major role in the Criteria because of the great importance of time performance to improving competitiveness and overall performance. "Cycle time" refers to all aspects of time performance. Cycle time improvement might include time to market, order fulfillment time, delivery time, changeover time, customer response time, and other key measures of time.

Deployment

The term "deployment" refers to the *extent* to which an approach is applied in addressing the requirements of an APIC Criteria Item. Deployment is evaluated on the basis of the breadth and depth of application of the approach to relevant work units throughout the organization.

Deployment is one of the dimensions considered in evaluating Process Items. For further description, see the Scoring System

Diversity

The term "diversity" refers to valuing and benefiting from personal differences. These differences address many variables, including race, religion, color, gender, national origin, disability, sexual orientation, age, education, geographic origin, and skill characteristics, as well as differences in ideas, thinking, academic disciplines, and perspectives.

The APIC Criteria refer to the diversity of your employee hiring and customer communities. Capitalizing on both provides enhanced opportunities for high performance; customer, employee, and community satisfaction; and customer and employee loyalty.

Effective

The term "effective" refers to how well a process or a measure addresses its intended purpose. Determining effectiveness requires (1) the evaluation of how well the approach is aligned with the organization's needs and how well the approach is deployed or (2) the evaluation of the outcome of the measure used.

Employee

The term "employee" refers to all people who contribute to the delivery of an organization's products and services, including paid employees (e.g., permanent, part-time, temporary, and contract employees supervised by the organization) and volunteers, as appropriate. Employees include team leaders, supervisors, and managers at all levels.

Empowerment

The term "empowerment" refers to giving employees the authority and responsibility to make decisions and take actions. Empowerment results in decisions being made closest to the "front line," where work-related knowledge and understanding reside.

Empowerment is aimed at enabling employees to satisfy customers on first contact, to improve processes and increase productivity, and to improve the organization's performance results. Empowered employees require information to make appropriate decisions; thus, an organizational requirement is to provide that information in a timely and useful way.

Ethical Behavior

The term "ethical behavior" refers to how an organization ensures that all its decisions, actions, and stakeholder interactions conform to the organization's moral and professional principles. These principles should support all applicable laws and regulations and are the foundation for the organization's culture and values. They define "right" from "wrong."

Senior leaders should act as role models for these principles of behavior. The principles apply to all individuals involved in the organization, from employees to members of the board of directors, and need to be communicated and reinforced on a regular basis. Although there is no universal model for ethical behavior, senior leaders should ensure that the organization's mission and vision are aligned with its ethical principles. Ethical behavior should be practiced with all stakeholders, including employees, shareholders, customers, partners, suppliers, and the organization's local community.

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Glossary of Key Terms

While some organizations may view their ethical principles as boundary conditions restricting behavior, well-designed and clearly articulated ethical principles should empower people to make effective decisions with great confidence.

Goals

The term "goals" refers to a future condition or performance level that one intends to attain. Goals can be both short- and longer-term. Goals are ends that guide actions. Quantitative goals, frequently referred to as "targets," include a numerical point or range. Targets might be projections based on comparative or competitive data. The term "stretch goals" refers to desired major, discontinuous (non-incremental) or "breakthrough" improvements, usually in areas most critical to your organization's future success.

Goals can serve many purposes, including

- clarifying strategic objectives and action plans to indicate how you will measure success

- fostering teamwork by focusing on a common end

- encouraging "out-of-the-box" thinking to achieve a stretch goal

- providing a basis for measuring and accelerating progress

Governance

The term "governance" refers to the system of management and controls exercised in the stewardship of your organization. It includes the responsibilities of your organization's owners/shareholders, board of directors, and senior leaders. Corporate or organizational charters, by-laws, and policies document the rights and responsibilities of each of the parties and describe how your organization will be directed and controlled to ensure (1) accountability to stakeholders and other owners/shareholders, (2) transparency of operations, and (3) fair treatment of all stakeholders. Governance processes may include the approval of strategic direction, the monitoring and evaluation of Sr leader performance the establishment of executive compensation and benefits, succession planning, financial auditing, risk managment, disclosure, and shareholder reporting. Ensuring effective governance is important to stakeholders' and the larger society's trust and to organizational effectiveness.

High-Performance Work

The term "high-performance work" refers to work processes used to systematically pursue ever-higher levels of overall organizational and individual performance, including quality, productivity, innovation rate, and cycle time performance. High-performance work results in improved service for customers and other stakeholders.

Approaches to high-performance work vary in form, function, and incentive systems. High-performance work frequently includes cooperation between management and the workforce, which may involve workforce bargaining units; cooperation among work units, often involving teams; self-directed responsibility and employee empowerment; employee input to planning; individual and organizational skill building and learning; learning from other organizations; flexibility in job design and work assignments; a flattened organizational structure, where decision making is decentralized and decisions are made closest to the "front line"; and effective use of performance measures, including comparisons. Many high-performance work systems use monetary and nonmonetary incentives based on factors such as organizational performance, team and individual contributions, and skill building. Also, high-performance work usually seeks to align the organization's structure, work, jobs, employee development, and incentives.

How

The term "how" refers to the processes that an organization uses to accomplish its mission requirements. In responding to "how" questions in the Process Item requirements, process descriptions should include information such as approach (methods and measures), deployment, learning, and integration factors.

Innovation

The term "innovation" refers to making meaningful change to improve products, programs, services, processes, or organizational effectiveness and to create new value for stakeholders. Innovation involves the adoption of an idea, process, technology, or product that is either new or new to its proposed application.

Successful organizational innovation is a multistep process that involves development and knowledge sharing, a decision to implement, implementation, evaluation, and learning. Although innovation is often associated with technological innovation, it is applicable to all key organizational processes that would benefit from change, whether through breakthrough improvement or change in approach or outputs. It could include fundamental changes in organizational structure to more effectively accomplish the organization's work.

Integration

The term "integration" refers to the harmonization of plans, processes, information, resource decisions, actions, results, and analyses to support key organization-wide goals. Effective integration goes beyond alignment and is achieved when the individual components of a performance management system operate as a fully interconnected unit.

Integration is one of the dimensions considered in evaluating Process Items. For further description, see the Scoring System

Key

The term "key" refers to the major or most important elements or factors, those that are critical to achieving your intended outcome. The APIC Criteria, for example, refer to key challenges, key plans, key processes, and key measures—those that are most important to your organization's success. They are the essential elements for pursuing or monitoring a desired outcome.

Knowledge Assets

The term "knowledge assets" refers to the accumulated intellectual resources of your organization. It is the knowledge possessed by your organization and its employees in the form of information, ideas, learning, understanding, memory, insights, cognitive and technical skills, and capabilities. Employees, software, patents, databases, documents, guides, policies and procedures, and technical drawings are repositories of an organization's knowledge assets. Knowledge assets are held not only by an organization but reside within its customers, suppliers, and partners as well.

Knowledge assets are the "know how" that your organization has available to use, to invest, and to grow. Building and managing its knowledge assets are key components for your organization to create value for your stakeholders and to help sustain competitive advantage.

Leadership System

The term "leadership system" refers to how leadership is exercised, formally and informally, throughout the organization; it is the basis for and the way key decisions are made, communicated, and carried out. It includes structures and mechanisms for decision making; selection and development of leaders and managers; and reinforcement of values, ethical behavior, directions, and performance expectations.

An effective leadership system respects the capabilities and requirements of employees and other stakeholders, and it sets high expectations for performance and performance improvement. It builds loyalties and teamwork based on the organization's vision and values and the pursuit of shared goals. It encourages and supports initiative and appropriate risk taking, subordinates organizational structure to purpose and function, and avoids chains of command that require long decision paths. An effective leadership system includes mechanisms for the leaders to conduct self-examination, receive feedback, and improve.

Learning

The term "learning" refers to new knowledge or skills acquired through evaluation, study, experience, and innovation.

The APIC Criteria include two distinct kinds of learning: organizational and personal. Organizational learning is achieved through research and development, evaluation and improvement cycles, employee and stakeholder ideas and input, best practice sharing, and benchmarking. Personal learning is achieved through education, training, and developmental opportunities that further individual growth.

To be effective, learning should be embedded in the way an organization operates. Learning contributes to a competitive advantage for the organization and its employees. For further description of organizational and personal learning, see the related Core Value and Concept

Learning is one of the dimensions considered in evaluating Process Items. For further description, see the Scoring System

Levels

The term "levels" refers to numerical information that places or positions an organization's results and performance on a meaningful measurement scale. Performance levels permit evaluation relative to past performance, projections, goals, and appropriate comparisons.

Measures and Indicators

The term "measures and indicators" refers to numerical information that quantifies input, output, and performance dimensions of processes, products, programs, projects, services, and the overall organization (outcomes). Measures and indicators might be simple (derived from one measurement) or composite.

The Criteria do not make a distinction between measures and indicators. However, some users of these terms prefer the term "indicator" (1) when the measurement relates to performance but is not a direct measure of such performance (e.g., the number of complaints is an indicator of dissatisfaction but not a direct measure of it) and (2) when the measurement is a predictor ("leading indicator") of some more significant performance (e.g., increased customer satisfaction might be a leading indicator of market share gain).

Mission

The term "mission" refers to the overall function of an organization. The mission answers the question, "What is this organization attempting to accomplish?" The mission might define customers or markets served, distinctive competencies, or technologies used.

Multiple Requirements

The term "multiple requirements" refers to the individual questions Criteria users need to answer within each Area to Address. These questions constitute the details of an Item's requirements. They are presented in black text under each

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Item's Area(s) to Address. This presentation is illustrated in the Item format shown on page 55.

Overall Requirements

The term "overall requirements" refers to the topics Criteria users need to address when responding to the central theme of an Item. Overall requirements address the most significant features of the Item requirements. In the Criteria, the overall requirements of each Item are presented in one or more introductory sentences printed in bold.

Partners

The term "partners" refers to those key organizations or individuals who are working in concert with your organization to achieve a common goal or to improve performance. Typically, partnerships are formal arrangements for a specific aim or purpose, such as to achieve a strategic objective or to deliver a specific product or service.

Formal partnerships are usually for an extended period of time and involve a clear understanding of the individual and mutual roles and benefits for the partners.

Performance

The term "performance" refers to output results and their outcomes obtained from processes, products, and services that permit evaluation and comparison relative to goals, standards, past results, and other organizations. Performance can be expressed in nonfinancial and financial terms.

The APIC Criteria address four types of performance: (1) product and service, (2) customer-focused, (3) financial and marketplace, and (4) operational.

"Product and service performance" refers to performance relative to measures and indicators of product and service characteristics important to customers. Examples include product reliability, on-time delivery, customer-experienced defect levels, and service response time. For nonprofit organizations, "product and service performance" examples might include program and project performance in areas of rapid response to emergencies, at-home services, or multilingual services.

"Customer-focused performance" refers to performance relative to measures and indicators of customers' perceptions, reactions, and behaviors. Examples include customer retention, complaints, and customer survey results.

"Financial and marketplace performance" refers to performance relative to measures of cost, revenue, and market position, including asset utilization, asset growth, and market share. Examples include returns on investments, value added per employee, debt-to-equity ratio, returns on assets, operating margins, performance to budget, amount of reserve funds, cash-to-cash cycle time, other profitability and liquidity measures, and market gains.

"Operational performance" refers to human resource, leadership, organizational, and ethical performance relative to effectiveness, efficiency, and accountability measures and indicators. Examples include cycle time, productivity, waste reduction, employee turnover, employee cross-training rates, regulatory compliance, fiscal accountability, and community involvement. Operational performance might be measured at the work unit level, key process level, and organizational level.

Performance Excellence

The term "performance excellence" refers to an integrated approach to organizational performance management that results in (1) delivery of ever-improving value to customers and stakeholders, contributing to organizational sustainability; (2) improvement of overall organizational effectiveness and capabilities; and (3) organizational and personal learning. The APIC Criteria for Performance Excellence provide a framework and an assessment tool for understanding organizational strengths and opportunities for improvement and thus for guiding planning efforts.

Performance Projections

The term "performance projections" refers to estimates of future performance. Projections may be inferred from past performance, may be based on competitors' or similar organizations' performance that must be met or exceeded, may be predicted based on changes in a dynamic environment, or may be goals for future performance. Projections integrate estimates of your organization's rate of improvement and change, and they may be used to indicate where breakthrough improvement or change is needed. Thus, performance projections serve as a key management planning tool.

Process

The term "process" refers to linked activities with the purpose of producing a product or service for a customer (user) within or outside the organization. Generally, processes involve combinations of people, machines, tools, techniques, and materials in a defined series of steps or actions. In some situations, processes might require adherence to a specific sequence of steps, with documentation (sometimes formal) of procedures and requirements, including well-defined measurement and control steps.

In many service situations, particularly when customers are directly involved in the service, process is used in a more general way (i.e., to spell out what must be done, possibly including a preferred or expected sequence). If a sequence is critical, the service needs to include information to help customers understand and follow the sequence. Such service processes also require guidance to the providers of those

services on handling contingencies related to the possible actions or behaviors of those served.

In knowledge work, such as strategic planning, research, development, and analysis, process does not necessarily imply formal sequences of steps. Rather, process implies general understandings regarding competent performance, such as timing, options to be included, evaluation, and reporting. Sequences might arise as part of these understandings.

In the   APIC   Scoring System, process achievement level is assessed. This achievement level is based on four factors that can be evaluated for each of an organization's key processes: Approach, Deployment, Learning, and Integration. For further description, see the Scoring System

Productivity

The term "productivity" refers to measures of the efficiency of resource use.

Although the term often is applied to single factors, such as staffing (labor productivity), machines, materials, energy, and capital, the productivity concept applies as well to the total resources used in producing outputs. The use of an aggregate measure of overall productivity allows a determination of whether the net effect of overall changes in a process— possibly involving resource tradeoffs—is beneficial.

Purpose

The term "purpose" refers to the fundamental reason that an organization exists. The primary role of purpose is to inspire an organization and guide its setting of values. Purpose is generally broad and enduring. Two organizations in different businesses could have similar purposes, and two organizations in the same business could have different purposes.

Results

The term "results" refers to outputs and outcomes achieved by an organization in addressing the requirements of an APIC Criteria Item. Results are evaluated on the basis of current performance; performance relative to appropriate comparisons; the rate, breadth, and importance of performance improvements; and the relationship of results measures to key organizational performance requirements. For further description, see the Scoring System

Segment

The term "segment" refers to a part of an organization's overall customer, market, product or service line, or employee base. Segments typically have common characteristics that can be grouped logically. In Results Items, the term refers to disaggregating results data in a way that allows for meaningful analysis of an organization's performance. It is up to each organization to determine the specific factors

that it uses to segment its customers, markets, products, services, and employees.

Understanding segments is critical to identifying the distinct needs and expectations of different customer, market, and employee groups and to tailoring products, services, and programs to meet their needs and expectations. As an example, market segmentation might be based on geography, distribution channels, business volume, or technologies employed. Employee segmentation might be based on geography, skills, needs, work assignments, or job classification.

Senior Leaders

The term "senior leaders" refers to an organization's senior management group or team. In many organizations, this consists of the head of the organization and his or her direct reports.

Stakeholders

The term "stakeholders" refers to all groups that are or might be affected by an organization's actions and success. Examples of key stakeholders might include customers, employees, partners, governing boards, stockholders, donors, suppliers, taxpayers, policy makers, funders, and local and professional communities.

Strategic Challenges

The term "strategic challenges" refers to those pressures that exert a decisive influence on an organization's likelihood of future success. These challenges frequently are driven by an organization's future competitive position relative to other providers of similar products or services. While not exclusively so, strategic challenges generally are externally driven. However, in responding to externally driven strategic challenges, an organization may face internal strategic challenges.

External strategic challenges may relate to customer or market needs or expectations; product, service, or technological changes; or financial, societal, and other risks or needs. Internal strategic challenges may relate to an organization's capabilities or its human and other resources.

See the definition of "strategic objectives" that immediately follows for the relationship between strategic challenges and the strategic objectives an organization articulates to address key challenges.

Strategic Objectives

The term "strategic objectives" refers to an organization's articulated aims or responses to address major change or improvement, competitiveness or social issues, and business advantages. Strategic objectives generally are focused both externally and internally and relate to significant customer,

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market, product, service, or technological opportunities and challenges (strategic challenges). Broadly stated, they are what an organization must achieve to remain or become competitive and ensure long-term sustainability. Strategic objectives set an organization's longer-term directions and guide resource allocations and redistributions.

See the definition of "action plans" on page 65 for the relationship between strategic objectives and action plans and for an example of each.

Sustainability

The term "sustainability" refers to your organization's ability to address current business needs and to have the agility and strategic management to prepare successfully for your future business, market, and operating environment. Both external and internal factors need to be considered. The specific combination of factors might include industry-wide and organization-specific components.

In addition to responding to changes in the business, market, and operating environment, sustainability also has a component related to preparedness for real-time or short-term emergencies.

Systematic

The term "systematic" refers to approaches that are well-ordered, repeatable, and use data and information so learning is possible. In other words, approaches are systematic if they build in the opportunity for evaluation, improvement, and sharing, thereby permitting a gain in maturity. For use of the term, see the Scoring Guidelines

Trends

The term "trends" refers to numerical information that shows the direction and rate of change for an organization's results. Trends provide a time sequence of organizational performance.

A minimum of three data points generally is needed to begin to ascertain a trend. More data points are needed to define a statistically valid trend. The time period for a trend is determined by the cycle time of the process being measured. Shorter cycle times demand more frequent measurement, while longer cycle times might require longer time periods before meaningful trends can be determined.

Examples of trends called for by the Criteria include data related to product and service performance, customer and employee satisfaction and dissatisfaction results, financial performance, marketplace performance, and operational performance, such as cycle time and productivity.

Value

The term "value" refers to the perceived worth of a product, service, process, asset, or function relative to cost and to possible alternatives.

Organizations frequently use value considerations to determine the benefits of various options relative to their costs, such as the value of various product and service combinations to customers. Organizations need to understand what different stakeholder groups value and then deliver value to each group. This frequently requires balancing value for customers and other stakeholders, such as employees and the community.

Value Creation

The term "value creation" refers to processes that produce benefit for your customers and for your organization. They are the processes most important to "running your business"—those that involve the majority of your employees and that generate your products, services, and positive business results for your key stakeholders, including your stockholders.

Values

The term "values" refers to the guiding principles and behaviors that embody how your organization and its people are expected to operate. Values reflect and reinforce the desired culture of an organization. Values support and guide the decision making of every employee, helping the organization accomplish its mission and attain its vision in an appropriate manner. Examples of values might include demonstrating integrity and fairness in all interactions, exceeding customer expectations, valuing employees and diversity, protecting the environment, and striving for performance excellence every day.

Vision

The term "vision" refers to the desired future state of your organization. The vision describes where the organization is headed, what it intends to be, or how it wishes to be perceived in the future.

Work Systems

The term "work systems" refers to how your employees are organized into formal or informal units to accomplish your mission and your strategic objectives; how job responsibilities are managed; and your processes for communication and employee hiring, performance management, compensation, recognition, and succession planning. Organizations design work systems to align their components to enable and encourage all employees to contribute effectively and to the best of their ability.

Appendix A - APIC Assessment Toolkit

While the APIC is a thorough and rigorous assessment tool, there are organizations that are in the early stages of self-assessment. For those particular organizations and for any others that may be struggling to get started, this annex is designed to give you some tools to use to begin the process.

Unlike a traditional compliance audit, the assessment process is designed to engage people in a positive fashion, help build support for change, and reveal high-leverage opportunities for improvement thereby directly contributing to the goals of the organization.

Each assessment has steps or phases whereby an improvement cycle can be created. The most effective assessment methodology is to continue to repeat the cycle regularly, in whatever cycle best suits your organization's needs, but at a minimum annually. With each iteration of the assessment cycle, there will be new-found evidence of organization effectiveness and efficiency as well as how it is achieving its goals and supporting its customers.

Assessments phases can be categorized in these steps:

1. Plan

- Engage your senior leaders to:

  - insure understanding and buy-in
  - have agreement on goals and direction (mission and vision) of the organization
  - communicate goals and direction to organization

- Organize an assessment team which includes providing training

2. Do

- Gather data through interviews and key source documents
- Perform an analysis of the data which will provide indicators of goal achievement as well as improvements or declines in performance for key areas focused on organization goals and directions
- Prepare and present assessment report to senior leaders

3. Study

- Review report
- Development action plans to address performance shortfalls
- Locate comparative data and benchmarks (who else does this and what are their performance levels?)

4. Act

- Implement action plans
- Link performance plans with performance goals and achievements
- Provide training to workforce on new or revised processes

The diagram below depicts the continual process of organizational assessment

ACT
Integrate lessons learned from study. Reformulate theory, adjust methods, and identify what learning

PLAN
Identify purpose & goals and formulate theory. Define measurements of success and plan activities.

STUDY
Monitor outcomes while testing theories. Study results for progress, success and/or unexpected outcomes. Perform analysis to new lessons learned and new problems.

DO
Execution of plan, introduction of interventions and application of knowledge to achieve goals.

The Plan, Do, Study, Act system is also re-emphasized in The Army's Field Manual FM7-0, titled Training the Force. In Chapter 6, Assessments, the FM discusses organizational assessments by commanders. While the model depicted in the FM shows a Develop Mission Essential Task List (METL), Plan, Execute, and Assess model, the steps and associated tasks are the same. The differences are merely syntax. FM7-0 states

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Appendix A

that battalion and higher echelon commanders must be concerned with broader concepts. Accordingly, they perform organizational assessments that aggregate a large number of evaluations. These commanders establish an organizational assessment program that—

- Fixes responsibility within the staff and subordinate units for gathering and analyzing evaluation data and preparing recommendations;

- Concentrates on the effectiveness of leader and organization training;

- Utilizes the CSM and other senior NCOs to gather feedback on the individual, crew, and team training; and

- Allows the senior commander to monitor outcomes and take action to reshape priorities, policies, or plans to overcome assessed weaknesses and sustain demonstrated strengths.

As you work your way through each assessment cycle, you'll have more opportunities to dig a little deeper into your organization, resulting in a more thorough assessment each time. In Section A of this Annex, there are some assessment templates that you can use as a start point. These have been created for most type units in The Army. There are examples for Combat Arms, Combat Support, Combat Service Support, and Garrison Units.

In addition, there are other assessment tools found in Section B of this Annex. These tools can be used either in conjunction with the templates or by themselves.
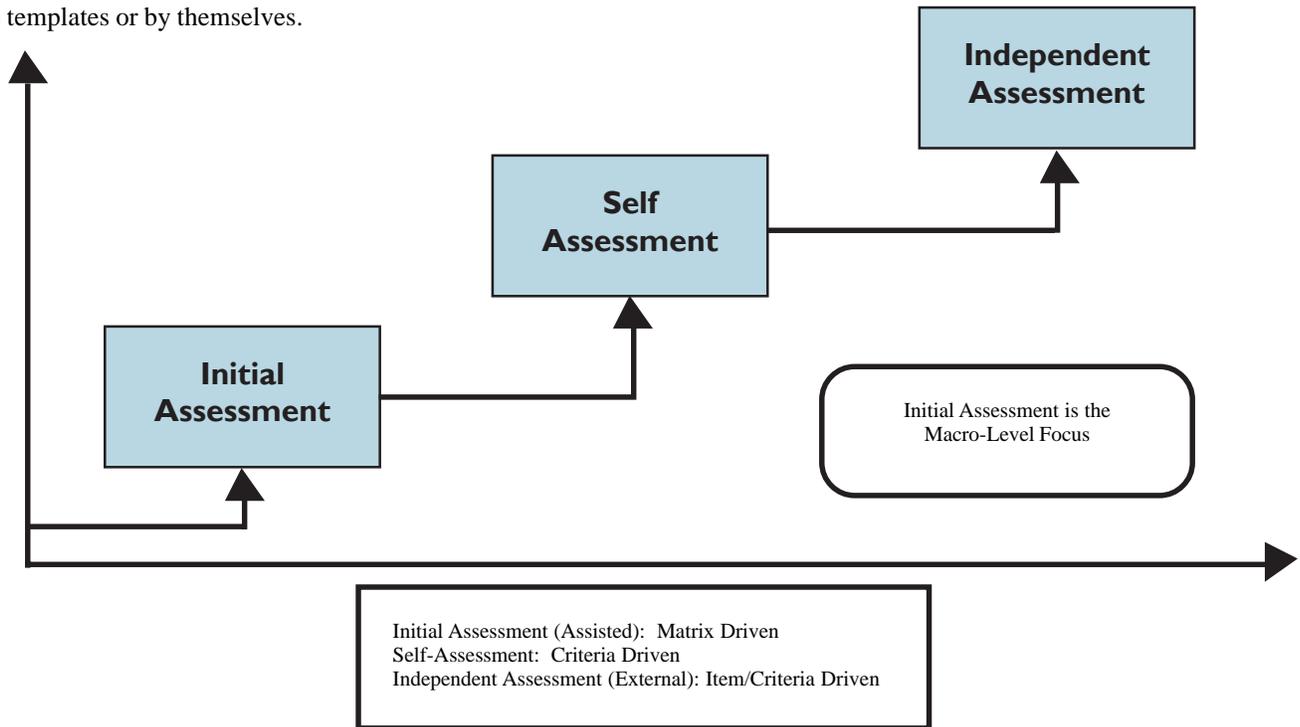
Section A

A Beginner's Kit

In this section are assessment tools that can aid an organization in its earliest stages of self-assessment, a kind of beginners kit. The diagrams or matrices provide a template for certain type of organizations to focus on their specific tasks. Included on the templates are some examples to assist you when performing your own assessment. These matrices are a product of the Strategic Management and Innovations Branch of the Office of the Vice Director of the Army Staff. Any questions or comments about these templates should be forwarded to the address on the back cover of this booklet.

The following pages contain a matrix each for Combat Arms, Combat Support, Combat Service Support, and Garrison units. Included on each are examples of the type of targeted information to focus on for this beginner's assessment. By applying your own organization's makeup to the appropriate template, a story begins to form about your unit or organization and what it's all about. From identification of customers to comparisons that a unit might make in order to find best in class or benchmarks for performance improvement; these are all critical areas that will form a template of your organization for more in-depth assessments in the future.

Independent Assessment

Self Assessment

Initial Assessment

Initial Assessment is the Macro-Level Focus

Initial Assessment (Assisted): Matrix Driven
Self-Assessment: Criteria Driven
Independent Assessment (External): Item/Criteria Driven

Section B

More In-Depth Assessments

Within The Army, there are a couple of institutions that offer APIC-focused courses. They are the Army Logistics Management College (ALMC) at Fort Lee, VA and the Laverne E. Weber Army National Guard Professional Education Center (PEC) at Little Rock, AR. You can locate more information about their training programs at their websites. The ALMC web address is: http://www.almc.army.mil. The PEC web address is: http://pub.ngpec.org.

Within the PEC Program of Instruction (POI) for the Army Performance Improvement Criteria and Organizational Assessment course, are templates designed for organizations to use in the next step of an organizational assessment. These templates contain many more elements of information and data than the matrices in Section A, but can be used as a tool to get a further detailed assessment. Although not included in this booklet, they are available online at the Leading Change website at http://www.hqda.army.mil/leadingchange/Quality/taqstrat.htm Once on this page go to the bottom and look for link to Adobe Acrobat file.

Further, the National Institute of Standards and Technology (NIST), of the Department of Commerce, has another effective assessment tool that can be used for organizations in a phase 2 or 3 assessment. This assessment tool can be found on their website at http://www.quality.nist.gov/Getting_Started.htm. Additionally, they offer an "answer the questions" type of Step 1 available on-line that can lead to Action Planning for your organization. This e-Baldrige Organizational Profile can be found at http://www.quality.nist.gov/eBaldrige/Step_One.htm. For most Army organizations, recommend clicking on the Business link rather than the Education or Healthcare link found under the E-Baldrige Organizational Profile title.

If your organization is still having some difficulty getting started, please contact our office. We may be able to make arrangements to take a trip to your organization to facilitate you through an assessment to help get you going.

To assist you in finding comparative information and benchmarking, there is a great service available to all Army organizations, free of charge. This service is known as The Benchmarking Exchange (TBE). Headquarters, Army has purchased an Army site license for this service, Army-wide. While not a panacea for all organizations, it is certainly a place to find helpful information from counterparts in other government agencies as well as private industry, worldwide. Signing up as an Army user will enable you to send and receive queries to other subscribers about particular business processes as well as participate in surveys. It also serves as an enabler for professional relationship building. To become an Army user simply go the TBE website at http://www.benchnet.com/. From there click on "Join Existing Site Plan". Click on US Army and then fill out the user information.

The matrices on pages A4 - A7 do not yet reflect terminology consistent with the Modular Force structure. The assessment tools are, however, still valid regardless of whether organizations have transformed to the Modular Force or remain in a division structure.

The most important thing an organization can do is GET STARTED!

NOTES

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EXAMPLE OF AN INITIAL SELF ASSESSMENT COMBAT ARMS

ASK YOURSELF

1. What do you do?
2. Why do you do it?
3. Does it support the mission (METL)?
4. Who do you do it for?
5. How well do you do it?
6. Can it be accomplished more efficiently by another source?
7. Do you measure it?
8. How can you do it better?

Leaders determine metrics for quality and performance improvements (goals).

CUSTOMERS	CUSTOMER REQUIREMENTS	PRODUCTS & SERVICES	KEY PROCESSES	INFO SYSTEMS	IN-PROCESS METRICS	RESULTS METRICS	BENCHMARKS
Division, Brigade or JTF Commander	Trained and ready units capable of conducting the full spectrum of military operations.	**OFFENSIVE OPS -** destroy or defeat an enemy to allow U.S. to impose will on the enemy and acheive decisive victory.	Leader development, trained and motivated soldiers, high equipment readiness standards	USR, periodic Readiness Reviews, Quarterly Training Briefs (QTB), training meetings, AAR process	Weapons qualifications, equipment readiness rates, CTT percentages, Soldier Readiness Program (SRP)	USR C-ratings, EXEVAL results, CTC "takehome" feedback, command inspection results	Comparisons to other like units (BDE, Division, other services).
		DEFENSIVE OPS - defeat enemy attack, develop conditions favorable for offensive operations.	Combat Training Centers (CTC), Emergency Drills (EDRE), CPXs, CALFEXs, FTXs				
		STABILITY OPS - promote and protect U.S. national interests by peacetime developmental, cooperative and coercive actions in response to crisis.	Squad, platoon, company and battalion collective training.				
		SUPPORT OPS - assist civil authorities (foreign and domestic) to relieve suffering.					
BN Soldiers	Quality of Life						
	Fitness						
	Families						

CAN DEVELOP FOR INTERNAL CUSTOMERS (SOLDIERS)

DISRUPT   ATTACK BY FIRE   BYPASS   DEFEND   HELO ATTACK   BLOCK

EXAMPLE OF AN INITIAL SELF ASSESSMENT
COMBAT SUPPORT

ASK YOURSELF

1. What do you do?
2. Why do you do it?
3. Does it support the mission (METL)?
4. Who do you do it for?
5. How well do you do it?
6. Can it be accomplished more efficiently by another source?
7. Do you measure it?
8. How can you do it better?

Leaders determine metrics for quality and performance improvements (goals).

CUSTOMERS	CUSTOMER REQUIREMENTS	PRODUCTS & SERVICES	KEY PROCESSES	INFO SYSTEMS	IN-PROCESS METRICS	RESULTS METRICS	BENCHMARKS
Division, Brigade or JTF Commander	Provide MILITARY INTELLIGENCE SUPPORT capable of supporting the full spectrum of military operations.	Disrupt enemy C4I, degrade enemy fire support and air defense nets, conduct ground reconnaisance and surveillance, collect electronic intelligence	Counter-Intelligence (CI), Prisoner-of-War Interrogation (PW), Long Range Surveillance (LRS), Analysis and Control (ACE)	TROJAN SPIRIT ASAS REMBASS AEPDS QUICKFIX	Decide, Detect, Deliver, Assess (D3A) process	HPT kill rate, accuracy of Battle Damage and Assessment (BDA), timely dissemination of enemy situation	Comparisons to other like units (BDE, division, other services)
	Provide SIGNAL SUPPORT capable of supporting the full spectrum of military operations.	COMSEC repair, voice, data and automation spt, secure and non-secure communications, FM/HF/LOS/TACSAT/MSE capability	Network connectivity, nodal location placement, COMSEC distribution	Signal Support Networks, LAN and servers, SAMS-1/2	FES, SEN & RAU setup time, network interruption time, equipment readiness rates	Uninterrupted secure and reliable communications support to customers	Comparisons to other like units (BDE, division, other services)
	Provide MILITARY POLICE SUPPORT capable of supporting the full spectrum of military operations.	Manuever & Mobility Support (MMS), Area Security (AS), Internment & Resettlement (I/R), Law & Order (L&O), Police Intelligence Operations (PIO)	Regulation enforcement, civilian control, force protection, EPW handling, criminal investigations, IPB	Blotter reports ASAS	ROE/ROI violations # citations issued # security breaches # EPW escape attempts # fratricide incidents	USR C-Ratings, EXEVAL results, CTC "takehome" feedback, CERTEX results, command inspection results	Comparisons to other like units (BDE, division, other services) local or HN law enforcement agencies
BN Soldiers	Quality of Life						
	Fitness						
	Families						

CAN DEVELOP FOR INTERNAL CUSTOMERS

EPW

CP 8

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EXAMPLE OF AN INITIAL SELF ASSESSMENT COMBAT SERVICE SUPPORT
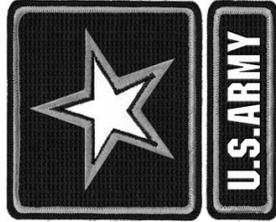
ASK YOURSELF

1. What do you do?
2. Why do you do it?
3. Does it support the mission (METL)?
4. Who do you do it for?
5. How well do you do it?
6. Can it be accomplished more efficiently by another source?
7. Do you measure it?
8. How can you do it better?

Leaders determine metrics for quality and performance improvements (goals).

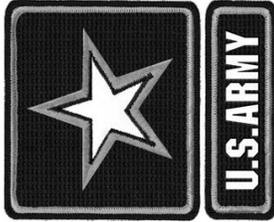| CUSTOMERS	CUSTOMER REQUIREMENTS	PRODUCTS & SERVICES	KEY PROCESSES	INFO SYSTEMS	IN-PROCESS METRICS	RESULTS METRICS	BENCHMARKS
Brigade Combat Team (BCT)	Supply Support	Class I and Water-General Supplies-Fuel-Engineer Materiel-Ammunition-Class VII-and Repair Parts	Receive Store Protect Issue Retrograde	SARSS-1 SARSS-2 ULLS SAASMOD-ATP EXEVALS	10% inventory/location accuracy, Customer Wait Time, Demand Analysis, environmental accidents, PM checks	Order to ship time, receipt processing time, denial rates, 100% inventory/location accuracy, etc	DA Goals CASCOM Goals DISCOM Goals Goals & comparisons to other like units
	Maintenance Support	Organizational Maintenance Direct Support Maintenance (Armt, Missile, Automotive, Electronic) Recovery Operations	Repair and return to user, repair and return to SSA (RX program), Conduct PM Services, Recover equipment	SAMS-1 SAMS-2 ULLS	Shop backlog, Delinquent Services, Pacing Item deadline rates, PLL/ASL/Shop Stock zero balances	USR Readiness Rates, equipment availability, mean time between failure, Repair Cycle Time, Accident Rates	DA Goals CASCOM Goals DISCOM Goals Goals & comparisons to other like units
	Medical Support	Combat Health Support and TMC Support	Patient hold Patient treatment Patient evacuation	TAMMIS	DNBI Equipment readiness rates Accident Rates	USR Readiness Rates, Accident Rates; Soldier Readiness Program (SRP), CIP Results	USAMEDCOM Goals Surgeon General Goals
BN Soldiers	Force Protection						
	Quality of Life						
	Fit						

CAN DEVELOP FOR INTERNAL CUSTOMERS

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EXAMPLE OF AN INITIAL SELF ASSESSMENT GARRISON COMMAND

ASK YOURSELF

1. What do you do?
2. Why do you do it?
3. Does it support the mission (METL)?
4. Who do you do it for?
5. How well do you do it?
6. Can it be accomplished more efficiently by another source?
7. Do you measure it?
8. How can you do it better?

Leaders determine metrics for quality and performance improvements (goals).

CUSTOMERS	CUSTOMER REQUIREMENTS	PRODUCTS & SERVICES	KEY PROCESSES	INFO SYSTEMS	IN-PROCESS METRICS	RESULTS METRICS	BENCHMARKS
SOLDIERS	Available ranges and training aids proper working condition	**TRAINING SPT-** Range SPT TASC	Range scheduling, Range maintenance procedures, TASC equipment use rates	Range conference, Quarterly Training Briefs	Range utilization, range readiness, environmental mitigation	High tenant USRs T-rating, enviromental compliance, Installation Status Report (ISR) Rating	Other installations
SOLDIERS FAMILIES RETIREES VETERANS	On-time service adequately provided, affordable to units and individuals	**SERVICES-** Information Tech SPT Transportation SPT Supply SPT Maintenance SPT Utilities MWR	Repair return, receive store and issue, maintain network connectivity, shipping and receiving	SARSS-2AC SAMS-2 TCACCIS JOPES Customer surveys, Soldier retention rates (morale)	Shop backlog, delinquent services, deadline rates, PLL/ASL/Shop Stock zero balances, HHG delivery rates, service call cycle time	High tenant USRs rating, TMP readiness rates, uninterrupted utility service, Installation Status Report (ISR) rating	Community service companies (power, water, telephone, sewer) other installations
SOLDIERS FAMILIES	Safe facilities, configured for intended use	**FACILITIES-** Facilities maintenance New construction Roads and grounds Installation housing	Contract management, housing utilization forecasting and scheduling, post upkeep	Installation Status Report (ISR), customer surveys, master plans, housing utilization database	Complaints, service order response time	High installation readiness, maximized housing utilization rates	Corps of Engineers State DOT HUD
COMMUNITY SOLDIERS FAMILIES	Compliance with applicable laws	**ENVIRONMENT-** Compliance Conservation Pollution prevention	Hazardous waste operations, environmental education, recycling and waste restoration, air program	Environmental assessments, environmental monitoring systems	Noise monitoring and complaints, spill response time, HAZMAT storage compliance and stockage levels	Increased mission readiness, ensured HAZMAT service ability, high product distribution ISO operational requirements	Army Environmental Center, EPA, OSHA, other installations

US ARMY

Appendix A

Continuous Improvement Process
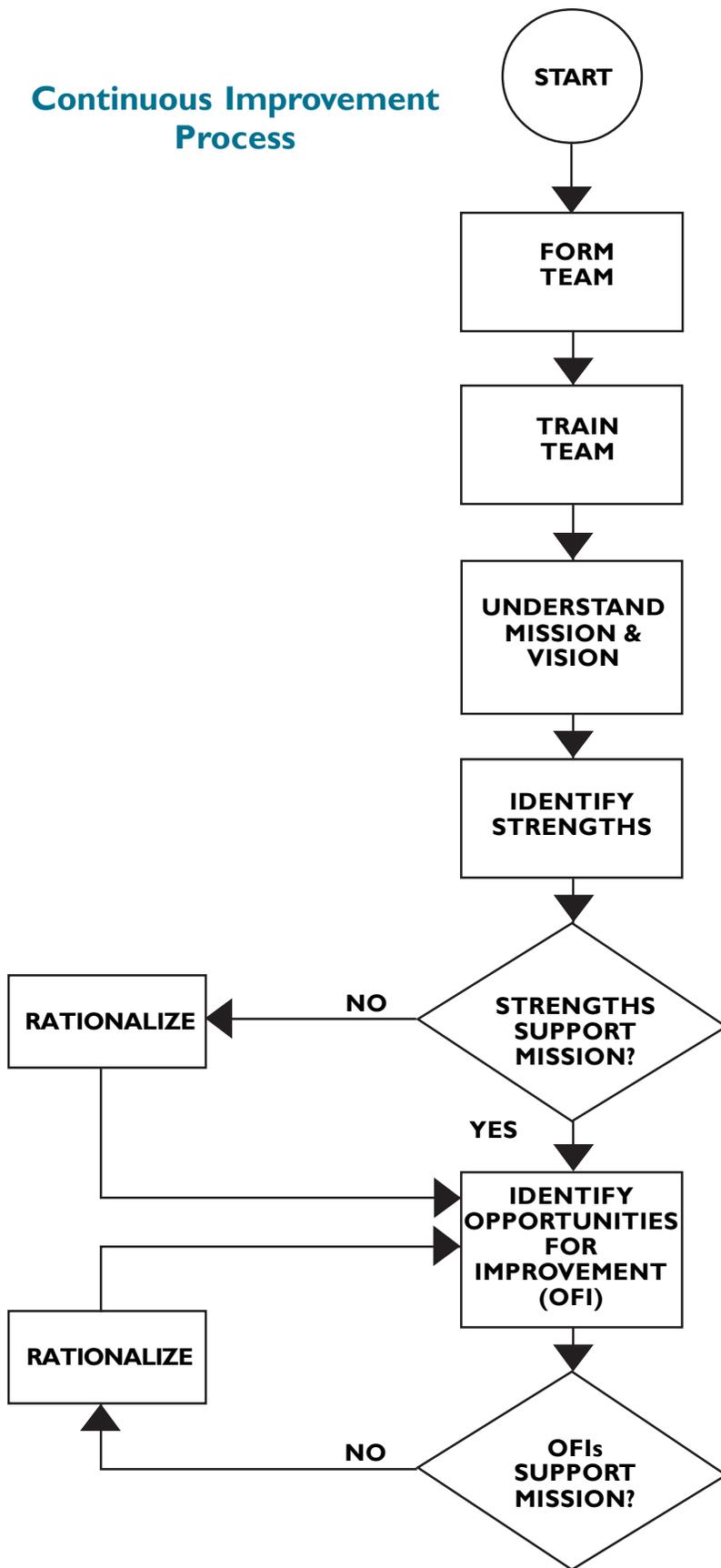
START
- Leadership & Organizational commitment to initiate self-assessment

FORM TEAM
- Multifunctional Leadership Team
- Organizational Knowledge

TRAIN TEAM
- Teaming Methodology
- APIC Interpretation and Understanding

UNDERSTAND MISSION & VISION
- Clarify the Mission & Vision
- Understand Core Competencies
- Identify Key Customers and Stakeholders

IDENTIFY STRENGTHS
- Based on APIC
- Analysis by Criteria Questions
- List of + and ++ per Criteria Questions

STRENGTHS SUPPORT MISSION?
- NO → **RATIONALIZE**
- YES

IDENTIFY OPPORTUNITIES FOR IMPROVEMENT (OFI)
- Consider Benchmarks
- Based on APIC
- Analysis by Criteria Question
- Consider Rationalized Strengths
- List of - and - - Per Criteria Questions

OFIs SUPPORT MISSION?
- NO → **RATIONALIZE**
- → **A**

APIC

A - 8

A

BRAINSTORM ACTION PLANS
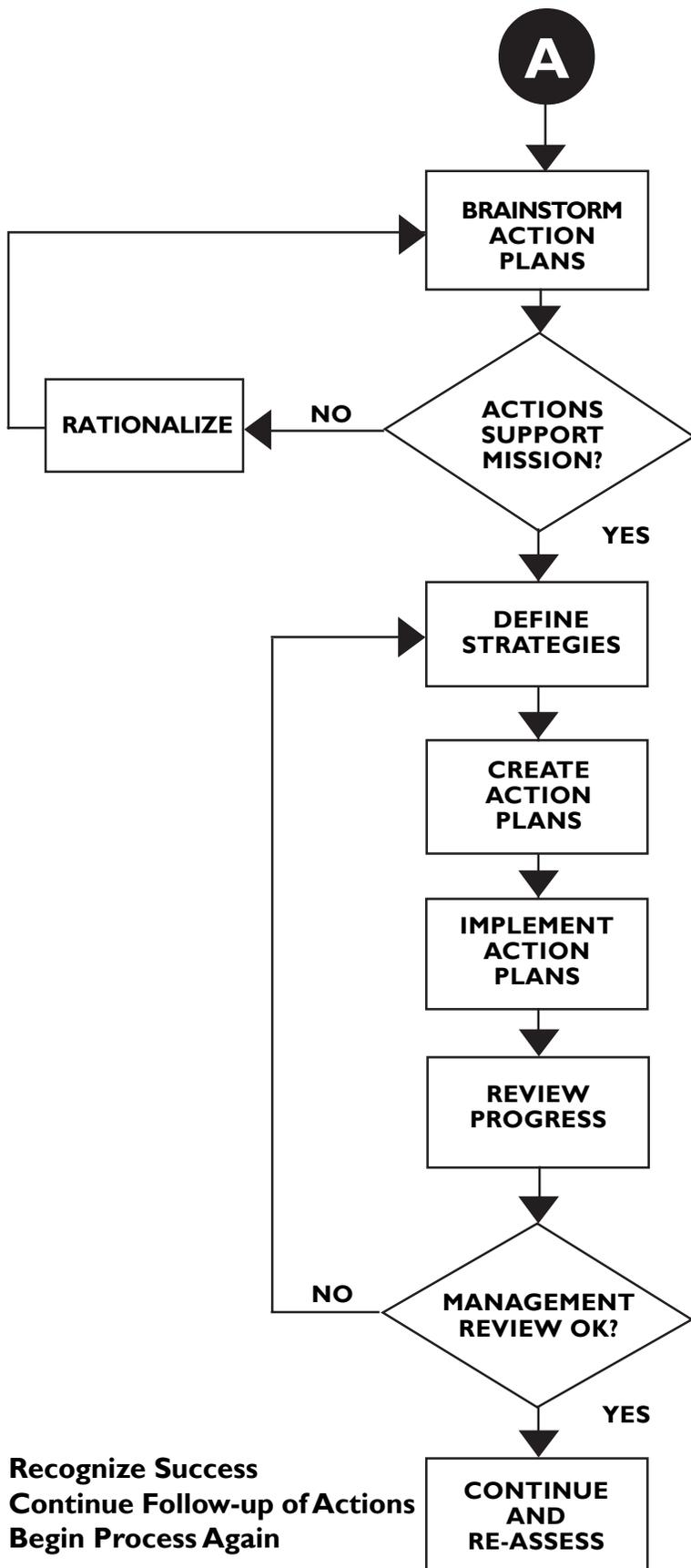
- "Manageable Few" - Low Hanging Fruit
- Actions: Verb & Noun
- Not Good Intentions
- To Be Sure, Ask How?
- Actions by Criteria Question

ACTIONS SUPPORT MISSION?

NO → **RATIONALIZE**

YES

(EXAMPLE METHOD)

DEFINE STRATEGIES

- Group Actions by Affinity
- Use Post-its
- Name Each Group as a Big Strategy (Verb and Noun)

CREATE ACTION PLANS

- Identify Milestones
- Assign Responsibilities
- Agree on Timing
- Establish Follow-up System
- Integrate into Strategic Planning Process

IMPLEMENT ACTION PLANS

- Just Do It!

REVIEW PROGRESS

- Plan, Do, Check/Study, Act
- Establish Timeline for Review
- Check Milestones

MANAGEMENT REVIEW OK?

NO

- Ensure Continuity with Mission Focus
- Checking the "Big Picture"
- Effectiveness of Actions
- Actions Taken
- Verify Effectiveness and ROI
- Did We Get What We Wanted?
- Is it Still Tied to the Mission & Vision?
- Ensure Alignment with Organizational Strategic Initiatives

YES

- Recognize Success
- Continue Follow-up of Actions
- Begin Process Again

CONTINUE AND RE-ASSESS

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Appendix B - APIC Examples

Strategic Management and Innovations would like to thank the following organizations for generously providing examples of responses to the criteria that those organizations submitted in previous applications:

Fort Stewart and Hunter Army Airfield, Georgia
Fort Bragg, North Carolina
Georgia Army National Guard

Please note that these examples are provided to demonstrate a technique for assessment and responding to the criteria. The examples do not represent a 100% score.

Appendix B Contents

NOTES

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Appendix B

1.0   LEADERSHIP

1.1 Senior Leadership
1.1a Vision and Values

(1)   Values, Directions and Expectations. Our Senior Mission Commander (SMC), Garrison Commander (GC) and other Senior Leaders set the organizational **vision during the strategic planning process. (Figure 2.1.1 Step 1)** The leadership at Fort Stewart/Hunter Army Airfield (FS/HAAF) has adopted the Department of the Army's (DA) and Installation Management Agency's (IMA) values (Figure 0.4).   These values are deployed down through the Leadership System, employees, key supplies and partners and to the customers through the strategic planning process also depicted in Step 1, Figure 2.1-1. Our Senior Leaders have also emphasized the Malcolm Baldrige National Quality Award core values and concepts, Figure 1.1-1, as embedded beliefs and behaviors that promote high performance throughout our Garrison and are required for success. All of our Senior Leaders live these values and thereby set the example for the workforce to follow.

MALCOLM BALDRIGE AWARD CORE VALUES AND CONCEPTS		
* Visionary Leadership	* Agility	* Social responsibility
* Customer-driven Excellence	* Valuing employees and partners	* Focus on results and creating value
* Organizational and personal learning	* Focus on the future	* Systems perspective
	* Managing for innovation	* Management by fact

Figure 1.1-1

Senior Leaders use our Performance Management and Measurement System (PMMS) process, Figure 1.1-2, to deploy and communicate our short-term (less than ten years) and long-term (ten years or longer) **organizational directions and performance expectations**. The setting of goals is a cyclic process that involves year-round review and updating of the Garrison Strategic Plan (GSP) developed at the Garrison's annual Strategic Planning Workshop (see paragraph 2.1a(1)). The triangle in the forefront of Figure 1.1-2 depicts the people, forums, and subsystems involved in the PMMS. The triangle in the background depicts the products produced by the people, forums and subsystems at the same level on the triangle in the forefront.
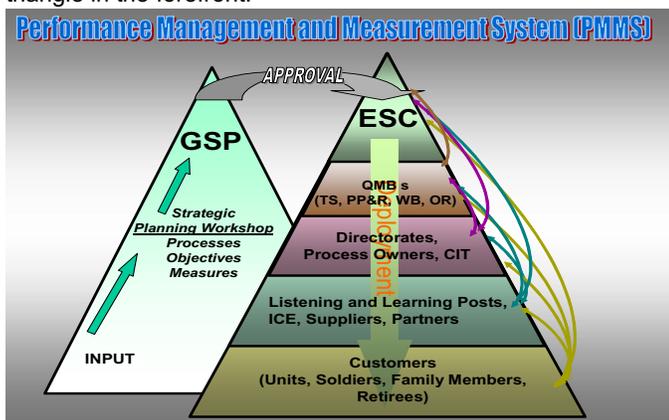
Figure 1.1-2

The PMMS is comprised of our Senior Leadership, Executive Steering Committee (ESC) (hereafter referred to as ESC), Quality Management Board Performance Management Reviews (QMB) (hereafter referred to as QMB), Directorates, Installation Support Offices, Garrison Management and Control Offices, process owners, Continuous Improvement Team (CIT), suppliers, partners, Interactive Customer Evaluation (ICE) system, Listening and Learning posts (L&LP), and our customers. These bodies, systems, and individuals work together in a synergistic manner through the PMMS to move the Garrison forward toward achieving the expectations expressed as our organizational goals.

(2) Promote an Environment that Fosters and Requires Legal and Ethical Behavior. The Senior Leadership requires **legal and ethical behavior** and fosters it through setting the example; through briefings and education programs directed at our soldier and civilian employees; through contractual obligations for contractors; through the Army's Management Control Process for supervisors and managers; and through annual written certification, a Confidential Financial Disclosure Report (OGE Form 450), by those who commit funds or influence the expenditure of funds. (Step 6)

(3) Create a Sustainable organization. Sustaining the organization is accomplished by creating an Environment for Empowerment, Innovation, and Agility. Succession planning and sustainability are directly linked to our QMBs and are embedded into the GSP.   A series of sustainability workshops were conducted and led by senior leaders to ensure the process is in place and is being implemented. The GC consistently stresses the empowerment of employees, the need for innovation, the need for organizational agility to accommodate Army Modularity and Standard Garrison Organization, the requirement for legal and ethical behavior, and the importance of organizational and employee learning. (Step 1) He promulgated an Empowerment Statement that encourages each employee to meet customer requirements, and a "Permission Slip", Figure 1.1-3, which encourages employees to be **innovative** and implement warranted change, as long as it is legal and ethical.   The Empowerment Statement and "Permission Slip" also provide management the agility to take care of business as requirements become known, and to project new requirements based on mission, organizational changes, and customer requirements. Our Leadership capitalizes on opportunities for innovation by ensuring all stakeholders have input via open-communication and information sharing through various councils. (Step 2) A list of the most frequently occurring councils is provided in Figure 3.1-1.

Also, the CIT is chartered to facilitate continuous improvement of the Garrison's systems and processes using the Malcolm Baldrige National Quality Award criteria as a guide.   The CIT consists of representatives from all major directorates, agencies, tenant organizations, and the union.

Organizational learning is encouraged (Step 3) through the Garrison Commander's Leadership Lecture Series, the offering of courses such as the Army Performance Improvement and Malcolm Baldrige Criteria Writers Courses, the Performance Measurement and Practical Application Course, and through the various PMMS processes.

Our PMMS has created an environment in which our workforce looks to the future.   To encourage employee learning, the FS/HAAF Human Resource Development Management (HRDM) Plan, part of the GSP, contains a Workforce Professional

development Guide that provides for the training, developing, and maintaining of a diverse, multi-skilled, technically competent workforce for the 21st Century. (Step 4) Garrison military personnel receive training under centralized Army training programs geared to the Soldier's military occupation specialty/branch. Our approach to employee training is reinforced through the Total Army Performance Evaluation System (TAPES) and OER/NCOER systems (paragraph 5.1b).

FS/HAAF
Garrison Commander's
PERMISSION SLIP
ASK YOURSELF:
· IS IT THE "BEST VALUE" FOR THE CUSTOMER??
· IT IT LEGAL AND ETHICAL??
· IS IT DOABLE??
· AM I WILLING TO STAND UP AND FIGHT FOR IT
  AND TAKE FULL RESPONSIBILITY??

If the answers are "Yes", don't ask
Permission...You already have it!!
JUST DO IT!!
FS/HAAF GARRISON
"FORT STEWART AFTER NEXT"
CUSTOMER FOCUSED SERVICE

Figure 1.1-3

The environment for empowerment, innovation, organizational agility and employee and organizational learning is reinforced through formal meetings, formal processes, and one-on-one motivation. Our formal processes and meetings include those listed in Figure 3.1-1, Key Listening Posts/Access Mechanisms, and Figure 4.1-5, Modes of Information Deployment.

Two local award programs, the "Anti-Dumb Things" award telephone line (767-6ACT) and the GC's Process Improvement Award, emphasize empowerment and innovation and recognize employees who exhibit these qualities.

1.1 b. Communication and Organizational Performance.
(1) Senior Leaders communicate organizational values, direction, and expectations throughout our leadership system and to our workforce, suppliers, and partners using the PMMS process (via the briefings, discussions, open decision-making processes, and minutes associated with the operations of the ESC, QMBs, Continuous Improvement Team (CIT) and Strategic Planning Workshop) and various other methods (such as the FS/HAAF newspaper, *The Frontline, etc.*). Participants in these forums become quite familiar with our strategic direction and our leadership's expectations for organizational performance (Step 1). Participant's in-turn inform their chain of command (Step 2). Other methods (Step 3) used to communicate values, directions, and expectations, and to ensure each member of the workforce understands his or her responsibilities include: promulgating the GSP, conducting State-of-the-Garrison briefings*, conducting leader training programs*, giving new employee orientations*, using civilian and military performance appraisal systems*, sending e-mails*, conducting staff meetings*, giving briefings*, postings on the PAI Office website, and distributing the poster depicting our Mission, Vision, Values and Processes, the "WHERE DO YOU FIT?" poster. Two-way communication is also encouraged in the methods listed above that are followed by an asterisk (*).
(2) Senior Leaders personally **focus on creating and balancing value for customers and other stakeholders** by

being role models, first and foremost, and through the QMB/ESC process of the PMMS. The PMMS is based on listening to customers and giving them a voice in Garrison decision making. Customer group representatives are voting members of the QMBs and express their requirements in those forums. Senior Leaders also listen to our customers and stakeholders through our listening and learning posts and other forums (Figures 1.1-2 and 3.1-1) and bring any concerns gathered at those forums before the appropriate QMB. At the QMB, either a customer of, or the Director responsible for, the process presents customer requirements, performance expectations, and the desired level of support for QMB consideration (Step 1 of the process). The meeting is then open for discussion (Step 2). QMB approved requirements and objectives are presented at the next ESC for consideration and approval (Step 3). At the annual Strategic Planning Workshop, the leadership of the Directorates and QMBs and selected staff review the GSP and incorporate new QMB approved objectives, measures and goals (Step 4). Then the revised GSP is presented to the ESC for approval (Step 5). The Plans, Analysis, and Integration (PAI) Office promulgates the revised GSP to the workforce via the Intranet (Step 6).

1.2a Organizational Governance
(1) Senior Leadership uses the reporting that is part of the PMMS process and the Management Control Process contained in Department of the Army (DA) Regulation (Reg) 11-2 to address **management accountability for the organization's actions, fiscal accountability, and protection of stakeholder interests**. Each QMB and the ESC meets quarterly. At the meetings, the leadership as well as the membership is briefed by process owners, Directors, and others on Garrison performance in respect to all Key Value Creation Processes (Key Processes) (KP) and Key Support Processes (KSP) (Step 1). The QMB or ESC directs corrective action(s) and requires reports on the action(s) result(s) (Step 2) for performance not up to standard. The Management Control Process (Step 3) requires several levels of supervisors and managers to make periodic reviews (annual review for some programs; review every two, three, four or five years for other programs) of programs and processes, and to certify that the programs' and processes' performance meet or exceed standards. If program or process performance is outside of acceptable performance, the responsible manager establishes actions to bring it back into acceptable limits and includes those actions with the certification. Certifications are forwarded through command channels to the DA.

Garrison fiscal accountability is achieved through Resource Management Office (RMO) personnel making a daily review of funds to ensure that both the direct and funded categories equate to funding authorization documents by type. The RMO personnel also review automatic reimbursements to ensure that earnings do not exceed the established reimbursement ceiling. RMO personnel research any discrepancies and resolve them immediately. In the RMO, budget personnel are responsible for funding and verification of correct processing; accounting personnel check funding reports and address any noted discrepancies. Department of Defense (DoD) Defense Finance

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Appendix B

U.S. Army Garrison, Fort Stewart and Hunter Army Airfield

and Accounting System (DFAS) personnel review our Garrison RMO reports and notify RMO of problems.

The Garrison also has an Internal Review and Audit Compliance Office (IRACO) that conducts **internal audits** of Garrison programs and processes. The Garrison is also subject to **external audits,** such as audits by the Army Audit Agency (AAA) or Environmental Program Assessments. Senior Leaders use reports of audit findings to initiate corrective actions.

The PMMS process **protects stakeholder interests** through thorough discussion and evaluation of customer requirements. In addition the customer membership on the QMBs and ESC, provides an objective process for evaluation and prioritization of projects intended to improve process performance (OMNI, see paragraph 1.1c(3)). The results are the continued sharing of direction, measurements, and goal information with the stakeholders' involvement.

(2) Review and Assess Performance of Senior Leaders. Figure 1.1-4, lists important key leader review forums, the chairman for each forum, forum members, and the frequency of meetings. In our PMMS, Senior Leaders use the QMB and the ESC forums to, in a disciplined, fact-based manner, systematically **review organizational performance**, the status of progress toward strategic objectives, and, as appropriate, to introduce new objectives, revise timelines, or alter priorities to accommodate changing requirements and secure future success.

Our QMBs manage all Key Value Creation Processes (Key Processes) (KP) and Key Support Processes (KSP), and the associated Performance Objectives (Step 1) Figure 2.1-1. During each forum's meetings, the status of each of that forum's processes' performance is briefed in as much detail as necessary to ensure members' understanding. The briefings address **competitor performance**, if data is available, for performance comparison (Step 2). Senior Leaders determine the status of each process' **performance relative to** the Garrison **goal(s)** and if additional actions are necessary to improve performance (Step 3). Additionally, projects underway that will improve process performance once completed and proposed projects are briefed. Finally, the forum prioritizes these proposed projects (Step 4). The PMMS process both demonstrates and enhances the Garrison's ability to respond to **changing Garrison needs**.

The QMBs and the ESC view overall status of Key Process and Key Support Process Objectives performance by the use of the "Chicklet Charts," a quick, succinct way of portraying the status of a Key Business Driver (KBD), the Key Processes and/or Support Processes, and Performance Objectives that support our performance of that KBD. For example, Figure 1.1-5 is the Chicklet Chart for the PP&R KBD briefed at the 13 June 2005 ESC. The performance statuses are shown using the Color Coding System in Figure 4.1-1. The KBD status is shown at the top of the Chicklet Chart. Key Process or Key Support Process statuses are shown in boxes below the KBD title. Performance objectives statuses are shown within the appropriate Process box. Results that support the statuses shown on the Chicklet Chart are in Category 7.

For ease of reference, our Senior Leaders decided to number all processes, objectives, measures and actions related to a KBD as shown in Figure 1.1-6, the GSP Numbering System. (Note: The TS KBD is number 1, PP&R KBD is number 2, WB KBD is number 3, and OR KBD is number 4. The numbers do not indicate priority.)

(3) Findings Translated into Priorities. Senior Leaders **translate organizational performance review findings into priorities for continuous and breakthrough improvement of key business results** by using the PMMS. PMMS performance review findings that indicate a need for improvement or an opportunity for breakthrough improvement often result in a proposed project to improve performance (Step 1). The QMBs and ESC use a systematic process for sorting and prioritizing such projects based on their value to our mission (Step 2).

The primary tool in this process is the Organizational Measured Needs Index (OMNI), developed here at FS/HAAF. The OMNI is used to rate a project based on seven criteria: Impact on Training Mission, Impact on Power Projection and Readiness Mission, Impact on Well Being/Soldier Retention, Impact on the Environment, Return on Investment, and Capital Investment Strategy. The project is given a fact-based, weighted score for each criterion (Step 3). Experts validate that score before the project's presentation at the appropriate QMB (Step 4). The QMB priority ranks the project by comparing the OMNI score of the project with the OMNI score of other projects, with the highest OMNI score getting the highest priority, the second highest score getting the second highest priority, etc (Step 5). The QMB, independent of the OMNI scores, ranks the projects according to perceived importance (Step 6). Then, the QMB adds together the ranking of the project based on the OMNI score and the QMB ranking of the project to arrive at the joint priority ranking (Step 7). In this system, the lower the joint score, the higher the project priority. This weighted objective analysis is a tool used by the PMMS to maximize results from our limited resources.

Organizational performance review findings, priorities, and opportunities are **deployed throughout the workforce** via the PMMS, staff meetings, etc. **Deployment** begins at the QMB. QMB members/process owners develop action plans associated with each process change or project, ensuring all applicable suppliers, partners, and customers are involved throughout the process (Step 1). Because these activities are conducted within the PMMS, the activities are completely **aligned with the GSP**. Directorates deploy all information pertaining to action plan requirements throughout their directorate via discussion by leadership at staff meetings, by e-mail, by one-on-one discussion, and by written guidance (Step 2).

(4) Evaluating and Improving Leadership and the Leadership System. The **evaluation** of Senior Leader performance occurs within the PMMS at every QMB and ESC. This is accomplished through a close look at results, analysis of trend data, and an evaluation of guidance and performance received from all leaders to include Senior Leaders. The PMMS's customer-focus emphasizes our customers' requirements and depicts our organizational success in addressing them. It also addresses our performance relative to measures important to our customers and relative to operational performance in terms of effectiveness,

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efficiency, and accountability measures, such as cycle time, waste reduction, regulatory compliance, and community involvement. All of these performance results reflect upon our Senior Leaders' performance.

KEY SENIOR LEADER PERFORMANCE REVIEW MATRIX			
FORUM	CHAIR	VOTING MEMBERS/NON-VOTING MEMBERS	FREQ
ESC	SMC	ADC-S, ADC-M, GC, DGC, GCH, CofS, Div CSM, DHR, DMWR, DES, DPW, DOIM, DOL, DPTMS, RMO, All MSC Cdrs / PAI, PAO, RSO, DOC, ILO, EEO, IRACO, IGO, ISO	Quarterly
PP&R QMB	ADC-S	ADC-S, GC, Dep GC, GCH, DOL, Dep GCH, all MSC Cdrs, DPTMS, DPW, DOIM, RMO, DES, DHR, ISO / PAI, Div Comp, Partners & Suppliers	Quarterly
TSQMB	ADC-M	ADC-M, GC, DPTMS, Dep GCH, All MSC Cdrs, DPW, DOIM, DOL, RMO, DES, DHR, 4/87 TSB / PAI, Div Comp, Partners & Suppliers	Quarterly
WBQMB	GC	DGC, DMWR, GC (H), DivArty Cdr, GCH, Div CSM, Garrison CSM, RSO, DPW, DOL, DES, DOIM, RMO, DPTMS, DHR, ILO, PAO / ACofS, G1; IGO; BOSS Rep; Customers; Partners & Suppliers	Quarterly
ORQMB	GC	DGC, RMO, PAI, DMWR, DPTMS, DOL, DOIM, DES, ISO, DPW, DHR, EEO, IRACO, HAAF Rep / Units, DOC, suppliers, Partners, Div Comp, Youth Challenge, 4th Bde, 87th TSB, NG Rep	Quarterly
Garrison PBAC	GC	GC, DGC, RMO, DOIM, DES, DPW, DOL, DMWR, DPTMS, GCH, Dep GCH, DHR, (PBAC only it reviews budget execution and recommends priorities)	Quarterly or as needed
Staff Mtgs	Director	Directorate staff	Weekly
GSP Workshop	GC	GC, Dep GC, GCH, Dep GCH, DPTMS, DMWR, DOL, DOIM, DES, ISO, DPW, RMO, DHR, EEO, IRAC, ILO / Cdrs, CSMs, Customers	annually,

Figure 1.1-4

Senior Leaders use the PMMS to focus on **improving their effectiveness and the effectiveness of our leadership system** (Step 1). Leadership also uses results from inspections, audits and internal reviews, and feedback reports based on our Organizational Self Assessment (Step 2) to evaluate the leadership shortfalls specified in these results and reports, and takes appropriate actions to remedy the shortfalls (Step 3). The Interactive Customer Evaluation (ICE) (see Category 3), our various Listening and Learning Posts, and an array of other forums and methods are utilized to solicit customer feedback provide input to the QMB/ESC Process that, in turn, provides our leaders with the areas for improvement that are most important to our customers. Some of these forums are listed in Figure 3.1-1. Our leaders use this data to implement process and strategy improvements. Two of the methods that leaders use are:

- The Total Army Performance Evaluation System (TAPES). This system involves one-on-one contact between employees and supervisors.
- Management by Walking Around.

From all of these various inputs, our Senior Leaders gauge the effectiveness of their leadership and make leadership system improvements where needed. One specific example of how leadership made an improvement through customer and/or employee feedback was that in FY 2001 the

performance information formerly briefed at the Review and Analysis (R&A) forum was incorporated into the QMB briefings, and the R&A was abolished. Leadership listened to the suggestions of R&A and QMB customers and made this change.
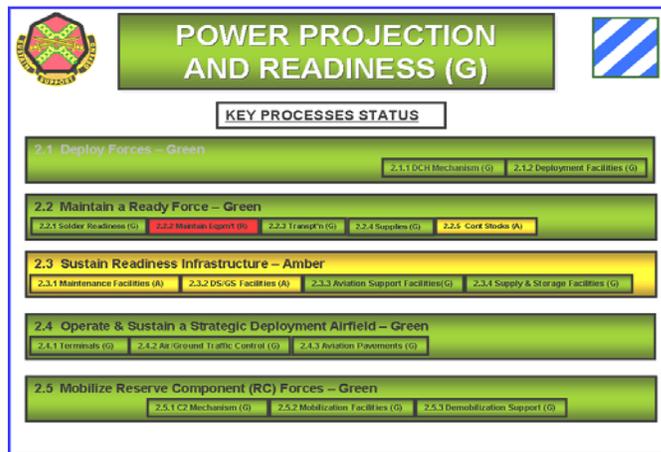
Figure 1.1-5

GSP NUMBERING SYSTEM	
X	Key Business Driver (KBD) (Core Competency)
X.X	Key Process or Support Process
X.X.X	Performance Objective (Strategic Objective)
X.X.X.X	Measure
X.X.X.X.X	Action Plan
Example:	
2	Power Projection and Readiness
2.1	Deploy Forces
2.1.1	Provide trained Command and Control Mechanism (DCH)
2.1.1.1	DCH soldier time (Deployment Assembly Area (DAA) to aircraft)
2.1.2	Prepare required deployment facilities and support
2.1.2.1	ISR 1 rating
2.1.2.1.1	Construct additional commercial truck loading ramps
2.1.2.5	Percent of Railroad tracks that meet railroad condition levels.
2.1.2.3	Percent of surfaced areas that meet pavement condition index (PCI).

Figure 1.1-6

1.2b Legal and Ethical Behavior

(1) Addressing Our Societal Impact. Our Senior Leaders address the **anticipated impacts of our products, services, and operations on surrounding communities** during the PMMS planning process and through processes established by the Public Affairs Strategy and Public Affairs Plan. Senior Leaders guide the Public Affairs Office (PAO) through a systematic process assessment of societal impact via weekly meetings that focus on community outreach projects (Step 1). The GC empowered the PAO to assess community impact and obtain community input for our strategic planning through joint planning meetings with key community leaders (Step 2). We emphasize our commitment to our key communities through these meetings; by proactively keeping the local communities informed via newspaper articles, radio and television announcements, and Marne TV broadcasts; by being accessible and participating in various community forums (Figure 1.2-1); by conducting semi-annual "Media Days"; and by our support to key community events (GSP Performance Objective 3.4.5, "Maintain situational awareness") (Step 3).

As good citizens, we maintain compliance with all Federal, State, local laws, and regulations. We regularly monitor our performance reference 618 inspection-points in 23 Environmental

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Program areas encompassing Compliance, Conservation, Restoration, Pollution Prevention, and Foundation. Our leadership took a proactive approach to **achieving and surpassing compliance, regulatory and legal requirements** by establishing Objectives for GSP Key Process 4.3, "Perform environmental stewardship", that ensure we meet or exceed regulatory compliance (Performance Objective 4.3.1); for GSP Performance Objective 4.2 to successfully conserve power; and for GSP Performance Objective 4.3.2 to reduce our waste stream by recycling, thus eliminating unnecessary volume in landfills. Neighboring communities, through partnering, use our recycling facilities. The Turner South TV Network featured our environmental program on April 26, 2004. The program "The Natural South" had a three segment feature entitled "Fort Stewart – Defending the Environment" that was a very favorable report covering, among other things, our Red-Cockaded Woodpecker program that has been so successful that we're exporting these birds to other forests, and The Nature Conservancy's program encouraging landowners bordering on Fort Stewart to place conservation easements on their property. **Key Processes, measures, and targets** for regulatory and legal requirements and **for risks** with our services and operations are shown in Figure 2.2-1. Results of these measures and awards received are reported in Category 7.6a.

(2) (a) Anticipating Public Concerns. Fort Stewart/HAAF recognizes that good community relations are very important to our ability to meet our mission and customer requirements. To address community concerns, we have established a Public Affairs Strategy and Public Affairs Plan (Step 1). One of the specific objectives of our Public Affairs Strategy is to appraise attitudes of the civilian community and of our command toward one another and adjust our strategies and plans accordingly to ensure a harmonious, active community working and planning together. The Public Affairs Office is tasked with monitoring the public statements of local community officials and printed comments in the local media, **anticipating public concerns in a proactive manner**, and advising leadership on courses of action to **proactively address these concerns** (Step 2a). Our QMBs evaluate and incorporate feedback from community sources into our strategic planning process as is outlined in paragraph 2.1a(1) (Step 3). Our GSP includes Performance Objective 3.4.5, "Maintain situational awareness," ensuring we remain responsible neighbors and good stewards of resources.

At the forums listed in Figure 1.2-1, our leaders and employees obtain feedback from local community leaders reference public concerns with current and future services and operations taking place on the Installation (Step 2b).

We enjoy a close relationship with the five counties that border Fort Stewart (Liberty, Long, Bryan, Evans, and Tattnall) and the county surrounding HAAF (Chatham). We maintain a proactive relationship with these communities and make them better places in which to live and work for our soldiers, their families, and our community neighbors (Step 4). One example of our commitment to being a good corporate citizen is our Directorate of Public Works (DPW) proactively evaluating and including diverse community concerns in business and

operational plans. The Goodwill Industries of the Coastal Empire awarded the "2003 Business Partner of the Year Award" to our DPW for continuous support by planning for and hiring of local citizens with disabilities. Another is our keeping local communities informed of our progress with our Residential Communities Initiative (RCI). Yet another example is the FS/HAAF Recycling Program which makes our Recycling Facility available to surrounding communities and counties.

INSTALLATION LEADERSHIP INVOLVEMENT WITH SURROUNDING COMMUNITIES		
ACTIVITY	LEADERSHIP MEMBER *	PURPOSE
Liberty Council	GC	Land use, roads, recycling, utilities design and planning
Chamber of Commerce	GC, GC (H)	Business concerns, and economic impact
YMCA	GC , Chief, Child and Youth Services	Recreational and health issues importance to school age youth
Rotary Club	GC, ADC-S, GC (H)	Social/community issues of mutual concern. Recognition of "Soldier of Week"
Liberty Co Planning Board	GC, Director of MWR, Chief Engineer	Master Planning projects of mutual interest and concern
Community/ School Sponsorship	Director of MWR School Liaison Officer	Local schools have a military unit sponsor. Unit Cdr coordinates soldier mentors, assistance with activities, etc.
Georgia Military Affairs Council	GC, DGC, GC (H)	Coordinate ways for the state of Georgia to partner with the military
Liberty County School Board	DMWR School Liaison Officer	Issues involving soldier and their families
United Way Board	GC, GC (H)	Fund distribution
American Red Cross Board	GC, GC (H)	Coordination of American Red Cross activities in support of soldiers and their family members
FS & HAAF Cemetery Councils	GC, GC (H), PAO Rep	Coordination of cemetery issues, requests, and burials
AUSA Board	IC, GC, PAO	Support of local military
Leadership Working Group	Dep GC	Promote active and informed leadership as essential element of successful community economic development
Coastal Workforce Services Board	C, ACAP	Provides job search and training opportunities
* = The Public Affairs Office attends when command group member cannot.		

Figure 1.2-1

(2) (b) Promote and Ensure Ethical Behavior. Ensuring Ethical Behavior Our leadership and workforce are committed to upholding the U.S. Government's Code of Ethics. The process of **ensuring ethical behavior in all stakeholder transactions and interactions** begins with Ethics Training during New Employee Orientations and expands to include strict compliance with Federal statutes, Army Regulations, and rules governing ethical conduct for Contracting Officer Representatives (COR's), Financial Resource Managers, Environmental Compliance and Protection, and Natural Resource Managers (Step 1). Our leaders reinforce ethical values (honor and integrity, Figure 0.4) during State-of-the-Garrison briefings, Town Hall meetings, Consideration of Others training, staff meetings, and in newspaper articles (Step 2). Military and civilian employees annually review ethics standards and certify they comply with them (Step 3). Supervisors discuss ethical behavior with their employees during annual performance appraisals and at TAPES mid-year reviews (Step 4). In addition, Ethics training that includes topics on professional and societal responsibility is provided to the entire workforce (Step 5).

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Additionally, based on our Workforce Training Committee's recommendation and specifications, the Defense Acquisition University developed a course, Contract Management and Performance Based Mission Support, and taught it at Fort Stewart in May 2004. The course included ethics training specifically designed for the workforce involved with handling contractors.

We monitor the following **key measures or indicators of ethical behavior:** the number of Standards of Conduct Office investigations of our JAG attorneys (figure 7.6-4), the number of prosecutions of Government Purchase Card (GPC) holders, the number of prosecutions for Uniform Code of Military Justice (UCMJ) ethics violations by officers, and the number of civilians prosecuted for unethical conduct (figure 7.6-5). We conduct training for new cardholders that includes their completion of an online DoD Ethics course before they may receive their GPC. Credit Card inspections are part of the Marne Inspection Program, and reports obtained from the CARE system show unusual spending and/or suspect charges/vendors.

1.2c Support of Key Communities

We **actively support and strengthen our key communities** thru our Senior Leaders' and workforce's participation in local boards, committees, and civic organizations, and serving in elected governmental positions. (See figures 1.2-1 and 7.6-6.)

Our leadership **identified and determined key communities and areas of emphasis for organizational involvement** by the community's proximity to Fort Stewart and HAAF and assigned unit responsibilities for support of local counties and schools in Annex C of the FS Public Affairs Plan. Our **key communities** are shown in Figure 1.2-2.

FS/HAAF KEY COMMUNITIES			
Camden county	Jenkins County	Emanuel County	Burke County
Candler County	Screven County	Bulloch County	Ware County
Effingham County	Bryan County	Chatham County	Glynn county
Liberty County	Long County	McIntosh County	Bacon County
Treutlen County	Montgomery County	Toombs County	Wayne county
Tattnall County	Jeff Davis County	Appling County	
Charlton county	Brantley County	Pierce County	

Figure 1.2-2

We **contribute to improving these communities** by strengthening emergency services/preparedness, addressing environmental concerns, supporting local schools, participating in joint planning and the resulting projects, sharing recreational facilities, opening entertainment events to the general public, supporting and/or participating in local community events (see Figure 7.6-9), partnering with community hospitals, contributing to charities, and providing speakers for various programs.

For example, we share the potential for contingencies. A fuel spill is as much a concern for the surrounding community as it is for us. We maintain a Spill Contingency Team to ensure any spills are contained. The Garrison maintains safe-haven facilities and service teams in the event of a hurricane. We have mutual fire protection agreements with the Georgia Forestry Commission, the City of Richmond Hill, and Chatham, Evans, Liberty, Long, Tattnall, and Wayne counties.

We also share the environmental concerns of our neighboring communities. HAAF air controllers limit military aircraft right-of-way noise to a minimum, and our recycling center processes recyclable materials (GSP Objective 4.3.2) from surrounding municipal and industrial sources and local citizens.

We support local schools and communities. Our Adopt-A-School program (GSP Objective 3.7.5) links Army units with local schools to provide assistance and foster understanding. The Adopt-A-Community program provides the same linkage to local communities. The PAO also arranges for the 3d Infantry Division (3d IN Div) Band, various unit color guards, static displays of military equipment, Military Police K-9 dog demonstrations, culinary arts teams for support of local community events, and TAIR support of local Army recruiting battalions. (Figure 7.6-9.)

Joint projects or commitments that result from our involvement with local communities are included as Performance Objectives and/or actions in our GSP. For example, we have a formal Joint-Use partnership with Liberty County to share our Wright Army Airfield (WAAF) facilities (GSP Action 2.3.3.1.4) with the overall intent being to provide efficient and practical airspace procedure to military and civilian aircraft operators at WAAF without compromising Fort Stewart's mission.

Other examples are the partnership between FS/HAAF and the University System of Georgia to offer college programs via local colleges and universities (GSP Objective 3.4.4); the Winn Army Hospital partnership with Liberty Regional Medical Hospital in Hinesville and St. Joseph/Candler Hospital in Savannah; our support of the nearest VA hospital, Carl Vinson VA Medical Center in Dublin, GA; the new FS Education Center (GSP Action 3.4.4.1.1), a joint partnership of FS, Hinesville, and Liberty County, completed in 2004; and the FS Water Sewage Treatment Facility, one of our longest running partnerships involving Hinesville and Liberty County.

Community involvement extends to sharing our recreational assets with local residents. HAAF's Lotts Island Recreation facility was opened to the general public in June 2001 under a Memorandum of Understanding (MOU) with the City of Savannah. This partnership allows the public access to recreational areas, deep-water, and a marina. Additionally, two golf courses and three bowling facilities are open to the public. Our golf courses host approximately 50,000 rounds a year and 50 tournaments a year. The Golf Club Professionals conduct free lessons, and have active youth summer programs.

Fort Stewart/HAAF, a sportsman's Mecca, has fishing ponds, river landings, and hunting areas that make it one of the finest outdoor recreational areas in the state. We also open to the public entertainment activities such as golf tournaments, carnivals, concerts, community marathon, and open houses. Such events are well attended. However, community involvement doesn't end with social and recreational partnering. Our commitment to the community is to be a good citizen. The Combined Federal Campaign generates charitable contributions to local organizations, and our Chaplains Office's Toys-4-Tots Christmas gift collection collects gifts for needy children in the local area. Additionally, a cooperative agreement established in early 1940 regarding cemeteries existing before Fort Stewart was established is still ongoing. We continuously coordinate for individuals and family groups to host annual reunions and visits, place markers, and research family records and genealogy.

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Appendix B

Appendix B - APIC Examples

CATEGORY 2 – STRATEGIC PLANNING

2.1 Strategy Development

2.1a – Strategy Development Process

2.1a(1) – The General Staff (G-Staff) (Figure 1.1.1), as members of the Strategic Management Board (SMB) and Command and Staff Team (C&ST) (Figure 2.1.2), participates fully in the GADoD's strategic planning process. Following the three key developmental steps described in the Strategic Management Model (SMM) (Figure 2.1.1), strategy deployment begins with steps four through eight. Our strategic plan is a living document that is extensive in content and adjustable to internal and external changes (Figure 2.1.1). SMB members establish and articulate our Vision, Mission, and Values during the Strategic Planning Process. The SMB develops short and long-term planning timelines and horizons based on the assessment factors identified in Step 1 of the SMM. Higher headquarters' requirements are key drivers of timelines, which are further refined in action plans as program schedules and project due dates. Our short-term horizon is one year and our long-term horizon is three to five years beyond the current fiscal year.

The G-Staff translates SMB's goals, objectives, and action plans into GaARNG specific strategic goals and action plans using the short/long-term planning timelines and horizons. The G-Staff reviews and revises strategic goals and action plans annually.

2.1a(2) – The C&ST and SMB review the strategic plan on an annual basis, comparing information and data on short and long-term objectives, goals, and strategies. Data and information relevant to the key factors addressed below are gathered by staff directorates and major commands (ARNG, ANG, and SDF) and analyzed during the SMB meeting. We use various techniques, to include force field analysis, to ensure resulting strategies and action plans address key factors.

We benchmark with other states, the Army and Air Force, and other government agencies, to continuously update and improve our planning process. Our commanders, managers and senior non-commissioned officers have been receiving training in strategic planning through our Leadership Skills Enhancement Course since 1998.
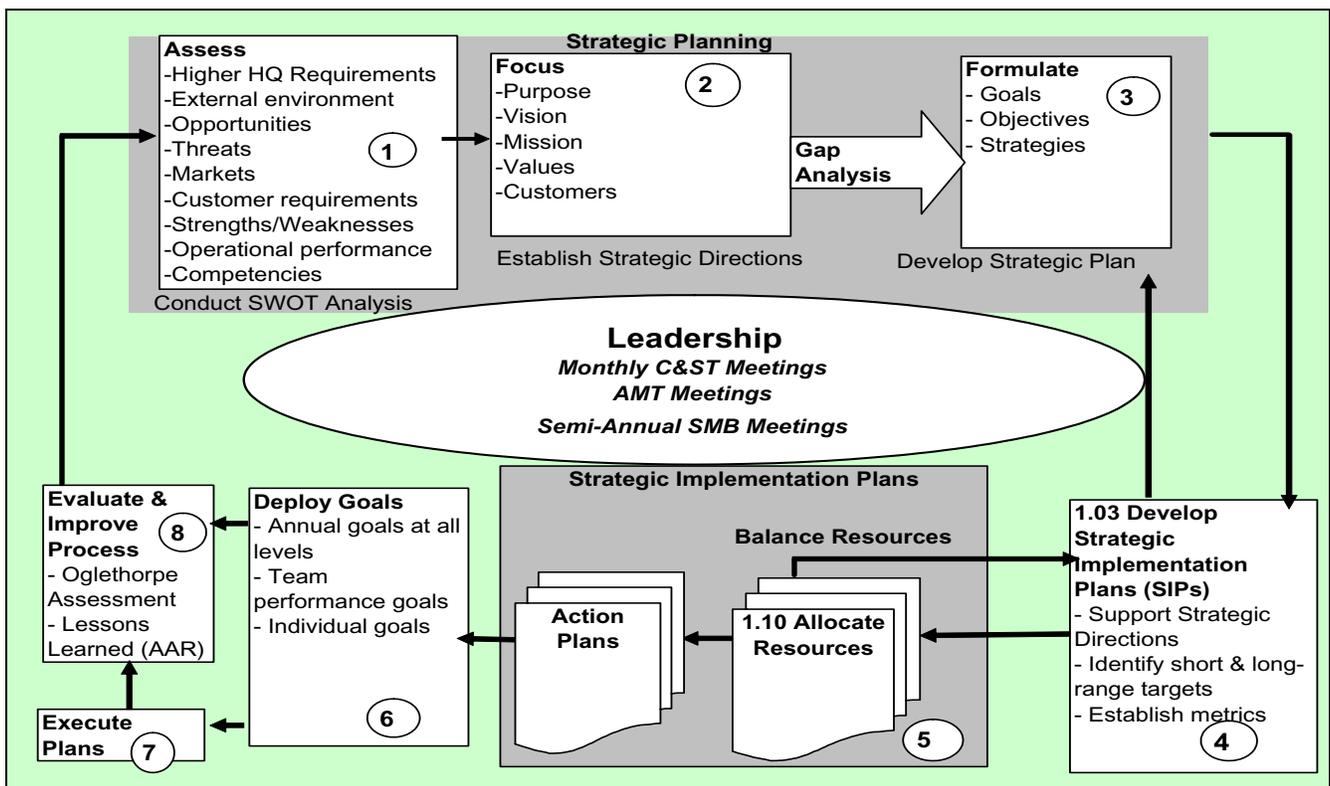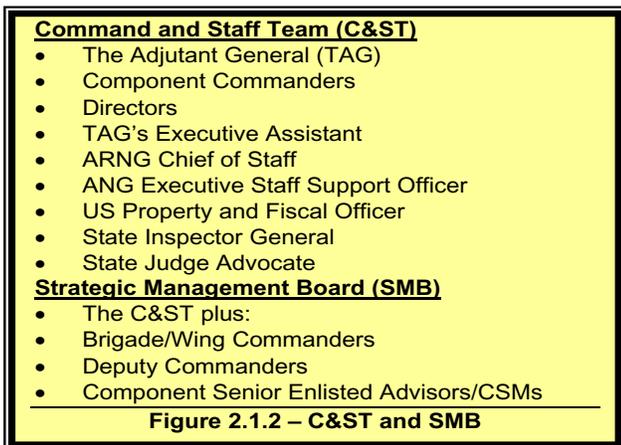

Figure 2.1.1 – Strategic Management Model (SMM)

Our market is segmented into three customer groups:

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Command and Staff Team (C&ST)
- The Adjutant General (TAG)
- Component Commanders
- Directors
- TAG's Executive Assistant
- ARNG Chief of Staff
- ANG Executive Staff Support Officer
- US Property and Fiscal Officer
- State Inspector General
- State Judge Advocate

Strategic Management Board (SMB)
- The C&ST plus:
- Brigade/Wing Commanders
- Deputy Commanders
- Component Senior Enlisted Advisors/CSMs

Figure 2.1.2 – C&ST and SMB
</div>

Federal government, state and local governments and communities. Our customers' expectation is for our military units to be available (Mission Readiness) when needed to perform their assigned military missions. Readiness of our units (the primary measure of customer satisfaction) is assessed and reported quarterly at Quarterly Readiness Councils (QRC). The SMB meets annually to review aggregated readiness data and organizational measures. The SMB identifies appropriate actions to ensure we continue to provide our customers a "ready" force that exceeds their needs and expectations. Figure 2.1.3 shows how Customer / market needs are analyzed while Figure 3.1.1 displays our customer requirements.

The GaARNG is in direct competition with the U.S. Army, the U.S. Army Reserve, and the ARNGs of the other 53 states and territories but we serve with them as part of the "Total Force". We compete against them for recruits, missions, equipment, and money. We compete with civilian industry for qualified personnel (part-time members). A prosperous economy and low unemployment means fewer available applicants. Therefore our recruiting programs are designed to address this competitive situation. We regularly evaluate our capabilities, relative to our competitors, when the data is available. At the current time comparative data is not available for most measures important to the GaARNG. In 2003, we began a partnership with the National Guard

Customer and Market Needs			
Types of Data	Sources (How gathered)	How analyzed 4.1b	Who Owns
Training Guidance	Higher HQ	Compare to BSC	Process Owner
Readiness	Higher HQ	Compare to BSC	Process Owner

Figure 2.1.3

Georgia Army National Guard

Bureau to field the Strategic Readiness System management initiative. Georgia, along with the state of North Carolina, has been providing Pilot data to NGB to create a data repository of Balanced Scorecard measures to be used in comparing operations among the National Guard force. This system is in the development phase and should be fully deployed within the next 18 months. Currently, comparative data is gathered from various sources and our performance is compared to the NGB average and with ARNG organizations within the Southeastern states. Short-term objectives (3-5 yrs) is to become "best in class" for all ARNG units in the southeast U.S. with the long-term goal (5-10 yrs) of "best in class" for all ARNG organizations (Para. P.2).

NGB collects and distributes information on the relative performance of the various state and territory's National Guard units. Senior leadership uses this comparative data in the development of strategy and action plans. GaARNG leadership uses comparative data from the NGB recruiting office to develop recruiting and retention strategy and action plans (OPLAN 1). One of our key competitive advantages is the capability to respond in times of need to federal, state, and local agencies, while maintaining a highly cost-effective product. The GaARNG supports the Federal mission to provide combat ready, mission capable forces available for prompt mobilization for war. We also stand ready to assist with other national, state, or local emergencies. Our "Community Based" force trains and receives pay for approximately 63 days per year versus 365 for the active Army. The need for and dependence on our organization has increased over the last ten years due to the reduction of the active component forces. Opportunities to support higher headquarters directed missions create an organizational presence and recognition on a national level, while providing the opportunity for increased recognition in our state and local communities (Figures 7.5.13 – 7.5.17).

External forces, such as technology, are analyzed in Step 1 of the SMM. Specific members of the C&ST are assigned responsibility to monitor the external environment. Since changes can occur at any time, we pay close attention to our customers using the feedback mechanisms described in Figure 3.1.1. The quarterly Command and Staff meeting is the forum for addressing these factors.

The SMB conducts an annual SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis to determine organizational strengths and weaknesses and to identify external opportunities and threats. The SWOT includes an assessment of our partners and suppliers. The Office of Organizational Development (OD) receives a SWOT analysis from each of the Army units prior to the SMB.

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Analyses are aggregated by the OD and presented to the SMB during the "assess" step of the SMM. The SMB compares our strengths and weaknesses to our opportunities and threats. This process enables us to identify critical success factors and obstacles for which we then develop strategies and action plans. An example of a recent SWOT is in Figure 2.1.4. We are partners with the Army, several State agencies and local businesses. The mission requirements of the Army and State directly impact the GaARNG. The active Army provides key supplier-like services in the form of equipment, funding, and missions. Our quarterly Unit Status Reports (USR) which compares data elements of our personnel, equipment on hand, equipment serviceability and training, address the adequacy of this support as well as continuously monitoring equipment readiness, modernization, and force relevance.

State partners include the agencies that provide for response in the wake of natural or man-made disasters. Locally, we have partnered with National Reprographics and Prime Office Products, providers of office products, computer supplies, etc. The purchasing and contracting office has negotiated a 10-40% discount off the GSA list price, base on volume purchases. We measure partner and supplier performance based on cost avoidance, cycle time, error rate, and improved quality of life. The C&ST and the SMB review supplier and partner performance during SMB meetings. Significant risks (threats or opportunities faced by the GaARNG) are identified in the SWOT assessment and include: customers, mission readiness, people, and resources.

As a result of U.S. DOD downsizing and the nearly simultaneous increase in active component commitment worldwide, there is greater dependence on the ARNG to perform more of the traditionally active component missions. This increased dependence on the ARNG to conduct more deployments of longer duration raises the risk that the citizen-soldiers will no longer be able to balance family, job, and military service. Each of these risks is carefully monitored and analyzed through our continuous SWOT process so that timely action can be taken to reduce the impact. The SMB evaluates and improves the strategic planning process following each SMB meeting (Step 8 in Figure 2.1.1). SMB members review the lessons learned during each cycle to identify improvements and develop action plans to implement changes. The Adjutant General uses the Georgia Oglethorpe Assessment Instrument (Malcolm Baldrige) to assess the overall strategic management process. The resulting feedback report guides the implementation of strategy development and process improvements.

TAG leads the C&ST in developing improvement plans. The CG oversees his portion of strategy development and implementation.

***Redirecting resources** –our resource decisions are based on thorough analysis of the relative risks and benefits of available options.* An example of this is our Installation Status Report (ISR) which assesses the condition of our facilities. The Facility Board prioritizes construction resources using the ISR semi-annually. Resources are then redirected from other program areas to support the priorities. At the present time we are unable to assess the impact of the national or global economy.

2.1b – The SMB develops strategic objectives through an analysis of customer requirements and operating environment (Step 1) to support four strategic perspectives: People, Mission Readiness, Customers, and Resources. We have adopted the Army National Guard and the GaDoD Strategic goals and developed the GaARNG mission, vision and values. The GaARNG objectives are linked to the GaARNG and GaDoD goals.

2.1b(1) – In Step 3 of the SMM, The Strategic Planning develops strategic objectives to accomplish our strategic challenges/ perspectives. Objectives, target goals and process owners are identified. Figure 2.2.1 demonstrates the Georgia Army National Guard's Strategic Map. Strategic Objectives are identified in the bubbles and are aligned with our Strategic Perspectives as indicated on the left hand side of the map. The alignment of strategic perspectives, strategic objectives, target goals and measures, process owners, and action plans are identified in Figure 1.1.6, the Georgia ARNG Balance Scorecard.

Strategic Challenges	Strategic Objective	How Addressed
Customers (Business)	Provide Ready Units Support Civil Authorities / Homeland Security	Form Deps GA OP-Plan 500-1 GA OP-Plan 500-1
Mission Readiness (Internal)	Man the Force Train the Force Equip/Sustain the Force Provide Information Provide Infrastructure	GA OP-ORD 1 YTG AR 220-1 BSC Real Prop Strat Pln
People (Human Resources)	Improve Employer Relations Enhance Well-Being Provide Recognition	ESGR SOP Care for employees GA HRR 451 GA HRR 451
Resources (Sustain)	Secure Resources Efficiently Manage Resources	Funding Guidance PBAC USPFO Auditing

Figure 2.1.4 Addressing the Challenges

Georgia Army National Guard

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2.1b(2) – Strategic goals, objectives, process owners and example measures have been developed to address the challenges identified in our Organizational Profile. These items are aligned with the NGB Strategic Priorities as addressed in LT GEN Blum's (NGB Director) State Directive. Figures 1.1.6 and 2.2.1 illustrate the alignment of objectives with our strategic challenges. The SMM is designed to develop strategies that consider and balance the needs of all our customers. Step 1 (SWOT analysis) of the strategic planning process includes assessing our customers needs and requirements. Senior leaders focus on these customer needs and the organizational mission. An internal assessment of performance evaluates how well we are satisfying those needs. Strategies are developed (Figure 2.1.4) to ensure that we meet our personnel requirements and resource requirements are met, responsibility is assigned, action plans are deployed, and progress is tracked and reported.

2.2 Strategy Deployment

2.2a – Action Plan Development and Deployment

2.2a(1) – The senior leadership deploys action plans to subordinates, where the planning process is implemented. Leadership is the key element for deploying strategies in the GaARNG. Commanders at all levels are responsible for implementing the strategies developed by the SMB and the priorities established by the TAG. Senior leader champions (Commanders Directors, or GaARNG Staff, Figure 2.1.2) are responsible for ensuring that appropriate process owners develop Strategic Implementation Plans (SIP). In the SIP, goals, process owners, objectives, and measurements in the strategic plan are defined (Figure 2.2.1). Process owners are responsible for developing the supporting action plans. In developing our actions plans we utilize the Army Decision Making Process. Resulting action plans are aligned with the strategic goals and objectives to accomplish the mission and achieve the vision set by the TAG and senior leaders (Figure 1.1.6). Process owners are responsible for tracking action plan progress and reporting the status to the TAG at C&ST meetings and at the semi-annual SMB. Responsibility for corrective action is assigned to the appropriate leader with a deadline for completion. Federal resources are allocated by the chain of command using the ARNG Program Budget Advisory Committee (PBAC) who monitors expenditures and allocate the funds necessary to implement SIPs.

State resources are allocated using the Georgia Results Based Budget (RBB) process. In this process we link state funding to specific programs (key objectives) defined by the GaDoD Strategic Plan. Resources are prioritized to specific action plans based on the results of the SMB.

The SIP identifies what resources each process owner needs and those resources are prioritized within the organization (Figure 2.1.4).

2.2a(2) – If circumstances require a shift in plans and the rapid execution of new plans, Process Action Teams are formed to review the new customer or stakeholder expectation. A new process or action plan is designed using the Process Design model found in Figure 6.1.2. New plans are then briefed to the senior leadership team ad hoc staff meetings for implementation to the field. Performance measures are identified and performance is reviewed in the performance review cycles as discussed, in para. 1.1b(2).

2.2a(3) – Our key short-term and long-term action plans are developed from information and guidance received from our customers and stakeholders. Figure 2.2.1, Step 1, links customers, stakeholders and the GaARNG's strategic objectives to our strategic goals and identifies process owners. Both key short-term and long-term action plans were reviewed and refined during the fall 2005 SMB meeting and were the basis for our current action plans. The plans are continually being reviewed, analyzed and revised with the assistance of members of our organization to be responsive to rapid changes in customer and stakeholder expectations. Ad hoc Senior Leader Command and Staff meetings allow our organization to be fast, focused, and flexible to adjust to customer requirements.

2.2a(4) – Our key human resource Value Creation Process is found under our Mission Readiness Perspective and are driven by a key process which is man the force. Our plan is to convert strategies into results through OPORD 1 which directs the GaARNG action plans. The G-1 is the champion responsible for the execution of action plans that will affect our long-term readiness. Key Human Resource support objectives support the strategic perspective "People" which has a four-fold thrust: Enhance Well Being, Provide Recognition, Develop Leaders for the future and Improve Employer Relations.

2.2a(5) – The key performance measures/indicators for tracking the progress of action plans are identified in Figure 1.1.6 Our organization assigns the appropriate process owners for each of these priorities. The process owners develop the action plans, which included milestones, action steps, deliverables, resource requirements, and a link to the specific objective(s) supported by the action plan.

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Annual goals are set during the strategic planning process in the SMM and then executed. The SMB and the G- Staff review the performance measures as found in the Balance Scorecard system to ensure that it is fully deployed to all appropriate levels of the organization and covers all stakeholder interests. The final step of the cycle occurs with evaluation and process improvement. AARs, lessons learned, and the Georgia ACOE assessment assist senior leadership to ensure organizational alignment and that all key deployment areas and customer requirements are integrated into our daily operations.

2.2b – Key performance measures identified in para 2.2a(5) are identified on our BSC as found in Figure 1.1.6.

Key performance expectations are identified in para 2.1a(2) as being the best in the southeast region as our short term goal of 3-5 years and the "best in class" of all ARNG organizations as our long term goal in 5-10 years. Our performance projections are based on historic data from past performance of the GaARNG and our SWOT analysis and market capabilities as identified in the Strategic Planning Model, (figure 2.1.1).

The Global War on Terrorism (GWOT) is creating a major impact on our performance expectations but our competitors are experiencing the same challenges. Intensive lobbying efforts with our stakeholders and suppliers to correct deficiencies are on going and planned to mitigate the impact of the GWOT.
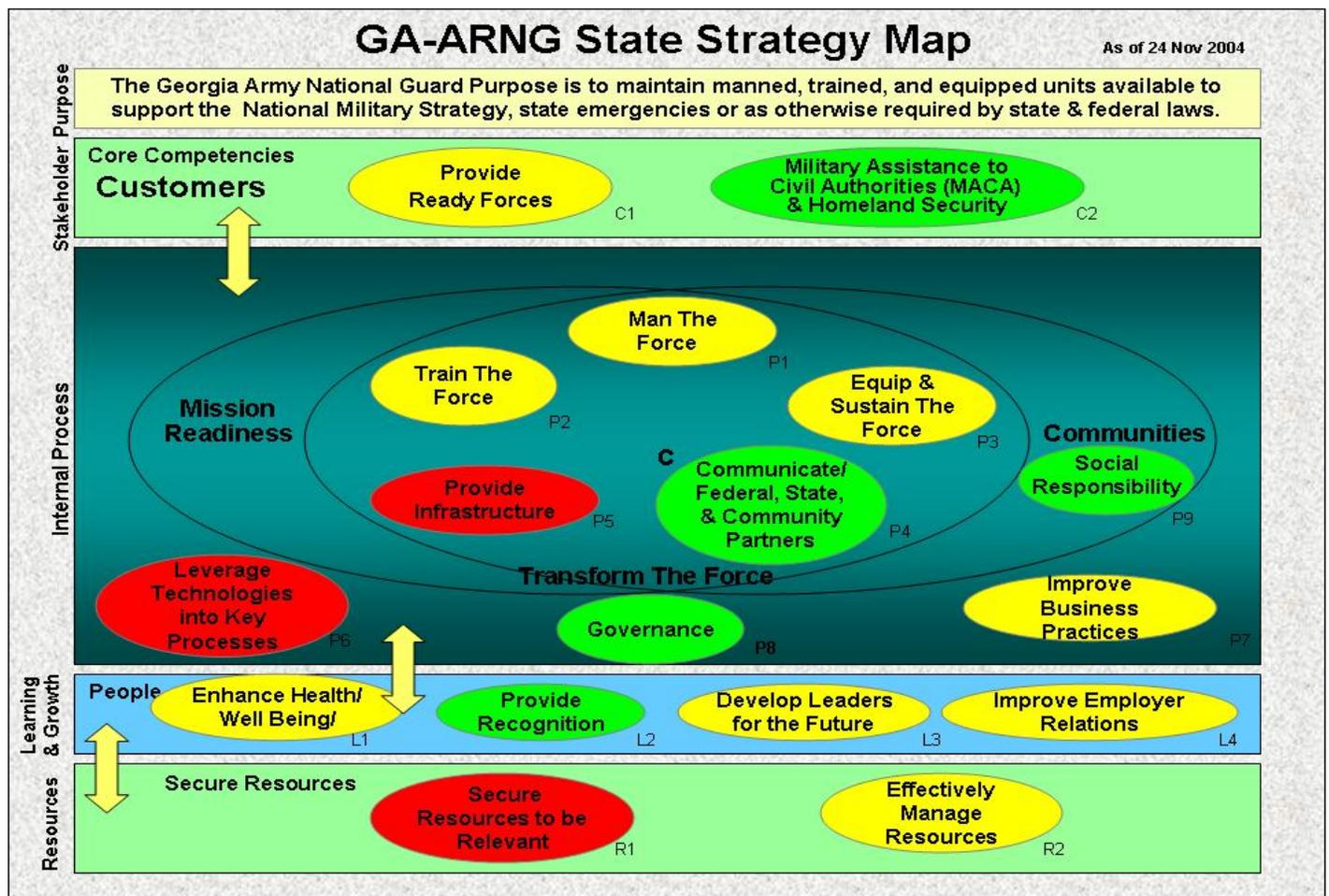

Figure 2.2.1 – Strategic Map

Georgia Army National Guard

U.S. Army Garrison, Fort Stewart and Hunter Army Airfield

3.0 CUSTOMER FOCUS

3.1 Customer and Market Knowledge
3.1a Customer and Market Knowledge

(1) Determining and Targeting Customers. The Department of the Army (DA) stations Active Component (AC) Army units and soldiers at Fort Stewart/Hunter Army Airfield (FS/HAAF) based upon mission requirements. So, most of FS/HAAF's **key customers**, Units and Soldiers, **are selected** by DA to train here to execute a wide range of missions, to be readied for deployment, and to deploy anywhere the National interest dictates. DA also selects FS/HAAF to deploy other AC units and soldiers, and to mobilize and deploy Reserve Component (RC) units and individual reservists. RC units may select where they train, and many select FS/HAAF. Our Coordinator of RC Support **targets potential RC customers** by aggressively marketing our training facilities and services at the Continental U.S. Army (CONUSA) sponsored Annual Training Scheduling Conferences.

Conversely, customers (all customer groups) of Well Being (WB) facilities and services are not mandated to use them, so **we actively market our facilities and services** both to **on-base customers and to off-base customers of our local Well Being customers of competitors** through print media, such as the Leisure Guide magazine, Frontline newspaper, and flyers; Electronic Reader Boards and signs both on-base and off-base; and through radio and television (FS/HAAF, Hinesville and Savannah) and by conducting an annual Community Leaders Update.

(2) Determining Key Customer Requirements. Our leadership **listens to and learns from our key customers to determine their requirements and expectations** through various listening posts and surveys (Step 1). Some listening posts are attended by representatives of all customer groups, while other forums are attended by representatives of just one or a few customer groups. We also use surveys and meetings with local community leaders to determine local community citizens' needs. The QMBs incorporate (Step 2) those customer requirements and expectations into our Garrison Strategic Plan (GSP) as performance objectives. Figures 1.1-6, 1.2-1, and 3.1-1 depict our primary key listening posts. **We use the same basic methods for all customer groups**.

To identify areas for improvement, our **leadership uses information from the Interactive Customer Evaluation (ICE) system, surveys, Listening and Learning Posts, and the Dial the Boss complaint system.** Results from all these systems/forums are analyzed by Process Action Teams (PATs) to determine areas for improvement. Systemic changes are made based on PAT results.

Customer requirement surveys are our primary method for determining key services and their importance to our customers. A variety of formal surveys are conducted at FS/HAAF. Once survey data is presented at a QMB, the QMB develops a Process Action Teams (PAT) as a follow-up forum for issues requiring validation. Our QMBs use Parent, Youth

and Staff Surveys, a separate Parent Survey, and entry and exit level surveys to listen to the requirements of our incoming, potential, and former customers and to determine their satisfaction level.

Directorate personnel routinely survey customers through "face-to-face" meetings, customer comment cards, and exit surveys. Directorates use entry-level surveys to determine new customer key requirements and expectations and forward the information to the appropriate QMB for validation of requirements, expectations and consideration of areas that may not be in our GSP.

KEY LISTENING POSTS/ACCESS MECHANISMS		
FORUM	**CUSTOMER GROUP**	**FEEDBACK/ CONTROL PROCESS**
Surveys	All	QMBs, ESC
AAR*	Units, Soldiers,	Meeting minutes, QTB
Marne 6/QTB*	Units	Meeting minutes, Semi-annual Training Brief
Town Hall Meetings*	Soldiers, Family Members	Meeting minutes
Community Ldrship Information Forum*	Soldiers, Family Members	Meeting minutes
QMBs*	All	Meeting minutes, ESC
ESC*	All	Meeting minutes
Sponsorship Program	Soldiers, Family Members	Survey results
CIF	Soldiers	Survey results
Force Integration Task Force	Units	Meeting minutes
Dial-the-Boss	All	CG, Marne 6
State-of-the-Garrison	All garrison soldiers	GC, Meeting minutes, QMB
Brown Bag with the Boss	Civilian Employees (internal customer)	GC, QMB
Club Council	All	Meeting minutes, Unit representatives
Golf Council	All	Meeting minutes
Mayors Meeting	Soldiers, Family Members	Meeting minutes
Installation Safety Council	Units, Soldiers, suppliers, partners	Inspection Results
Army Family Action Plan	All	Meeting Minutes/taskers/Follow-up
Force Protection Committee	Units	Meeting minutes, Inspection Results
Intranet * and Internet ** websites	All	E-mail through links
ICE *, **	All	E-Customer Comment Cards, supervisory involvement
Meetings with Union President	Civilian employees (internal customer)	Taskers and follow up
Frontline/Marne TV	All	Editorial review
Family Readiness Groups	Family Members, Soldiers	Meeting minutes
Retiree Council	Retirees	Meeting minutes
Environmental Quality Control Council	All	Meeting minutes
Real Property Planning Board	All	Meeting minutes
Biannual Gunnery Conference	Units	Meeting minutes
Pre-Camp Conference	Units	Meeting minutes
Range Conference	Units	Taskers and follow-up
Officers' Spouse Club	Family Members, Retirees	Meeting minutes
Enlisted Spouse Club	Family Members, Retirees	Meeting minutes

KEY: * = Supplier / Partner attendance, ** = local community forum

Figure 3.1-1

The QMBs focus key processes and objectives on customer requirements. Our Performance Management and Measurement

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Appendix B

System (PMMS) is very successful because we actively involve all of our customers, including the QMBs and ESC.

One of the most important customer requirements for our soldiers is Single Soldier Barracks. "Provide and Sustain Quality Housing" is a top WB priority for FS/HAAF. Our WBQMB established key performance objectives, measures, and action plans to improve the barracks and construct new barracks. We are very proud of our Barracks Upgrade Program (BUP) and our Residential Communities Initiative (RCI), which have greatly increased the quality of housing.

(3) Keeping Listening and Learning Methods Current. At the annual Strategic Planning Workshop (paragraph 2.1a(1)), Leadership conducts an evaluation of listening and learning posts to determine if they're appropriate or improvements are needed, and to ensure **alignment with current business needs and directions**. Leadership directs implementation of Director recommended improvements and of changes based on customer and staff suggestions, as it did when it combined several forums into the Community Leadership Information Forum.

3.2 Customer Relationships and Satisfaction
3.2a Customer Relationship Building

(1) Building Relationships with Our Customers. We **build relationships with our customers** by deeply integrating key customers representatives into our PMMS as members of the QMBs and the ESC. Membership provides our customers the opportunity to seek information and/or assistance during their participation and to indicate satisfaction, voice positive comments, or register complaints. Customers are voting members on the QMBs, the ESC, and other forums used by leadership. These forums make it easy for our customers to address comments to leadership on any product or service. This helps FS/HAAF to attain a high level of customer satisfaction and to **increase repeat business and positive referrals**.

Some of the agencies/directorates with customers that do not reside on the Installation, build relationships by going to their forums and inviting them to ours, and by focusing on customer needs/requirements/expectations to identify areas for improvement.

(2) Determining and Deploying Key Customer Contact Requirements. The Garrison chartered a Customer Satisfaction and Service Process Action Team (PAT) to **determine customer contact goals and establish continuity within the Installation on meeting them**. Two-time Malcolm Baldrige Award winner, the Ritz-Carlton Hotel, was the benchmark. Leadership adopted the Council's Customer Contact Goals, Figure 3.2-1, and deployed them to all people involved via customer service and Consideration of Others training. The Customer Contact Goals are on the PAI Office web site. See Figure 3.1-1 for key access mechanisms that customers use to seek information, conduct business, and

make complaints. The QMB/ESC process is monitors customer service.

(3) Managing, Aggregating and Analyzing Complaints. Our method for **aggregating customer feedback and complaints** is the QMB/ESC Process within the PMMS. The portions of the PMMS that deal with complaints are the "Dial The Boss" Complaint Management System, and the IGO, Congressional, Equal Employment Opportunity, Equal Opportunity, Union, and Management/Employee Relations complaint processes. Additionally, complaints received through other forums are addressed by the QMB/ESC Process. Some complaints are received through the ICE system. Process owners are responsible for analyzing those complaints and responding to the complainant. The supervisor of the process owner also gets the same complaint and ensures that appropriate action is taken.

CUSTOMER CONTACT GOALS
* Customers are the purpose of our work
* Customers should be greeted with a smile and addressed by name and rank, as appropriate
* Customers are entitled to be treated with respect and dignity.
* Customers always have the right to speak with a manager.
* Customers should be told how long it will take to solve a problem.
* Customers should be given useful alternatives or referral if problem cannot be solved.
* Customers should be contacted promptly when problems are solved, or given progress reports if resolution is lengthy.
* Telephones should be answered within 3 rings and with a smile.
* Call backs should be completed by the next working day.
* A person should answer the phone whenever possible.
* E-mail correspondence should reflect the highest possible professional etiquette.

Figure 3.2-1

The PAI Office reviews and **analyzes aggregated customer satisfaction data** and reports the results to the appropriate QMBs. The appropriate QMB **analyzes the results** obtained through the PMMS **and provides actionable information** on the problems to the QMB, where the appropriate Directorate **analyzes the information and develops actions for improvement as needed**. To ensure **complaint management**, each of these processes/forums has a follow-up timeline/suspense process to ensure that the responsible Directorate/agency **resolves complaints effectively and promptly**.

(4) Keeping Approaches to Building Relationships and Providing Customer Access Current. Leadership **keeps our approaches to building relationships and providing customer access current with business needs and direction** by conducting an annual evaluation of our listening posts, our Garrison strategic planning process, and our PMMS during the Strategic Planning Workshop.

Our Senior Leadership operates on the premise that every product and service must focus on customer satisfaction, opinions and evaluations; thus our GSP includes Key Process 4.8, "Improve Customer Satisfaction." Each QMB has several GSP Objectives and Actions directed toward customer satisfaction. Each Director has an "improve customer service" type performance objective in his or her performance plan.

3.2b Customer Satisfaction Determination

1) Determining Customer Satisfaction and Improving Performance. Leadership **determines the level of customer**

satisfaction through surveys and data aggregated by the Interactive Customer Evaluation (ICE) system. We adopted the use of ICE in May 2002 as a process improvement. (The ICE replaced our Customer Feedback Aggregation System (CFAS). Repeatedly, we had found that issues identified by CFAS had already been identified and addressed within the QMB/ESC Process.) The PAI Office assists Directorates in their creation of surveys using Survey Tracker software and/or ICE, and acts as the systems administrator for each system. The PAI Office also conducts Garrison-wide satisfaction surveys using Survey Tracker. These surveys are resident on the FS/HAAF Intranet; while ICE surveys are resident on the Internet. All Survey Tracker surveys are made available to customers in both paper and electronic media. Customers complete the survey and transmit it to the PAI Office. A customer may complete an ICE survey via the Internet. The results are posted on the ICE web site and can be accessed by anyone.

On ICE, the Directorates' surveys are customized to a specific service and include space for specific **comments that provide actionable information** about a specific problem the customer had. The surveys in Survey Tracker and ICE include questions about whether the customer would utilize the service again and whether the customer would refer others to use the service. This information predicts customers' future business and potential for positive referral. ICE and Survey Tracker provide us the feedback we need to change what is being measured to ensure we are capturing actionable information that is used to improve how we **exceed customer expectations, secure future business, and gain positive referral.** The survey requests general customer data so that we can differentiate between different customer groups. **Customer dissatisfaction and satisfaction data is used for continuous performance improvement.** Reported inconsistencies in applying customer contact goals, other customer service failures, and process failures are considered opportunities for improvement and growth. All failures documented are considered critical for analysis and resolution. Customer satisfaction information is reviewed and analyzed by the responsible directorate and briefed at the appropriate QMB and at the ESC. The PAI Office also reports overall customer satisfaction results for each Directorate at the appropriate QMB. Determinations are made as to whether a change in a customer service process could result in better meeting or exceeding customer expectations, thereby securing future business and gaining positive referrals. The QMB determines if action should be taken and if so **develop Action Plans to improve the process.**

(2) Following Up with Customers. Communication with our customers is encouraged and enabled to flow both ways, formally, through☐the various forums, and informally, by personnel contact. We cultivate partnering to develop trust. Interaction based on trust enables our continuous improvement. **Follow-up with customers** in some cases occurs immediately after the customer's receipt of service. Managers conduct informal sampling of customer service and are empowered to instantly correct problems. Sensing sessions and focus groups add another dimension to our customer follow-up process. These serve as avenues for customers to voice new concerns and for us to validate customer concerns that may be appearing in other listening posts. As stated in 3.2b(1), the ICE allows Leadership to segment customer groups and to read customer comments. This also provides Directorates with **actionable information** that they can use to increase customer satisfaction with their services.

(3) Comparing with Competitors. Our Leadership **obtains much information on competitors' customer satisfaction** through the Installation Status Report (ISR) that reports services ratings and allows for comparisons between garrisons. Additionally, the Directorates and QMBs have established a competitive comparison or benchmark for many of the GSP process performance objectives through research on the Internet, through information in professional journals/channels, through site visits to competitors, etc. The Directorates and the QMBs **measure and analyze performance against the standards.**

(4) Evaluating and Improving Approaches to Satisfaction Determination. The GC encourages creative thinking and innovation. We seek new ideas and incorporate them wherever possible. Leadership reviews our approaches to determining customer satisfaction at the Strategic Planning Workshop to ensure the approaches are **current with business needs and directions**. Additionally, leaders often introduce innovative approaches discovered at external forums, such as the Southeast Region (SERO) Productivity Improvement Review (PIR), World-wide DPW Conference, DOIM conference, and MWR Conferences. These conferences are an opportunity for each garrison to share success stories that others may wish to emulate.

Additionally, the 3rd IN Div holds an off-site Commander's Conference with key members of our local community, Garrison representatives attend the annual Liberty County Planning Workshop, and the PAI Office is a member of the Liberty County/City of Hinesville Joint Planning Commission. The Deputy GC is on the City of Hinesville Metro Planning Organization Citizens Advisory Committee and is a voting member. The Director of DPW and the Chief of DPW Master Planning, as well as a PAI Office representative are on the Metro Planning Organization's Technical Coordinating Committee and are voting members. (The Metro Planning Organization's Technical Coordinating Committee is working on the Hinesville Urban Area Transportation Study.) This not only ensures that our business direction is appropriate, but also builds customer and community relationships, and fosters partnering efforts between our garrison and the local communities.

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Appendix B - APIC Examples

4.0 MEASUREMENT, ANALYSIS, AND KNOWLEDGE MANAGEMENT

4.1 MEASUREMENT AND ANALYSIS OF ORGANIZATIONAL PERFORMANCE

4.1a & 4.1a(1) Performance Measurement & Selection, Collection, Alignment, & Integration of Data & Information. Data selection and collection methods are identified during development of key objectives, strategies, and action plans. Our Senior Management Board (SMB) develops performance expectations that serve as the basis for selection of measures by lower level echelons of the Quality Management Structure (QMS) (Item 1.1a(1)). Identification of the best measure, the availability of data, and how it aligns with key customer requirements is explored and determined before strategies and action plans are finalized. Information reviewed to determine appropriate measures include customer requirements, cost, process performance, objective and strategy measures, and measures and standards required by higher authorities, and whether they are lagging or leading indicators, striving for a healthy balance. Every level of our QMS determines when additional data is needed or current data is not adequate based on the results of attaining their established objectives and strategies and meeting customer needs. A simple test employed to determine measure effectiveness is to ask four questions: Is it (1) quantifiable, (2) actionable, (3) driving desired behavior, and (4) used? The answer to all four should be "yes."

Our integrated key measures (Figure 4.1.1) cascade down to all levels of the organization and are an aggregate of lower level measures reviewed throughout our QMS. Data is fed through the QMS reviews from bottom to top at decreasing levels of detail. Figure 4.1.8 provides specific information on the reviews conducted throughout our QMS. Our data collection process begins with those who perform the work and is submitted to the next level of the QMS (Figures 1.1.2 and 2.2.1). Each level of the QMS rolls the data received from lower echelons into the report format appropriate for that level as depicted in Figures 4.1.3-5. The data continues up the QMS until the data is collected by our Plans, Analysis and Integration Office who roll it into our executive level report card used at our Semi-Annual Performance and Productivity Improvement Reviews (SAPPIR), shown at Figure 4.1.1.

Our process champions use a summary report with measures that directly cascade from the macro-level key measures shown in Figure 4.1.1. Data is articulated using C-Status red, amber, green designators, which aligns with

VALUE CREATION PROCESS	MAJOR REPORTING AREA (MACRO MEASURE)	2005 GOALS	Actual		Projected		2010		Methodology to Attain these Results
			Bragg 1Q05	Bragg 2Q05	Bragg 3Q05	Bragg 4Q05	Bragg	Forecasted Competitive	
Readiness Overall 2Q05 - C-2 (Figure 4.1.3)	R.1-Training Infrastructure	C-2	C-3	C-3	C-3	C-3	C-2	C-1	Figures 4.1.2 & 4.1.3
	R.2-Mobilization & Operations	C-1	C-2	C-2	C-1	C-1	C-1	C-1	
	R.3-Deployment Infrastructure	C-2	C-3	C-3	C-3	C-3	C-2	C-1	
	R.4-Logistics Infrastructure	C-2	C-3	C-3	C-3	C-3	C-2	C-1	
	R.5-Logistics Operations	C-2	C-1	C-1	C-3	C-3	C-1	C-1	
	R.6-Funding	C-3	C-4	C-4	C-4	C-1	C-2	C-2	
	R.7-Customer Satisfaction	C-1	C-1	C-1	C-1	C-1	C-1	N/A	
	R.8-Employee Well-Being	C-1	C-1	C-1	C-1	C-1	C-1	N/A	
Infrastructure Overall 2Q05 - C-3 (Figure 4.1.5)	I.1-Infrastructure (ISR 1)	C-3	C-3x	C-3x	C-4	C-4	C-2	C-2	Figures 4.1.2 & 4.1.5
	I.2-Modular Force (ISR 1)	C-2	C-4	C-4	C-4	C-3	C-1	C-1	
	I.3-Utilities (ISR 1)	C-2	C-3	C-2	C-2	C-2	C-1	C-1	
	I.4-Housing (ISR 1)	C-3	C-1	C-1	C-1	C-1	C-1	C-1	
	I.5-Environment (ISR 2)	C-2	C-2	C-2	C-2	C-2	C-1	C-1	
	I.6-Funding	C-3	C-4	C-4	C-4	C-1	C-2	C-2	
	I.7-Customer Satisfaction	C-2	C-4	C-4	C-3	C-3	C-1	N/A	
	I.8-Employee Well-Being	C-2	C-1	C-1	C-1	C-1	C-1	N/A	
Quality of Life Overall 2Q05 - C-3 (Figure 4.1.4)	Q.1-Business Results	C-3	C-4	C-4	C-4	C-4	C-2	C-2	Figures 4.1.2 & 4.1.4
	Q.2-Facilities & Equipment	C-3	C-4	C-4	C-4	C-4	C-2	C-2	
	Q.3-Programs & Services	C-2	C-4	C-4	C-3	C-3	C-2	C-2	
	Q.4-Customer Satisfaction	C-1	C-1	C-3	C-1	C-1	C-1	C-1	
	Q.5-Employee Well-Being	C-1	C-4	C-3	C-1	C-1	C-1	N/A	

Note: Our Readiness key process does not reflect soldier or unit readiness levels, but our ability to support power projection based on current goals, objectives, and strategies.

Figure 4.1.1 Semi-Annual Performance & Productivity Improvement Review

criteria in Unit and Installation Status Reports (USR & ISR). Graphical trend charts are also used to provide detailed information on performance related to our goals, processes, and business fundamentals and compare past, present, expected, and competitive/comparative performance as shown throughout Category 7. These methods are understood by all levels of the QMS and allow us to quickly identify strengths or weaknesses. Criteria used to determine C-status ratings is at Figure 4.1.2. Figure 2.1.3 provides examples of how Graphical trend chart metrics are translated into red, amber, green indicators. Performance reports for our value creation processes reviewed at our SAPPIR in April 2005 are at figures 4.1.3-5. Supporting graphical trend charts used at the Senior and Quality Management Boards and lower level reviews are throughout Category 7.

4.1a(2) Selection & Use of Comparative Data. Our QMS review forums provide the vehicle to review data and identify comparative opportunities. The type of comparative data needed is determined by the following factors: identification of non-value added processes, potential for privatization or reimbursable operations, better performance by other installations, Internal Review audit findings and recommendations, higher headquarters data reports, and

C-STATUS DETERMINATION
MAJOR REPORTING AREAS   ISR

C - 1	All strategies are green
C - 2	No strategies are red AND the number of green is greater than the number of amber
C - 3	1-24% of strategies are red OR the number of amber is greater than or equal to the number of green
C - 4	25% or more of strategies are red

➢ Subjective overwrites are allowed at the Director's discretion and must be annotated with an "x" after the C-Rating. Not to be used for projections
➢ OVERALL PROCESS RATING DETERMINATION: Average, Rounded C-Status

Figure 4.1.2 C-Status Determination Formulas

READINESS PERFORMANCE REPORT	ACTUAL		PROJECTED		RESULTS
	1Q05	2Q05	3Q05	4Q05	
R.1-TRAINING INFRASTRUCTURE	C-3	C-3	C-3	C-3	
Airfield Modernization	A	A	A	A	Not Shown
Range Maint/Modernization	A	A	A	A	7.1.3
Training Devices	A	A	A	A	Not Shown
Private Lands Initiative	A	A	A	A	7.6.13
R.2-MOBILIZATION & OPERATIONS	C-2	C-2	C-1	C-1	
Mobilization	G	G	G	G	7.5.7, 7.1.1
Operations Center	A	A	G	G	Not Shown
Community Relations	G	G	G	G	Not Shown
R.3-DEPLOYMENT INFRASTRUCTURE	C-3	C-3	C-3	C-3	7.1.2, 7.5.2-3, 7.5.6
R.4-LOGISTICS INFRASTRUCTURE	C-3	C-3	C-3	C-3	7.5.10
R.5-LOGISTICS OPERATIONS	C-1	C-1	C-3	C-3	
Supply	G	G	A	A	7.5.2, 7.5.5
Services	G	G	G	G	7.5.12
Transportation	G	G	G	G	7.5.2. 7.5.6
Maintenance	G	G	A	A	7.5.3-4
R.6-FUNDING	C-4	C-4	C-4	C-1	7.3.1-3
R.7-CUSTOMER SATISFACTION	C-1	C-1	C-1	C-1	7.2.1-4, 7.2.7-12
ICE	G	G	G	G	7.2.7
Other	G	G	G	G	Not Shown
R.8-EMPLOYEE WELL-BEING	C-1	C-1	C-1	C-1	
Training	G	G	G	G	7.4.4-5
Safety	G	G	G	G	7.4.16-17
OVERALL RATING	C-2	C-2	C-2	C-3	

Sample Bullet Comments Discussed
Training Infrastructure
✓Engagement Skills Trainer Facilities remain unfunded ($1.9M UFR)
✓Construction began on 2 shoot houses in 2Q05
Logistics Operations
✓30th eBDE reconstitution is the main effort
✓Supply, CIF shortages and zero balances
Logistics Infrastructure
✓CIF and ITO moves to SSC on schedule
Customer Satisfaction
✓ICE – Overall 96% satisfaction 2Q05
✓Other – 97% satisfaction 2Q05

Figure 4.1.3 Readiness Performance Report

QUALITY OF LIFE PERFORMANCE REPORT	ACTUAL		PROJECTED		RESULTS
	1Q05	2Q05	3Q05	4Q05	
Q.1-BUSINESS RESULTS	C-4	C-4	C-4	C-4	
IMWRF Budget Variance	G	G	G	G	7.3.7, 7.3.10
Lodging Budget Variance	R	R	A	G	Not Shown
NIBD	G	G	G	G	7.3.8, 7.1.8, 7.6.2
APF Funding	R	R	R	R	7.3.1-3, 7.3.9
Q.2-FACILITIES & EQUIPMENT	C-4	C-4	C-4	C-4	
DMWR Facility Master Plan	R	R	R	R	Not Shown
IT Life-Cycle Management Plan	R	R	R	A	Not Shown
Program $'s Spent/Fac&Equip	R	R	R	R	Not Shown
Q.3-PROGRAMS AND SERVICES	C-4	C-4	C-3	C-3	7.2.1-3, 7.2.6-13
Accreditations	G	G	G	G	Not Shown
Safety	R	R	R	R	7.4.16-17
Environmental	G	G	G	G	Not Shown
Sanitation	R	R	G	G	Not Shown
Q.4-CUSTOMER SATISFACTION	C-1	C-3	C-1	C-1	
Customer Service Report	G	G	G	G	7.2.1-3, 7.2.6-12, 7.5.12
ICE	G	A	G	G	7.2.7-9
Q.5-EMPLOYEE WELL-BEING	C-4	C-3	C-1	C-1	
Employee Training Plans	R	A	G	G	7.4.4-5
Employee Recognition	R	A	G	G	7.4.6
OVERALL RATING	C-3	C-4	C-3	C-3	

Sample Bullet Comments Discussed
Business Results
✓IMWRF variance is 40% above goal (10%)
✓APF Funding is at 65% of Requirement ($14.5M)
Programs and Services
✓100% Accreditations maintained
✓ 4 Sanitation Reinspections Performed
Customer Satisfaction
✓Exceeded 4.0 Customer Satisfaction Goal - 4.62
✓ICE - 78% Satisfaction Level
Employee Well-Being
✓79% job specific training executed

Figure 4.1.4 Quality of Life Performance Report

guidance from higher headquarters. We compare against other Army installations able to provide similar services, contractors, private industry, and local businesses that provide services normally expected of a city (Item P.1b(2)). Sources to determine best practices include those identified through Army Communities of Excellence, ICE, Southeast Region and Department of the Army standards and averages; and similar service providers within and outside the government. Once the need for comparative data is determined, a designated process team analyzes our current process and collects relative performance data. The team researches possible

agencies to compare and collects data on their process and performance. They report their findings to their appropriate board within the QMS. Their analysis includes the best organization to compare against and recommendations of possible adaptation in part or in whole. Action plans are then developed by the process owners with measures to monitor progress as shown in steps 4 and 5 of our Process Improvement Cycle (PIC) (Figure 6.1.2). Our competitive comparison model is at Figure 4.1.6. Figure 7.0 identifies measures being compared with other organizations. Monitoring comparative data allows the reviewing board and/or work team to project future performance and effectiveness. If it is determined that the comparative data is no longer appropriate, other sources are determined or new studies explored.

Activity Based Costing (ABC) models are being

OUR ORGANIZATION

CRITICAL SUCCESS FACTORS
1. WHAT TO COMPARE?
INTERNAL DATA COLLECTION
DATA ANALYSIS
2. HOW DO WE DO IT?
ENABLERS
3. WHO IS THE BEST?
EXTERNAL
4. HOW DO THEY DO IT?

THEIR ORGANIZATION
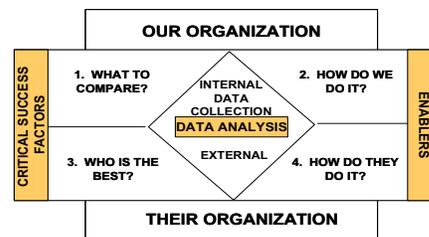
Figure 4.1.6 Competitive Comparison Model

used to enhance our ability to identify measures and comparison opportunities. Our organization models continue

Appendix B

INFRASTRUCTURE PERFORMANCE REPORT	ACTUAL		PROJECTED		RESULTS
	1Q05	2Q05	3Q05	4Q05	
I.1-INFRASTRUCTURE (ISR1)	C-3X	C-3X	C-4	C-4	
MILCON Execution	A	A	G	G	7.3.4, 7.1.6
Master Plan	G	G	A	A	7.5.12
Maintenance & Repair	R	R	R	R	7.3.5
I.2-MODULAR FORCE (ISR1)	C-4	C-4	C-3	C-2	7.5.10, 7.5.12
I.3-UTILITIES (ISR1)	C-3	C-2	C-2	C-2	
Water Production/Distribution	A	A	A	A	7.5.10, 7.5.12
Wastewater/Sewers	A	G	G	G	7.5.8
Energy Consumption	G	G	G	G	7.3.6, 7.5.10
I.4-HOUSING (ISR1)	C-1	C-1	C-1	C-1	
Referral and Relocation Services	G	G	G	G	7.5.12
Bragg Communities	G	G	G	G	7.1.4, 7.1.5
I.5-ENVIRONMENT (ISR2)	C-2	C-2	C-2	C-2	
Environmental Management	A	A	A	A	7.3.11-12, 7.5.15-18, 7.6.7-8
Natural Resources Management	G	G	G	G	7.6.11
Sustainability Goal Development	G	G	G	G	Not Shown
I.6-FUNDING	C-4	C-4	C-4	C-2	
BOS	R	R	R	G	7.3.1-3
SRM	R	R	R	G	7.3.5
ENVR	A	A	A	A	7.3.12
AFH	G	G	G	G	Not Shown
I.7-CUSTOMER SATISFACTION	C-4	C-4	C-3	C-3	
Service Order Response	R	R	A	A	7.1.7
ICE	A	A	A	A	7.2.7-9
I.8-EMPLOYEE WELL-BEING	C-1	C-1	C-1	C-1	
Training	G	G	G	G	7.4.4-5
Safety	G	G	G	G	7.4.16-17
OVERALL RATING	C-3X	C-3	C-3	C-2	

Sample Bullet Comments Discussed
Infrastructure (ISR1)
✓BRAC, global Repositioning Impact
✓Backlog of Maintenance and Repair: $278M since FY97
✓Barracks Improvement Program: $28.4M
Environment (ISR2)
✓Environment Performance Assessment System
Funding
✓ Allotment issues
Customer Satisfaction
✓ Service Order Response - 20.4 days
Employee Well-Being
✓ Awards: 73 Monetary; 1 Time Off; 5 Honorary in 2Q05

Figure 4.1.5   Infrastructure Performance Report

to be refined to improve our ability to use the report data for decision making. These models leverage existing data bases to enable automated population of the models which reduces time and effort. The reports are transferred to Excel and sent to the directorates for action. Our Directorate of Logistics used Lean Six Sigma to reduce time and costs to repair vehicles (Figure 7.5.3). Our Plans, Analysis & Integration Office is currently building a garrison wide model based on Common Levels of Support, Installation Status Report, and Service Based Costing. Our action plan includes the conduct of Performance and Productivity Improvement Reviews at all levels of our QMS (Figure 1.1.2).

4.1a(3)   Currency of Measurement System. Our strategic planning and deployment processes (Figures 2.1.1 & 2.2.1) are the vehicles used to review the effectiveness of our measures and collection systems. Members throughout our QMS review the measures and data collection systems while developing key objectives, strategies, and action plans. A variety of forums (Figure 3.1.2) provide feedback used to evaluate and improve our data and deployment methods. Our QMS reviews provide the foundation of evaluating that

feedback and incorporating changes when needed. Our strategic planning process ensures periodic review of values, vision, mission, and goals to ensure proper alignment (Figure P.2 & Item 2.1). Examples of indicators of the effectiveness of our measurement and deployment methods include availability of baseline and trend data, employee feedback, market/comparison performance, stakeholder input, regulations/standards, relation to value creation processes, goal achievement, and customer requirements. Members of all levels of the organization review not only the results of their efforts towards attaining their goals, but also the effectiveness of comparative data.

Our measurement system is flexible and allows for additions and deletions to meet the needs of our changing environment when needed. We may change measures because better measures enable better management; we do not change measures simply to portray a better picture.

4.1b Performance Analysis & Review.

4.1b(1)   Supporting Analyses. Each level of the QMS analyzes performance results to identify root cause, improvement initiatives, expected future performance, and comparative opportunities prior to submitting to the next level (Figures 2.2.1, 4.1.3-5, & 4.1.8). The balanced approach to our measurement system allows our process owners to determine contributing factors for performance, both good and bad. Funding is a major factor and is reviewed when analyzing our current performance and determining projected performance levels shown in Figures 4.1.1 & 4.1.3-5. Other factors include process and human resource capabilities. Figure 4.1.7 is a key tool our leaders use to project future performance based on funding run-out dates. Run-out dates are projected based on an analysis of past and projected workload. The frequency of data analysis conducted throughout the QMS and the data methods used are shown in Figure 4.1.8. Each level of the QMS receives input from and provides feedback to both higher and lower echelons. Desired
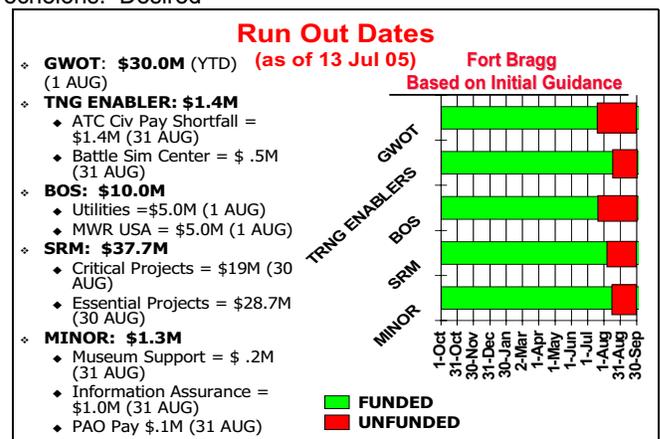

Figure 4.1.7 Funding Analysis Tool

results, based upon analyses, are ensured through the review process. Improvement initiatives and action plans are fed back through the QMS to ensure direct alignment and data collection methods exist. Our PIC (Figure 6.1.2) is the vehicle we use to improve performance.

QMS Level	Forum/Frequency	Data Format	Link to Strategic Plan
Executive Steering Committee (ESC)	Semi-Annual Performance & Productivity Improvement Review, PBAC (Semi-Annual)	C-Status, R,A,G,	Key and Support Process Measures
Senior Management Board (SMB)	Performance & Productivity Improvement Review, PBAC (Quarterly)	C-Status, R,A,G, Graphical Trend Charts	Supporting Objectives and Measures
Quality Management Board (QMB)	QMB (Monthly), PBAC (Monthly)	C-Status, R,A,G, Graphical Trend Charts	Supporting Strategies and Measures
Work Teams	Staff Meetings (Bi-Weekly)	Graphical Trend Charts, Action Plan Milestones	Supporting Action Plans and Measures

Figure 4.1.8 Strategic Reviews/Measurement System Deployment

Integration of our measures across the organization provides us a sound pulse of the organization. The integral relationship among our measures provides us with indicators of what to expect of other measures. We analyze the cause and effect relationship for best improvement options to drive increased performance in all affected measures. For example, we identified that units were discarding full or partially charged lithium batteries while others were buying new ones. By testing and re-issuing batteries we reduced the hazardous waste and reduced costs (Figure 7.6.8).

4.1b(2) Using Analysis Results. Our review forums are analytical in nature to gain the most insight from the results, whether good or bad, attained by our current strategies. Performance deficits found throughout the organization are identified in these forums and plans are developed to redirect our efforts to attain the desired result through our strategic planning and deployment processes and PIC (Figures 2.1.1, 2.2.1, and 6.1.2). Deficits that impact readiness and multiple process measures are prioritized higher. The findings listed in Figure 4.1.9 are priorities due to the direct impact on multiple processes in our decision making process to drive improvement efforts. Our QMS and strategic deployment process (Figures 1.1.2 & 2.2.1) provide the venues to ensure data management, analysis, communication, and alignment throughout the organization. Each level actively collects, reviews, and analyzes data relative to improvement efforts, projects future performance, and feeds data to higher and lower echelons. Analyses results are communicated to employees, partners and suppliers through our QMS, intranets, newsletters, and other venues (Item 1.1a(1)).

Operational performance measures are linked to team and individual performance plans through our evaluation systems, as discussed in Items 2.2a(1-2) and 5.1b. Our Training Plan arms our employees with the skills and techniques required to analyze data and to develop improvement initiatives and action plans based on that data (Item 5.2). Our Annual

Awards Ceremony honors individuals and teams for performance excellence related to operational and customer requirements. This practice greatly enhances total integration of excellence through quality performance, and is discussed in more detail in Item 5.1b. Figure 4.1.9 provides examples of how our information is integrated, analyzed, and used.

Analysis Finding	Impact	Decision/Action	Results
29% of service orders received were for routine "housekeeping" tasks	Readiness, Infrastructure, Quality of Life	Develop plan to train customers what they can do and how to do routine building maintenance tasks	Plan developed and customers currently being trained. Expect to see decline in service order response time (Figure 7.1.7)
Lack of central management of lithium battery disposal limited ability to reissue when appropriate	Infrastructure, Readiness, Environment	Develop plan to centrally manage and reissue	Disposal and reissue centrally managed resulting in cost savings (Figure 7.6.8)
Increased equipment reconstitution requirements results in increased turn-around time	Readiness	Increase internal productivity by reducing inspection time and packaging part replacements	Vehicle packages identified; package replacement being implemented; turn-around time reduced (Figure 7.5.3)

Figure 4.1.9 Performance Review Analysis Findings

4.2 INFORMATION & KNOWLEDGE MANAGEMENT

4.2a & 4.2a(1) Data & Information Availability. Our QMS, strategic deployment process, and customer feedback mechanisms (Figures 1.1.2, 2.2.1, & 3.1.2) provide us several venues to disseminate information and data. Commonly used mechanisms provide us a systematic approach to determine the best venue to share information based on the target audience (Figure 4.2.1). These mechanisms provide us the ability to selectively share with the world, the Army, suppliers, partners, customers, employees, or specified employees, as our Outlook public folders allow. A wide variety of data collection and management systems are migrating to web-based applications. The use of access permissions enhances our ability to make data available and safeguard it.

Availability Mechanisms Commonly Used	Target Audience							
	Employees	Customers	Contractors	Suppliers	Higher Headquarters	Other Installations	Tenants	Local Communities
Dragonnet Web (Fort Bragg Intranet)	✓							
Airborne Web (Fort Bragg Intranet)	✓				✓	✓	✓	
Worldwide Web (Internet)		✓	✓	✓				✓
Public Folders (Outlook)	✓							
Paraglide (Fort Bragg Newspaper)		✓	✓	✓				
Local Community Newspapers		✓	✓	✓				✓
Web-Based Data Applications	✓	✓			✓			
Work Group Bulletin Boards	✓							
E-Mail	✓	✓	✓	✓	✓	✓	✓	✓

Figure 4.2.1 Data & Information Availability Mechanisms

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4.2a(2) Reliability, Security, and User Friendliness. Automation hardware and software standards are in place to ensure compatibility, reliability, and standardization across the organization. Each activity has a designated Information Management Officer (IMO) and Information System Security Officer who works closely with our Directorate of Information Management (DOIM) to ensure purchases meet the standards of the plan. We employ several mechanisms to ensure security, such as our firewalls, antivirus software, password protection, and virus alerts. E-mail accounts require a local records check. Our PIC is used to plan improvements based on feedback from users. Our strategic planning and deployment processes are used to plan organization-wide migration to new technological capabilities, building in a test period with a beta group. Robust classification and accreditation processes identify the use of equipment for all levels of classified and unclassified information.

4.2a(3) Continuing Availability of Hardware & Software. Hardware and software are critical tools in the conduct of our processes. Continuity and emergency preparedness are explained in Item 6.2b(2). IMOs maintain lifecycle replacement plans to assure equipment dependability and that software updates/upgrades are kept current. The DOIM centrally manages network and individual work system security and program updates to keep systems protected.

4.2a(4) Currency of Availability Mechanisms & Hardware & Software. One of our strategic challenges (Item P.2b) is keeping pace with emerging technologies. This is carefully considered in all our planning and improvement efforts to reduce cycle time, increase operational performance and customer satisfaction, and maximize resource capability. Capitalizing on technology to keep current with our business needs is carefully and extensively explored during our strategic planning and deployment processes and our performance reviews. Our employee and customer satisfaction surveys provide valuable information used as indicators of our ability to make information available (Items 7.2 & 7.4). Other forums used more frequently are listed in Figure 3.1.2. Our QMS reviews provide the foundation of evaluating that feedback and incorporating changes using the PIC (Figure 6.1.2).

Our SMB identified access to training information and tracking training needs, requirements, and needs as an internal weakness. After extensive research, an off-the-shelf database program was purchased to fully automate registration, tracking, and reporting of training needs and requirements. This initiative streamlined our civilian training process, increased access to training requirements, information, and opportunities, and realized significant cost avoidance.

4.2b Organizational Knowledge Management. A variety of mechanisms, such as web sites, working committees and in-house training, are used to collect and transfer employee knowledge (Item 6.1a(6)). Our strategic planning working committee consists of representatives of each activity, who work together to standardize and synchronize our strategic planning efforts. Members of this committee share lessons learned relative to establishing objectives, strategies, and action plans and identification of measures. Another example is the use of Microsoft Windows SharePoint Services to create collaborative websites where users in the organization can easily create, manage and share documents and files while maintaining data accuracy, such as the one being used by the BRAC planning committee. Two questions that rate high in our employee satisfaction survey relate to opportunities for on-the-job training and learning from coworkers. We employ a variety of mechanisms to transfer knowledge from customers, suppliers, and partners, such as those listed in Figure 3.1.2 with results shown in Items 7.2 and 7.5.

4.2c Data, Information, and Knowledge Quality. Every level of our QMS ensures timeliness, reliability, security, accuracy, and confidentiality of data they manage during their analysis prior to submission. The most detailed reviews take place in our QMBs; each process champion is responsible to provide accurate and timely data for the SMB and ESC reviews. Accuracy and reliability are ensured in a variety of ways. Significant differences from the last reporting period are a prime indicator that the data may not be accurate and warrants review. Cross-check mechanisms are in place for relevant data, particularly financial data. Higher headquarters generated reports are often used to validate performance data. Careful reconciliation analysis is conducted for all data and comparisons throughout our QMS to ensure consistency in data definition; adjustments are made as errors are identified. Collection and input methods into electronic systems are carefully reviewed to ensure consistency in data definitions, such as ISR and a variety of financial data collection and reporting systems. Third party audits are also used to validate data and to ensure sound reporting methodologies. The Army Audit Agency (external) and our Internal Review Office (internal) provide formal services while each level of our QMS provides informal inspections for lower level echelons (Item 1.2a).

Ensuring security and confidentiality require additional safeguard measures. Some data and information is available on our intranet, but not on the internet (Item 4.2a(1)). All of our electronic data systems and many of our intranet public folders are password protected ensuring access to authorized personnel only. Our DOIM is responsible for ensuring appropriate systems are in place to safeguard information and data passing through or posted on our internet, intranet, and public folders.

HOOAH!

Appendix B - APIC Examples

5.0 HUMAN RESOURCE FOCUS

5.1 Work Systems
5.1a Organization and Management of Work
(1) Organizing, and Managing Work and Jobs (including skills). Our Process Management and Measurement System (PMMS) structure promotes organizational alignment on strategic objectives and customer requirements, and facilitates rapid response to changing business needs and requirements. In our PMMS, Senior Leaders **organize and manage our work and jobs including skills to promote cooperation, initiative, empowerment, innovation, and organizational culture** (Step 1). In our Garrison Strategic Plan (GSP), Senior Leaders established Garrison Human Resource Development and Management (HRDM) Plan objectives 4.7.2, "Sustain a quality workforce"; and 4.7.3, "Train the workforce," to ensure alignment of our human resources to mission requirements, and have emphasized communicating and sharing lessons and ideas in the PMMS process. Through our high-performance, self-directed Quality Management Board (QMB) cross-functional teams and supporting forums, we review, analyze, and adjust our key work processes quarterly to **achieve the agility** necessary **to keep current with business needs** (Step 2).

Stressing continuous process performance improvement, our Senior Leadership directed implementation of the IMA Common Garrison Structure to achieve a flatter, less hierarchical Most Efficient Organization (MEO). As part of the development of an MEO, Directors and employee teams review how job responsibilities are managed and suggest ideas for process improvement. They must also review all position descriptions. With MEO development or new technology implementation, management typically rewrites or develops new position descriptions. Based on the position descriptions, Directors, with the advice of the FS/HAAF Civilian Personnel Advisory Center (CPAC), develop a plan to move employees onto the new position descriptions. If necessary, the Directorate of Human Resources (DHR) develops a training plan. Directors have made resource and manpower downsizing into an opportunity for increasing employee involvement in the development of improved work processes. The MEO positions are multi-skilled, flexible positions, not restricted to working in only one process, but rather cross-trained to perform many different tasks.

The PMMS QMB/ESC process drives some work design. New facilities built because of QMB/ESC established requirements to improve process performance have caused changes in processes and the associated tasks. For example, the Truscott Air Terminal at HAAF centralized and streamlined the work associated with deploying and redeploying soldiers and equipment by air, and resulted in the realignment of some processes within the DPTMS Airfield Division and in some new civilian positions being created. In other instances, problems were addressed by either a QMB or the ESC directing implementation of a new process that entailed new responsibilities for a supervisor or a new work requirement. For example, a financial counseling program, the Command Financial Specialist Program (CFSP) and the School Liaison Officer position were both established through the QMB/ESC

process. (Warner Robbins AFB benchmarked our School Liaison Officer position.)

(2) Capitalizing on the Diverse Ideas, Cultures, and Thinking of Employees and Communities. Our HRDM Plan includes our Diversity Guide. Our Equal Employment Opportunity (EEO) Office meets with local community minority and cultural organizations and also reviews all selections and competitive leadership development opportunities to ensure that we capitalize on chances to create a diverse workforce, thus ensuring a broad cultural base within our civilian employee workforce. Our self-directed team approach enables us to **capitalize on the diverse ideas, cultures, and thinking of our workforce**. Underpinning the success of the team approach is the GC's Empowerment Statement that formally empowers the workforce to seek innovative solutions to changing business needs. The GC's Permission Slip, Figure 1.1-3, encourages employees to take the initiative and implement warranted change. Empowered employees initiate, design, manage and improve work systems through various approaches, Figure 5.1.1. Our use of empowerment and teamwork enables us to seek continuous performance improvement at all workforce levels. Additionally, we have an Affirmative Employment Plan.

APPROACHES TO DESIGN, MANAGE & IMPROVE WORK PROCESSES		
APPROACH	*EMPL*	*SUPV*
CG's Empowerment Statement	X	X
GC's Permission Slip	X	X
QMB/ESC Process	X	X
Job Classification/Description	X	X
Training & Development Activities	X	X
Technology Enhancements	X	X
Information/Data Sharing	X	X
Delegation of Authority		X
GC Performance Improvement Award	X	X
GC Anti-Dumb Things Award	X	X
GC Brown Bag with the Boss	X	X
Employee Satisfaction Surveys	X	X
Process Action Teams	X	X
Work Teams/Groups	X	X
MEO efforts	X	X
GC State of the Garrison Address	X	X

Figure 5.1-1

Selected members also participate in higher headquarters level work teams, such as the Civilian Objective Force and the Army Training Leader Development Program.

(3) Achieving Effective Communication and Skill Sharing. To **ensure effective communication and skill sharing** across work units, jobs and locations, Senior Leaders provide information to the workforce through a variety of means (Figure 4.1-5) based on our workforce diversity of occupation, location, and tours of duty. For example, the Directorate of Logistics (DOL) publishes a paper-media Directorate Newsletter for DOL employees and the DHR publishes a quarterly training calendar via E-Mail for all Garrison employees. The DHR Garrison Training and Development (GTD) Specialist regularly schedules formal training on effective communication skills, effective briefing, and effective written communications. We also conduct special meetings that emphasize communication. For example, the DPW holds design charrettes with all stakeholders on every project. All directorates hold annual Consideration of Others (CO2) sessions for all of their employees. We improve communications flow and measure the effectiveness of our

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processes through employee feedback mechanisms such as surveys, complaint systems, customer comment cards, and the GC Brown Bag with the Boss luncheon. We've established a PAT to address improving communication.

5.1b Employee Performance Management System

In addition to emphasizing values that support high performance (para. 1.1a(1)) and stressing empowerment, innovation, and knowledge and skill sharing (para. 1.1a(2)), we use the TAPES, OER, and NCOER **performance management systems for** planning, appraising, improving, and **supporting high performance work**. These systems are two-way processes in which supervisors and employees discuss organizational goals, priorities, values, ethics, and individual performance objectives that reflect both GSP Objectives and employee career objectives. Since the GSP embodies our customer and business focus, the alignment of individual performance objectives with GSP Objectives **ensures a customer and business focus.** Customer satisfaction is stressed in Key Process 4.8, "Improve customer service," and is a measure for many Key Value Creation Processes and Key Support Processes. Leadership sponsored customer service and customer satisfaction training for all employee groups.

The TAPES, OER and NCOER systems require frequent, at least semi-annual, communication between supervisors and employees about performance, and thus **reinforce high-performance work**. Our employee performance management systems promote a team environment where employees are recognized for their achievements, counseled and assisted in areas for improvement, and held responsible for doing things better and supporting team endeavors. We also reinforce high performance through employee compensation, recognition, and awards programs. Broad flexibility exists for managers to select appropriate awards to compensate and recognize employees for individual and group accomplishments. For military employees, appraisals are critical to promotion and retention. For civilian employees, exceptional performance appraisals are generally rewarded with cash awards, high-level honorary awards, or time-off awards (See Figures 7.4-3 - 7.4-6). Leadership recognizes exemplary employee performance during awards ceremonies, staff meetings, or at the work site.

5.1c Hiring and Career Progression

(1) Identifying Characteristics and Skills Needed by Potential Employees. In 2004, we did an analysis of projected retirements, projected job series growth, and mission requirements. Based upon our mission, management **identified the characteristics and skills** an applicant must possess to successfully accomplish the duties and responsibilities of a position. We have updated our HRDM which includes a Workforce Succession Plan with a Professional Development Guide. The Workforce Professional Development Guide proactively identifies issues that affect systematic in-take and retention of civilian employees to meet mission requirements through FY 2009. A top Garrison priority is investment in Human Capital, especially in competencies not readily found in local labor markets. We study skill attrition, as well as retention, to

support decisions as to who should perform work and how to maintain and update critical skills.

(2) Recruiting, Hiring, and Retaining Employees. We use aggressive recruitment strategies to **recruit** new employees and fill vacancies. For example, recruitment bonuses are offered for critical and hard-to-fill positions. As a process improvement, the CPAC developed and promulgated decision tables that make the bonus approval process more efficient by eliminating the need for CPAC review, thereby speeding up the vacancy fill rate. Local recruitment teams conduct Job Fairs and attend Career Days to promote vacancies as part of our recruitment strategy. The CPAC has a Job Information Center, open 4-days a week at FS and one at HAAF, for soldiers, the general public, and current employees. The CPAC also provides assistance to applicants using the automated application system. Position fill time is measured and reported to the ORQMB.

Workplace flexibilities use is shown in Figure 5.1-2.

HUMAN RESOURCES FLEXIBILITIES		
* Family-oriented leave programs	* Long-term care insurance	* Leave sharing
* Flexible work schedules	* Retention allowances	* Telecommuting
* Subsidized liability insurance	* Special salary rates	* Incentive awards
* Employee Assistance Program	* Performance awards	* Direct hiring
* Student Loan Repayment	* Thrift Savings Program	

Figure 5.1-2

While we maintain an aggressive recruitment posture to **diversify** our workforce, we are fortunate to have a plethora of applicants from the local community as well as from separating/retiring soldiers (50% of our workforce is former soldiers). Through the use of interns, the Student Career Education Program, and student volunteers, we strive to recruit American youth. The existing workforce's experience and the fresh new ideas of youth make for a symbiotic relationship. Career Program Managers, Directors, the DHR, the CPAC, and the GTD Specialist compare the numbers of retirement-eligible careerists to number of career interns in each career field to project long-term organization workforce requirements.

FS/HAAF is an equal opportunity employer and has an Affirmative Employment Plan. We ensure fair treatment of all applicants for employment by adhering to our Diversity Guide and our Merit Promotion Plan. We educate our leaders on these principles through leadership training programs, mandatory EEO/POSH training, and our New Employee Orientation.

(3) Accomplishing Effective Succession Planning and Effective Career Progression management. Since our PMMS (Category 1) is institutionalized, routine leadership succession occurs very smoothly and with little effect on the quality process. **Succession planning for civilian employees (same for APF and NAF)** is accomplished through the Installation HRDM Plan. The Plan has specific components that link to GSP Objective 4.7.2, "Sustain a quality workforce," and includes the results of an analysis of critical occupational series required through FY 2009. The Plan provides management a forecast of critical skills and characteristics, and a tentative timeline for when they will be needed. Using the Plan, the Workforce Training Committee (WTC), Figure 5.2-1, identified and requested Army Civilian Training and Education Development System (ACTEDS) intern positions and funding from DA. Based on the request, FS/HAAF received three intern positions to meet future workforce

requirements. To provide for the growth of our current employees, our Merit Promotion Plan provides the vehicle for competitive leadership training opportunities, and we have a Leader Development Plan. Also, the DA Civilian Career Programs and the ACTEDS provide career ladders and development opportunities for all civilian employees.

The DA directs **Senior Military Leadership succession**. The Commanding General's tour is usually two years. The GC's tour is usually three years. The DGC is a civilian position that provides continuity to Garrison leadership. Other key Senior Leader tours range from one to two years in length. At the directorate level, a civilian Director's tenure is usually lengthy, while military Directors serve 2-3 years. **Succession planning for enlisted soldiers** is accomplished through the reporting of projected vacancies to the DA. The DA assigns replacements to FS/HAAF. Our emphasis on keeping critical positions filled, training the workforce for the future, rejuvenation of the career intern program and formal ACTEDS training programs are the foundation for continuing organizational development and success. We also emphasize Army Core Leadership training for both military and civilian leaders.

5.2 Employee Learning and Motivation.

5.2a Employee Education, Training, and Development.

(1) Education and Training Contribute to Action Plan Achievement. Our annual Civilian Training Plan of Action, part of the Workforce Professional Development Guide of the HRDM, is a product of a joint effort by management and employees. It lays out a training and education "roadmap" to achievement of Action Plans related to GSP Objectives. To align education, training and development programs to GSP Objectives, the WTC (Figure 5.2-1) was established to oversee the civilian training and development program and **ensure the civilian employee's education, training, and development align with organizational performance measures, performance improvement, and technological change**. The WTC meets at least three times a year.

WORKFORCE TRAINING COMMITTEE (WTC)							
Chairman: GC			**Executive Secretary:** GTD Specialist				
Members: (Directors, Heads of Staff Offices, Activities and Tenants):							
DHR	RMO	LAO	ICO	PAIO	DPW	DOL	DMWR
DES	DOIM	EEO	ILO	PAO	IGO	RSO	MEDDAC
CID	DENTAC	87th TSB		CPAC		ISO	DPTMS

Figure 5.2-1

Employee training, education, and development requirements are identified through the TAPES, OER, and NCOER processes (paragraph 5.1b) based upon employee needs and organizational GSP Performance Objectives. Individual training requirements identified on employee Individual Development Plans (IDPs) are prioritized based on relevance to mission requirements and employee development. Our annual Training Needs Survey results in a compilation of civilian employee training requirements, our annual Civilian Training Plan of Action. This Plan is part of our employee training program and is thus linked to our Workforce Professional Development Guide and to achievement of our GSP Action Plans. Our survey identifies both **short- and long-term training needs**. Examples

of training, education and development requirements and the functional proponent are shown in Figure 5.2-2.

EXAMPLES OF FUNCTIONAL PROPONENET DEVEOPED TRAINING			
Category (proponent)	**Course Title ****	**Category** (proponent)	**Course Title ****
Civ/Mil Ldrship. Dev. (DHR)	*GC Ldership Lecture Series *LEAD *Oracle Tng Admin.	IT/Comm (DOIM)	*IMO Tng. *Info Systems/Networking *MARKS *Computer Sec Awareness
Common tng. (DHR)	*Effective Briefing *Writing Essentials *Customer Service	Equal Emp. Opportunity (EEO)	*POSH *Sensitivity and Diversity *CO2
TSQMB (DOL)	*Unit Movement Ofcr. *Transp. of HAZMAT	Ethical (ILO)	*Ethics for Finan Discloser *Ethics for New Employees
HR (CPAC)	*Resumix/Answer *Awards *Supervisory Dev.	Perform. Improvemt. (PAI Office)	*APIC *Performance Metrics *Data Analysis
Budget/Fin (RMO)	*ABC/SBC *Fiscal Law *EAGLS	Employee Assistance (DHR)	*Workplace Stress Mgt. *Workplace Violence *Alcohol/Drug Abuse Prev.
Safety/ Security (ISO)	*Ergonomics *SAEDA *Info Assurance	Engineer/ Environmt. (DPW)	*Environmental Compliance Officer *Herpetological Workshop *Log. Data Supply Course *Cost Plus Quality Assurance Course
Contracting / Acquisition (DOC)	*COR *GPC Holder Tng. *CARE		
** DELIVERY METHOD KEY: Blue = In-house instructors; Green = Contracted or Mobile Training Team; Red = CBT/Distance Learning/On-line training			

Figure 5.2-2

(2) Addressing Organizational Needs Associated with New Employee Orientation, Diversity, Ethical Business Practices, Safety, and Management and Leadership Development. Our employee education, training, and development address our **key organizational needs** by providing skills, knowledge, abilities, and general information needed by employees in regard to diversity, ethical business practices, management and leadership, and focus on developing a high performance workforce that meets the needs of the mission, Army, and the individual. Our system allows us to provide the right training at the right time. Directors, supervisors, and Training Coordinators manage of our training programs that are found in the HRDM Plan. Training Coordinator Meetings are held periodically to address training and development issues such as employee needs, system processes, program plans and concerns.

As a part of the **New Employee Orientation** agenda, the GC explains our mission, vision and goals. The EEO office provides Prevention of Sexual Harassment (POSH) and Consideration of Others training annually and conducts sensitivity and **diversity training**. **Ethics training** for the workforce commences with the New Employee Orientation, is reinforced by Leadership's emphasis of ethical values, and is sustained by annual ethics training for all employees, including specialized training for Directorate of Contracting (DOC) personnel and contracting officer representatives (COR). Our last Annual Training Needs survey identified **leadership training** as a key training requirement. To meet our leadership requirements, we designed and conduct a GC's Leadership Lecture Series. Our Career Intern and Merit Promotion programs provide entry-level positions allowing for sequential development of personnel to fill critical demand positions. The Installation Safety Office (ISO) addresses **safety training** needs by teaching classes on Hazardous Communications, Confined Safety Entry, Personal

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Protection Equipment, Family Childcare Safety, and a quarterly Safety Officer/NCO course. Ergonomics training is provided each year to train new Ergonomic Analysis Team members. Our Firefighters receive up-to-date training in Hazardous Materials handling and as Medical First Responders.

(3) Designing Education and Training to Meet Current and Future Needs Using Supervisor and Employee Input. Senior Leaders **seek and utilize input from employees and their supervisors/managers on education and training needs**. Critical data is received from the IDP process, the military appraisal system, and from the Annual Training Needs Survey (Step 1). All three ask employees and their supervisors what education or training is needed to enhance and sustain process performance. Directorate Training Coordinators take the information gathered in their organization through the IDP process and the Annual Training Needs Survey and report the information to the DHR GTD Specialist (Step 2). The GTD Specialist analyzes the data, develops Action Plans to deliver the necessary training and ensure alignment with individual and organizational needs (Step 3). The WTC reviews the plan, modifies it if necessary, and approves it (Step 4). Directors, supervisors, and Training Coordinators then implement the plan. Training is scheduled based on the needs identified in the plan and announced to the workforce (Step 5). Training Coordinators are key to the marketing and administering of training opportunities. By using seasoned, in-house technical experts and leaders to identify needed improvements, identify, develop, and/or deliver the needed training, we are able to infuse their knowledge and expertise into our workforce skills and competency base. In-house training makes use of intellectual resources and uses local publications written and extensively coordinated with expertise within Directorates. Our QMBs' continuous review of work processes coupled with our decentralized approach to training, education, and career development enables us to leverage our **organizational learning and knowledge assets.** Through this process, we have developed the Family Readiness Group University to provide educational opportunities for spouses. Training focuses on providing skills and building self-confidence.

(4) Delivery of Education and Training. We use a variety of approaches to **deliver workforce education and training**, including on-the-job training, cross-training, conferences, video conferencing, satellite education delivery, train-the-trainer, computer-based, distance-learning, and on-site and off-site formal training. To **seek input from employees and their supervisors/managers**, we use the annual Training Needs Survey and requirements derived from supervisor-employee discussion on the IDP that includes **options for training delivery**. The IDP process, in conjunction with the TAPES and the military appraisal systems, requires supervisor and employee discussion of career goals that forms the basis for employee **mentoring**. The GTD Specialist determines the most cost effective and efficient **delivery approach** to obtain training, and the WTC approves the Plan (see paragraph 5.2a(3).

(5) Reinforcing Knowledge and Skills. Leaders **reinforce the use of knowledge and skills on the job** by conducting formal mid-term and annual performance evaluations and counseling sessions, utilizing the TAPES, OER and NCOER systems, and rewarding employees for effective use of their knowledge and skills on the job. In addition, we reinforce the importance of training by providing training when it is needed (Step 2). By utilizing the train-the-trainer approach wherein the workforce reinforces their knowledge and skills by training others, knowledge and skills are also reinforced (Step 3). First-line supervisors routinely observe employee performance, determine if the employee is applying the required knowledge and skills, and take appropriate action(s) if that is not the case (Step 4).

(6) Evaluating the Effectiveness of Education and Training. We use a variety of methods to **evaluate the effectiveness of education and training**. We evaluate not only the actual training received, but also the organizational results from having a skilled and trained workforce. At the conclusion of each instance of training, employees complete a training critique. The instructors review the results for possible course changes. A post-training evaluation process is performed at Workforce Training Committee Meetings. The ORQMB reviews the data.

Education and t**raining effectiveness** is discussed by the supervisor and employee once the training is completed and is also observed periodically by the supervisor in the workplace. The supervisor evaluates the effectiveness of education and training during the employees performance review, discusses the effectiveness, it's applicability to the employees work requirements, and if further training is needed.

5.2b Motivation and Career Development

Senior Leaders **motivate our workforce to develop and utilize their full potential** through a variety of **formal and informal mechanisms**. The key to motivation at FS/HAAF is the joint effort by Senior Leaders, supervisors and employees to work toward common PMMS goals. Many GSP Objectives and goals, established jointly, are added to management and workforce performance standards. These establish a common Garrison theme that goals developed by all are reached by individual and/or team effort. Leadership uses the formal TAPES, OER, NCOER systems as one way to encourage and **motivate our employees to utilize their full potential**. Garrison soldiers and civilian employees and their supervisors together establish developmental and training objectives utilizing these systems. Civilian employees/soldiers submit their accomplishments regarding those objectives at semi-annual performance reviews and at appraisal time. Another way Leadership **motivates the workforce to use their full potential** is through award programs (Figure 5.2-3).

One such award is the Civilian Employees of the Year awards program established by the Senior Mission Commander. Selections for this award are based upon: contributions that have enhanced mission accomplishment, teamwork, or public image; professional attitude; commitment to excellence; personal initiative, creativity, and professionalism; and customer service response. The workforce is motivated to improve various work processes and to share initiatives through the GC's Anti-Dumb Things Award and the GC's Process Improvement Award Program, which augment established Army awards programs. Award programs recognize and sometimes

financially reward those employees who improve a process. Leadership makes the workforce aware of the award process and award winners through numerous forums such as State of the Garrison Briefs, e-mail, flyers, the PAI Office Homepage and the FS/HAAF Frontline newspaper.

AWARDS AND RECOGNITION				
Award	Soldier	Civilian	Team	Linkage to Objectives
Civilian Employees of the Year		X		X
On-the-Spot		X	X	X
Quality Step Increase		X		X
Performance Evaluation	X	X		X
AIEP	X	X	X	X
Time-off	X	X	X	X
Service Medals	X	X	X	X
Achievement Medals	X	X	X	X
Certificates	X	X	X	X
Mementos (i.e. coins)	X	X	X	X
Media coverage	X	X	X	X
Incentive Awards		X	X	X
Process Improvement Award	X	X	X	X
Anti-Dumb Thing Award	X	X	X	X
GC Excellence in Customer Svc Awd	X	X	X	X

Figure 5.2-3

Our formal mechanism to help employees attain job- and career-related development and learning objectives include encouraging participation in professional organizations (e.g. ASMC, ABWA, etc.) and in community activities (Figure 7.6.7).

Senior Leaders approved GSP Objective 4.7.3, "Train the Workforce," to emphasize the importance of training and career development, and to help civilian employees/soldiers **attain job- and career related development and learning objectives**. Supervisors and civilian employees together have developed IDPs for 100% of the Appropriated Fund workforce. Quarterly in the ORQMB, the GTD Specialist reports the percentage of IDPs and training needs completed. A sample of training and development opportunities available to the workforce, both civilian and military, to help them develop and utilize their full potential are depicted in Figure 5.2-4.

WORKFORCE TRAINING AND DEVELOPMENT OPPORTUNITIES		
OPPORTUNITIES	CIV	MIL
Supervisor Development Course/Seminar	X	X
Leadership, Education, and Development (LEAD)	X	X
Organizational Leadership for Executives (OLE)	X	X
Personnel Management for Executives I (PME I & II)	X	X
Primary Leadership Development Course	X	
Company Commander/1st Sergeant Course		X
Garrison Commander's Leadership Lecture Series	X	
Army Professional Development Opportunities	X	X
Customer Service Course	X	X
Total Army Quality	X	X
Strategic Planning	X	X
Automation Training	X	X
Environmental Awareness	X	X
Human Resources Quarterly Training	X	X

Figure 5.2-4

5.3 Employee Well-Being and Satisfaction
5.3a Work Environment
(1) Improving Workplace Health, Safety, Security, and Ergonomics. Senior Leaders **improve workplace health, safety, security, and ergonomics** by including performance objectives, measures, and goals in the GSP (Objectives 3.3.1, "Provide accessible quality health care to soldiers and family;" 3.4.1, "Provide modern physical facilities and programs;" 3.5.1,

"Provide excellent admin working conditions") and key process 3.6, "Provide a safe and secure community," and through programs and activities that are the responsibility of our ISO and our partner, the U.S. Army Medical Department Activity (MEDDAC) at FS/HAAF, and performed under WBQMB and ORQMB oversight. The WBQMB established the process **performance measures and standards** (Figure 2.2-1). The status of performance objectives and measures are reported in the PMMS. If standards are not being met and/or goals not being achieved, Leadership directs these issues to the appropriate QMB for consideration or establishes an employee PAT to recommend actions. For example, an Ergonomics PAT researched ergonomically sound office furniture and developed standards that have been used to survey each workplace for compliance and for needed improvements.

Senior Leaders, supervisors, the DHR, CPAC, and AFGE share the responsibility of incorporating the program in the day-to-day work environment. For example, FS Reg 385-3, Installation Ergonomics Program, requires the Ergonomics Subcommittee to form and train an Analysis Team to conduct assessments. The Ergonomics Subcommittee arranged for the Team to attend a 40-hour course.

Besides **employee participation in the PMMS and on PATs, the workforce gives input into workplace health, safety, security and ergonomics** through the key listening posts and access mechanisms in Figure 3.1-1. For example, employee complaints concerning mold problems affecting the health of employees in Buildings 620, 621, 622 and 623 resulted in the matter being addressed in the WBQMB which developed an Action to accomplish a phased rehabilitation of the buildings. This Action is underway. Likewise, unsatisfactory heating and air conditioning in those same buildings as well as many others is being addressed through a multi-million dollar modernization of the High Temperature Water (HTW) Distribution System and upgrade of the Central Energy Plant (CEP). Building 621 has been completed and building 622 is currently under renovation.

All Directorates have trained Safety Officers, Security Managers, Force Protection Officers, and Fire Marshals. These officials periodically review, inspect, and monitor the environment and work climates using checklists derived from regulatory guidance. As a fail-safe measure, all facilities are inspected under the ISO Public Safety Program to ensure overall safety. This proactive approach aids in preventing problems. As directed by AR 40-5, Preventive Medicine, the Occupational Health Office and the Preventive Medicine Office promote the health of the workforce by reducing the risk of occupational illness and injury. They assist managers and supervisors in providing workplaces that are free from recognized health hazards that are likely to cause injury, illness or death under the Occupational Health and Industrial Hygiene Implementation Plan. The Industrial Hygiene Office performs worksite hazard evaluations and personal exposure assessments, and conducts worker education and training. They also evaluate chemical, physical, ergonomic, and biological hazards and recommend measures to control workplace risk factors and stressors through engineering and administrative controls, and personal protective equipment. The office targets members of the workforce

US ARMY

Appendix B

Appendix B - APIC Examples

6.0 PROCESS MANAGEMENT

6.1 & 6.1a VALUE CREATION PROCESSES

6.1a(1) Value Creation Process Determination. As stated in item 3.1a(1), The Army directs the permanent and temporary assignment of active duty and reserve soldiers to our organization based on our mission, capabilities, and their professional development requirements (Items P.1b(2) & 3.1a(1)). The Senior Management Board (SMB), in keeping with our mission and vision shown in Figure P.2, our goals shown in Figure P.10 and our focus on meeting and exceeding customer expectations illustrated in Figure 3.1.1, select value creation processes (Figure 6.1.1) that create the best value for the soldier and the Army and have the most impact on our external customers. Readiness is focused on the Warfighter major market, Quality of life is focused on "The City" Fort Bragg, while infrastructure is key to both.

PROCESS IMPROVEMENT CYCLE (PIC)

Customer Requirement
- Identify Requirement
- Survey Business Climate
- Evaluate Past Practices   **1**

Vision
- Identify Path to Success
- Develop Business Base
- Establish Measures
- Evaluate Organizational Impact
- Select Highest Potential Success   **2**

Select the Process
- Determine Scope/Customer Base
- Determine if Able to Provide on Pay-As-You-Go Service Basis
- Determine Candidate   **3**

Design/Redesign the Process
- Document Current Process Mapping
- IPR Current Situation/Develop New Process
- Test/Evaluate/Refine/Brief Process   **4**

Mobilize
- Identify Implementation Options
- Develop Action Plan for Selected Options
- Communicate/Advertise   **5**

Deploy
- Document New Process
- Implement
- Measure Results
- Deploy Installation Wide   **6**

Figure 6.1.2 Process Improvement Cycle

Value Creation Processes	Value/Contributions
Readiness	Provides all support services for our warfighting customers to train, sustain, mobilize, demobilize, deploy, and redeploy forces 365 days a year. Our training areas, airfields, and simulators provide a world-class training base to the combat-ready forces. Key services include troop training, supply, transportation, airfield operations, general support level repair, fuel, rations, and dining facilities.
Infra-structure	Oversees Major and Minor Construction Projects, Rehabilitation Projects, Maintenance and Repair, and Master Planning for the organization. We use a systematic approach to develop and maintain our infrastructure in a strategic and proactive manner. Key services include environment, housing, facility maintenance, engineer, and the infrastructure for information management.
Quality of Life	A broad range of activities from all areas of Morale, Welfare, and Recreation: Education, Library Services, Risk Reduction, to a wide array of community and family support programs, to initiation, monitoring, and facilitation of grass roots customer learning and listening forums. Key services include medical, social, child and youth, recreation, clubs, education, religious, legal, and retail.

Figure 6.1.1 Value Creation Processes & Value/Contributions

6.1a(2) Value Creation Process Requirement Determination. Our Quality Management Structure (QMS) (Figure 1.1.2), strategic planning process (Figure 2.1.1), Process Improvement Cycle (PIC) (Figure 6.1.2), and Key Requirements Determination system described in Item 3.1a(2) facilitates our ability to rapidly meet changing customer requirements while maintaining alignment with our goals and vision. Data is collected from various customer forums such
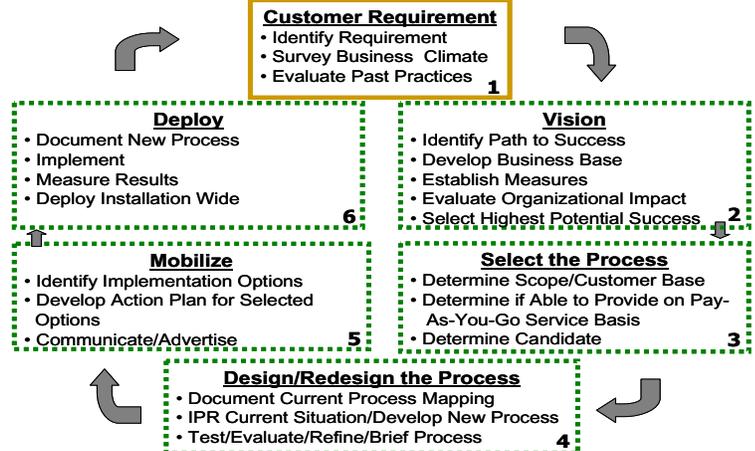
as those listed in Figure 3.1.2. Process champions determine the best courses of action to meet the requirements, achieve greater productivity, and enhance our ability to meet future requirements based on that feedback, as described in Item 2.1a(1). Figure 6.1.4 provides process champions and key requirements.

6.1a(3) Designing Processes to Meet Requirements. Our PIC is the foundation of our process design and redesign system, ensuring key requirements are met. The process champion and Senior and Quality Management Boards provide operational review and analyses of existing processes. These analyses and customer inputs (Figure 3.1.2) are the vehicle for new process design. Teams are tasked with process mapping, research, and design of new processes. When a new process impacts other activities, members from those activities join the process team to ensure appropriate coordination with all stakeholders.

- **Step 1**. Due to our customer focus, the PIC begins with the Customer Requirement. This step includes assessing what the customer wants, what is currently available, is partnering an option (Figure 1.2.2), and what has occurred in the past.
- **Step 2** establishes the outcome. It defines success, incorporates what is important to the customer (Figure P.6) as key measures along with internal performance/productivity measures, and through organizational impact analysis establishes who is most capable to meet the requirements.
- **Step 3** further refines the process design including supply and demand factors, costs and funding sources, new technologies, and risk assessment.
- **Step 4** is when the design is prototyped. Sub-processes and activities are evaluated for effectiveness under all expected scenarios to assure flexibility, and the preferred

solution is tested to assure requirements and expectations are met.

- **Step 5** revalidates requirements are being met, outcomes are being achieved, and establishes the documentation, timelines, responsibilities, and implementation plan.
- **Step 6** implements the process installation wide where appropriate and measures results which are monitored for continued success in meeting requirements.

Examples of some of our successes using the PIC are shown in Figure 6.1.3.

Value Creation Process	Service/Sub-Process Improved	Results
READINESS	Logistics/CIF	7.5.5
	Operations/Force Projection	7.2.2, 7.5.2, 7.5.3
	Training Support/Private Land Initiative	7.6.13
INFRASTRUCTURE	Maintenance/Service Order Response Time	7.1.7
	Facility Development/ Master Planning	7.3.4
QUALITY OF LIFE	Personnel & Community Services/ MWR Fund	7.3.7-7.3.8
	Personnel & Community Services/ Volunteers	7.4.3

Figure 6.1.3 Value Creation Process PIC Examples

Identification of new technology comes from a variety of sources. Higher headquarters drives the need much of the time, however, our ability to improve how we do business often depends on our ability to identify and incorporate technological capabilities. One of our strategic challenges addresses our ability to keep pace with technology, and is an integral part of planning options for process and service improvements. Our process champions and owners use the situation analysis (Figure 2.1.1) to incorporate new technology into our product/service and delivery processes. Our Directorate of Information Management (DOIM) ensures all information technology is compatible with existing systems and infrastructure when appropriate. Members from DOIM are often included on design/redesign and improvement teams to ensure appropriate coordination of required infrastructure elements. An example of our flexibility is our new Iraqi village training area. Commanders returning from Iraq and Afghanistan identified a need for an improved training area. Without money or time to construct from new, our Directorate of Plans, Training, and Mobilization used unserviceable CONEX containers and surplus paint to build a simulated Iraqi village. When commanders required a convoy training facility, the road to the village was retro-fitted to be over a mile long convoy ambush facility including improvised explosive devices, vehicle borne explosive devices, mines, sniper, and

ambush, both open and blocked training scenarios. Since opening in 2004, soldiers deploying to Iraq and Afghanistan have gained realistic training experience that would not otherwise have been available without this innovative and creative solution (Figure 7.5.1). After action reviews are conducted after each use of the facilities to keep the process current, viable and ensure it meets customer needs

Our measurement system (Figures 4.1.1-5) is built around customer requirements (Figures P.6 and 7.0). Performance measures and customer input are fully integrated into the design process for all products and services from beginning to end using established baselines to monitor differences. The PIC is designed to be flexible to our customers' changing needs. Learning from past projects and sharing of information is accomplished through identifying projects that may have useful information and including members from those projects on the design or improvement team. Reviews through the appropriate QMS level provide additional information sharing opportunities given the vast experience of board membership. The composition of the design or improvement team includes employees at the operational level who have the best knowledge of operational requirements and performance.

6.1a(4) Key Performance Measures. Figure 6.1.4 outlines key measures and evaluation and control methods. Our QMS manages our processes to ensure we are meeting process requirements through periodic multi-echelon reviews (Figure 4.1.8). Leaders at all levels of our QMS provide comments, guidance, and direction, ensuring integrity of our services and products at performance reviews based on our measures, customer and employee feedback, and survey results. In-process measures are used to manage our key value creation processes at all levels of the organization. Much of our support comes from internal support processes, therefore, there are a myriad of leading indicators to indicate problems long before they interfere with the value creation processes. Put simply, a support process lagging indicator is a leading indicator for the consuming process. For example, an increase in fill time for personnel (Figure 7.4.1) signals managers at all levels to start hiring actions earlier to avoid a shortfall in staff during a critical period. Any process, service, or product that falls below standard or experiences changing customer requirements is subjected to our PIC (Figure 6.1.2). Corrective courses of action (i.e. employee training, new technologies, and/or process redesign) are then developed and executed or recommended to the appropriate QMS level, if appropriate. Modified processes establish measures and controls early in the design phase and are carefully reviewed in subsequent periodic meetings to ensure the desired results are being achieved. Significant improvements are submitted through the QMS to higher headquarters and are monitored until complete. Figure 7.0 illustrates integration of customer requirements. Our QMS continuously monitors our processes

Value Creation Process (Champion)	Key Require-ments	PROCESS MANAGEMENT, CONTROLS, AND IMPROVEMENTS			Control Methods	Improvement & Deployment Methods	Results
		Key Measures	Standard/Goal	Evaluation Methods			
Readiness (DOL & DPTM)	Q, A, T	Training Infrastructure	C-2	QMS Reviews, USR, ISR, SATB, AARs, IPRs, Surveys, PBACs	Supporting Measures, Inspections, Assessments, Training, PBAC	Improvement: Technology, Additional Facilities, Expanded Areas	4.1.1, 4.1.3, 7.1.3, 7.6.13
	Q, A, T	Mobilization & Operations	C-1				4.1.1, 4.1.3, 7.1.1, 7.5.7
	Q, A, T	Deployment Infrastructure	C-2				4.1.1, 4.1.3, 7.1.2, 7.5.2-3, 7.5.6
	Q, A, T	Logistics Infrastructure	C-2				4.1.1, 4.1.3, 7.2.1, 7.5.12
	Q, A, T	Logistics Operation	C-2				4.1.1, 4.1.3, 7.2.1, 7.5.2-6, 7.5.12
	LE	Funding	C-3				4.1.1, 4.1.3, 4.1.7, 7.3.1-3,
	LE	Customer Satisfaction	C-1				4.1.1, 4.1.3, 7.2.1-4, 7.2.7-12
	LE	Employee Well-Being	C-1				4.1.1, 4.1.3, 7.4.4-5, 7.4.16-17
Infrastructure (DPW)	Q	Infrastructure (ISR 1)	C-3	QMS Reviews, ISR, PBAC, AARs, Customer Surveys, Complaints, Customer Forums	Supporting Measures, Regulatory & Statutory Compliance, Surveys, PBAC, Training	Improvement: Facility & environmental improvements	4.1.1, 4.1.5, 7.1.6, 7.3.4-5, 7.5.12
	Q, T	Modular Force (ISR 1)	C-2				4.1.1, 4.1.5, 7.5.10, 7.5.12
	Q, A	Utilities (ISR 1)	C-2				4.1.1, 4.1.5, 7.3.6, 7.5.8, 7.5.12, 7.5.10
	Q, A	Housing (ISR 1)	C-3				4.1.1, 4.1.5, 7.1.4-5, 7.5.12
	Q	Environment (ISR 2)	C-2			Deployment: QMS Briefs & Reviews, AARs, Customer Forums	4.1.1, 4.1.5, 7.3.12, 7.5.15-18, 7.6.7-8
	LE	Funding	C-3				4.1.1, 4.1.5, 4.1.7, 7.3.1-3, 7.3.5, 7.3.12
	LE	Customer Satisfaction	C-2				4.1.1, 4.1.5, 7.1.7, 7.2.7-9
	LE	Employee Well-Being	C-2				4.1.1, 4.1.5, 7.4.4-5, 7.4.16-17
Quality of Life (DMWR)	Q, C	Business Results	C-3	QMS Reviews, PBAC, IMWRF Council, Customer and Employee Surveys/Forums, Councils, Briefings	Supporting Measures, Standards, PBAC, IMWRF Council, Training	Improvement: APF per capita, training, NAF Subsidies	4.1.1, 4.1.4, 4.1.7, 7.1.8, 7.3.1-3, 7.3.7-10, 7.6.2
	Q	Facilities & Equipment	C-3				4.1.1, 4.1.4
	Q, C	Programs & Services	C-2			Deployment: Marketing, Customer & Employee Forums	4.1.1, 4.1.4, 7.2.1-3, 7.2.6-13, 7.4.16-17
	LE	Customer Satisfaction	C-1				4.1.1, 4.1.4, 7.2.1-3, 7.2.6-13, 7.5.12
	LE	Employee Well-Being	C-1				4.1.1, 4.1.4, 7.4.-6

Q-Quality, A-Availability, T-Timeliness, C-Cost (Results are Lagging Indicators); LE-Leading Indicator

Figure 6.1.4 Value Creation Process Management, Control, and Improvements

to maintain, increase, and streamline performance and to respond to the needs of our customers. It also facilitates sharing of information and ideas throughout the organization. All levels of the structure use key or supporting measures and customer and employee feedback as evaluative tools. Improvement methods include competitive comparisons, customer focus groups, technological advances, and partnering.

6.1a(5) Minimizing Costs of Inspections, Tests, & Audits. One characteristic of Fort Bragg is the large number of former military members now working as civilians in the Garrison. Their first hand experience as one of our customers gives them insight and a vested interest in doing the right thing the

right way the first time. We also thrive in a culture high in patriotism that instills personal pride as well as professionalism that motivates the employees to their very best all the time. Testing during design in our PIC also reduces risks. We balance risk and potential scrutiny to determine inspection, test, and audit requirements and efforts. A variety of methods are employed to perform internal inspections and tests to minimize impact of external methods. These tests are largely performed at the directorate level. Methods include mystery shopper, customer comment cards, and measures at all levels of the organization. For example, our Directorate of Morale, Welfare and Recreation (DMWR) has inspectors on staff that routinely inspects those areas identified as high risk for fraud and theft through their Quality

Management Board (QMB). Occasionally, problems become significant enough to impact the higher level measures in our measurement system and more formal inspections and audits are performed, such as from our Internal Review Office.

6.1a(6) Value Creation Process Improvement. Our measurement system is reviewed throughout our QMS and serves as the catalyst to identify improvement needs. Improvement areas are based on measures not meeting expected performance levels. Once identified, the process owners establish a multi-functional team to begin improvement planning by using the PIC. Customer feedback is solicited throughout the process, in forums listed in Figure 3.1.2, to ensure improvement strategies are not detrimental to meeting their needs. Improvement efforts are monitored throughout the QMS to ensure alignment with requirements and resources. Our formal and informal review forums throughout the QMS (Item 1.1a) serve as the major vehicles for sharing improvement efforts. Sharing both what worked and what did not is critical in our ability to deliver improved products and services as trouble free as possible and to focus energy and resources where it makes sense. The status of key major initiatives is particularly discussed at these forums, posted on web sites, and shared for potential exportation throughout the organization. Significant improvements are submitted through the chain of command to higher headquarters through our performance reviews (Figure 4.1.8) and are monitored until complete.

6.2 & 6.2a SUPPORT PROCESSES AND OPERATIONAL PLANNING

6.2a(1) Key Support Process Determination. We determine our key support processes through our Strategic Planning Process (Figure 2.1.1). The exercise we use to validate our mission and vision requires a listing of our value creation processes and those processes that are critical to support successful accomplishment of those processes. Our support processes and their champions are listed in Figure 6.2.1. One of the success factors at Fort

Bragg is the focus on the customer. We have a shared knowledge of who we serve and when the support processes achieve high quality for our internal customers that leverages into higher quality for our external customers.

6.2a(2) Support Process Requirement Determination. Our support processes provide services to our internal organization and our external customers. Higher headquarters often establishes requirements; champions collect information from various customer forums (Figure 3.1.2) and ensure full integration when determining requirements. Whether a process is value creation or support, the same systematic approach to identifying and meeting customer requirements is the same as described in Item 6.1a(2). Key support requirements are shown in Figure 6.2.1.

6.2a(3) Designing Processes to Meet Requirements. We design and incorporate new technology, organizational knowledge, productivity, cost control, and efficiency and effectiveness factors into the design of our support processes, using the same methods for our value creation processes as described in 6.1a(3).

6.2a(4) Key Performance Measures. Our key performance measures and evaluation and control methods are shown in Figure 6.2.1. Our support processes are rated by their customers in our Installation Customer Satisfaction Survey.

Support Process (Champion)	SUPPORT PROCESS MANAGEMENT, CONTROLS, AND IMPROVEMENTS					Results
	Principle Requirements	Evaluation Methods	Control Methods	Key Measures	Goal	
Financial Management (RM)	Accountability	PBAC, Sr Leader Review	QMS Reviews, Funding Levels, Account Reviews	Travel Card Delinquency	< 5%	7.5.19
				CONOPS	fund bal > 0	7.3.3, 4.1.7
Human Resource Management (GC)	Sustained Quality Workforce, Effective Work Systems	Employee Satisfaction	Sensing Sessions, QMS Reviews, Communication Forums	Employee Satisfaction	67% Overall	7.4.8-12
				Employee Certifications	100%	7.4.7
				Vacancy Fill Time	< 55 days	7.4.1
Environment (DPW)	No NOVs	ISR II, Surveys, Inspections	EQCC, Environmental Assessments	NOVs	0	7.5.16
Information Technology (DOIM)	Cost Effectiveness, Customer Satisfaction	PBAC, Customer Satisfaction	QMS Reviews, Cost Reduction	Customer Satisfaction	85%	7.2.5
Force Protection (DES)	Safe & Secure Community	Orbit Comet	QMS Reviews, Force Protection Committee, AARs	Exercise Scores	All elements evaluated green	7.6.8
Partnerships (PAIO)	Resource Sharing	Customer and Partner Satisfaction	IPRs, QMS Reviews	Resources Shared	Joint Agreements	7.5.14
					ROI	7.3.6
					Acreage Protected	7.6.13
					# Waivers & $ Saved	7.6.12

Figure 6.2.1 Support Process Management, Controls, & Improvement

Appendix B

Our QMS and strategic planning and review processes facilitate customer satisfaction due to representation of primary internal customers. We manage our support processes using the same methods for our value creation processes as described in Item 6.1a(4).

6.2a(5) Minimizing Costs of Inspections, Tests, & Audits. Internal assessment processes assist us in minimizing costs of required external inspections, tests, and audits. Preparation for external audits is comprehensive and built into our routine evaluation and control methods. Our QMS reviews provide the foundation to routinely monitor requirements. Other methods described in Item 6.1a(5) are also used.

6.2a(6) Support Process Improvement. Improvements to our support processes are the same as described in 6.1a(6) based on feedback and performance measures. In addition to our QMS reviews, management review boards are conducted for support processes, such as the Environment Quality Control Council and Programming Budget and Advisory Committee (PBAC). Lessons learned and good ideas are shared at all meetings regarding the processes.

Processes that fall below expected performance standard (Figure 6.2.1) are subjected to the PIC. Once improvement areas are identified, teams are established to analyze, research, and provide recommendations to the appropriate level of the QMS. Customer feedback is solicited throughout the process in forums listed in Figure 3.1.2 to ensure improvement strategies are not detrimental to meeting their needs. Improvement efforts are monitored throughout the QMS to ensure alignment with requirements and resources. Our new lithium battery recycle process is a prime example and is discussed in Item 4.1b(1); other examples of support process successes using the PIC are shown in Figure 6.2.2

Support Process (ESC/SMB Review)	Service/Sub-Process Improved (SMB/QMB Review)	Results (QMB Review)
Human Resource Mgt	Retention/Rewards & Recognition	7.4.6, 7.4.9-10
Environment	Environmental Management	7.3.12, 7.6.7-8
Force Protection	Security/Force Protection	7.6.9

Figure 6.2.2 Support Process PIC Examples

6.2b Operational Planning

6.2b(1) Availability of Adequate Financial Resources. Our strategic reviews (Figure 4.1.8) provide leaders a vehicle to ensure alignment of adequate resources to support our strategic efforts. The PBAC reviews our financial performance and requirements based on our value creation processes and strategic initiatives, as described in Item 2.2a(1-2).

Programmed funds that are saved through efficiencies are reprogrammed to support unfinanced requirements (UFRs). These are prioritized by both the ESC and SMB based on our value creation processes and objectives. Expenditure plans for priority UFRs are developed and "on the shelf" for quick execution should funds become available. The lack of programming requirements to fund contingency operations make it necessary to carefully monitor known requirements and track expenditures in order to obtain full reimbursement. This process challenges our ability to apply dollars in a strategic manner. Our SMB uses a variety of tools such as our run-out chart (Figure 4.1.7) to carefully manage the available dollars.

6.2.b(2) Ensuring Continuity in the Event of an Emergency. We actively plan and engage in numerous activities (Item 5.3a(2)) to prepare for a variety of emergencies. Contingency plans are in place for emergencies such as those listed in Figure 6.2.3, designating roles and responsibilities for installation activities to respond. Exercises are conducted to test and adjust plans to ensure the best possible response to the type of emergency. Work groups identify rally points and conduct drills for emergencies that may inflict their worksite. Semi-Annual Orbit Comet exercises, discussed in Item 1.2a(2), provide a comprehensive test for a variety of emergencies (Figure 7.6.9). Instructions outlining what to do if employees receive a bomb threat are at every telephone. Information for emergencies, such as severe weather, is broadcast via news media and is posted on our web site for employees to access from work or home.

Type of Emergency	Preparedness Activities						
	Exercises	Training	Information	Media	Identify Mission Essential Pers'l	Work Group	Drills
Severe Weather	✓		✓		✓		
Fire		✓					✓
Bomb Threat/Suspicious Pkg	✓	✓	✓		✓		✓
Mass Casualty	✓	✓			✓		✓
Terrorist Threat	✓	✓	✓		✓		✓
Deployment/Mobilization	✓				✓		
Threat Level Delta	✓	✓	✓				✓

Figure 6.2.3 Preparedness Activities

HOOAH!

Appendix B - APIC Examples

Fort Bragg, North Carolina   *2005*

7.0 BUSINESS RESULTS.

Figure 7.0 — Performance Measures

Process	Area	Performance Measures	Goal	Strategy/ Action Plan	Results (Figure #)	Competitive/ Comparative Data	QMS Review Level	Major Reporting Area Fed	Customer Requirement Addressed	Leading (LE) or Lagging (LA)
Value Creation Processes	ALL	ISR-Services	All		7.5.12	Yes	SMB	R.5, I.1-3, Q.4, 6.2.1	Q	LA
		Contract Management & Performance	1	✓	7.5.8-9	N/A	QMB	R.3; R.5; I.1-3	Q, T	LA
		Funding	All		7.3.1-3, 7.3.9	Yes	SMB	R.6; I.6; Q.1; 6.2.1	Q,A,T	LA, LE
		Workers' Compensation Costs	All	✓	7.3.13	No	QMB	R.6; R.8; I.5; Q.1		LE
		Customer Satisfaction	All	✓	7.2.1-14	N/A	SMB	R.7; I.7; Q.4		LA
		Dial 6-BOSS Inquiries	All		7.2.15	N/A	SMB		T	LA
		CRCP and Lost Production	All	✓	7.4.16-17	No	QMB	R.8; I.8; Q.3		LA
		Training Evaluation	All	✓	7.4.4-5	N/A	QMB	R.8; I.8; Q.5		LE
	Readiness	Unit Status Report Ratings (Input)			7.5.1	CC	ESC	R.1; R.3-5	Q, A, T	LA
		Private Lands Initiative	1,3,7	✓	7.6.13	N/A	QMB	R.1	A	LE
		Readiness Timeliness	1		7.5.2	No	SMB	R.3; R.5	T	LE
		Range Operational Readiness	1		7.1.3	No	QMB	R.1	A	LE
		Reserve Component % RDD Met	1		7.1.1	N/A	QMB	R.2	T	LE
		Mobilization/Demobilization Density	1		7.5.7	N/A	SMB	R.2		LE
		Aircraft Departure Timeliness	1		7.5.6	N/A	QMB	R.3, R.5	T	LE
		Force Projection Capability	1	✓	7.1.2; 7.5.2-3	Yes	SMB	R.3	A, T	LE
		% Completed Issues OCIE	1	✓	7.5.5	N/A	QMB	R.5	A	LA
		GWOT Work Orders	1	✓	7.5.4	N/A	QMB	R.5		LE
		Equipment Readiness	1	✓	7.5.3	N/A	QMB	R.5	A, T	LE
	Infrastructure	Military Construction Army	5		7.3.4	Yes	SMB	I.1		LE
		Barracks Upgrade	5	✓	7.1.6	Yes	SMB	I.1	Q	LE
		ISR-Infrastructure	5		7.5.10	Yes	QMB	I.1-3	Q, A	LA
		Energy Consumption Trends	3,5,7	✓	7.3.6; 7.5.11	Yes	QMB	I.3		LA
		On-Post Family Housing Utilization	5	✓	7.1.4	Yes	QMB	I.4	A	LA
		Neighborhood Revitalization	5	✓	7.1.5	N/A	QMB	I.4	Q	LE
		Service Order Response Time	5	✓	7.1.7	N/A	SMB	I.7	T	LE
	Quality of Life	IMWRF Performance	2	✓	7.3.7	Yes	SMB	Q.1	Q,A, C	LA, LE
		NIBD % to Revenue	2	✓	7.3.8	Yes	SMB	Q.1		LA
		AAFES Dividends	2		7.3.10	N/A	QMB	Q.1		LA
		MWR Fees	2		7.1.8	Yes	QMB	Q.1	C	LA
		Commercial Sponsorship/Advertising	2		7.6.2	Yes	QMB	Q.1		LA
		Awards	6		7.4.6	N/A	SMB	Q.5		LA
Support Processes	Financial Mgmt	Contract Dollars Awarded to NC	7		7.6.10	N/A	QMB	6.2.1		LA
		Army Travel Card Management	7		7.5.18	No	SMB	6.2.1		LE
		Percent of GPC Reviews Unsat	7	✓	7.6.4	N/A	QMB	6.2.1 N/S		LA
		GPC Rebates	7		7.6.6	N/A	QMB	6.2.1 N/S		LA
		Interest Paid	7	✓	7.6.5	N/A	QMB	6.2.1 N/S		LA
	Human Resource Mgmt	Employee Satisfaction	All	✓	7.4.8-12	Yes	QMB	6.2.1		LA
		Civilian Awards	6	✓	7.4.6	N/A	QMB	6.2.1 N/S		LA
		Grievances & Unfair Labor Practices	6,7	✓	7.4.13-14	N/A	SMB	6.2.1 N/S		LA
		Employee Certifications	6		7.4.7	No	QMB	6.2.1		LE
		Volunteer Service Value	6		7.4.3	No	QMB	6.2.1 N/S	Q,A,T	LA
		Employee Ethical Infractions	6		7.6.3	N/A	QMB	6.2.1 N/S		LA
		EEO Complaint Resolution	6,7		7.4.15	N/A	SMB	6.2.1 N/S		LA
		AVG Vacancy Fill Time	6,7	✓	7.4.1	N/A	SMB	6.2.1		LE
		Formal Corrective Action Timeliness	6,7		7.4.2	N/A	QMB	6.2.1 N/S		LA
	Environment	Notices of Violation	3	✓	7.5.16	Yes	SMB	6.2.1		LA
		ISR-Environment	3,5		7.5.15	Yes	QMB	I.5	A	LA
		Forest Product Sales	3		7.6.11	N/A	QMB	I.5		LA
		Hazardous Waste Generation	3	✓	7.6.7	N/A	SMB	I.5		LE
		Enviormental Perf. Assessment	3	✓	7.5.17	N/A	SMB	I.5		LA
		Solid Waste Management	3	✓	7.3.11	Yes	QMB	I.5		LA
		Lithium Battery Management	3	✓	7.6.8	N/A	SMB	I.5	A,C	LE
		Environmental Funding	3		7.3.12	N/A	QMB	I.5-6		LE
	FP	Off Limits Establishments	4,7		7.6.1	N/A	QMB	6.2.1 N/S		LA
		Preparedness, Orbit Comet Scores	4		7.6.9	N/A	SMB	6.2.1		LE
	Partnerships	Private Lands Initiative	1,3,7		7.6.13	N/A	SMB	6.2.1	A	LE
		WAMC Customer Satisfaction	2,7		7.5.13	N/A	QMB	6.2.1 N/S		LA
		Aircraft Departure Timeliness	1,7		7.5.6	N/A	QMB	6.2.1 N/S	T	LE
		Joint Agreements	7		7.5.14	N/A	QMB	6.2.1		LA
		Utility Deposit Waiver Program	2,7		7.6.12	N/A	QMB	6.2.1	C	LA
		Grievances & Unfair Labor Practices	6,7	✓	7.4.13-14	N/A	SMB	6.2.1 N/S		LA
		Energy Consumption Trends	3,5,7		7.3.6; 7.5.11	Yes	QMB	6.2.1		LA

Home of the Airborne and Special Operations Forces

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Figure 7.0: This is provided to aid in reviewing our business results. It identifies the figure number of each chart, the linkage to our value creation and support processes, the status of our competitive/comparative data, linkage to our goals (Figure P.8) and strategies/action plans (7.5a(3)), QMS review level, major reporting area it feeds or impacts (Figure 4.1.1), customer requirement addressed (if applicable), and whether they are used as leading or lagging indicators. Legend: Env = Environment; IT = Information Technology; FP = Force Protection; N/S = not shown; Q = quality; A = availability; T = timeliness; C = cost; LE = leading; LA = lagging; Yes = competitive/comparative data provided; No = competitive comparison is possible, but not yet undertaken; CC = comparison data not provided due to potential of compromising classified information; N/A = measurement is unique to our processes and cannot be compared or do not lend themselves to comparison.

7.1 PRODUCT & SERVICE OUTCOMES & RESULTS

Figure 7.1.1 **Reserve Component (RC) Percent Required Delivery Date Met**

57,987 RC soldiers mobilized and demobilized at Fort Bragg since "9-11" (as of 26 Jul 05). Combatant Commanders' required delivery dates were met 100% of the time.
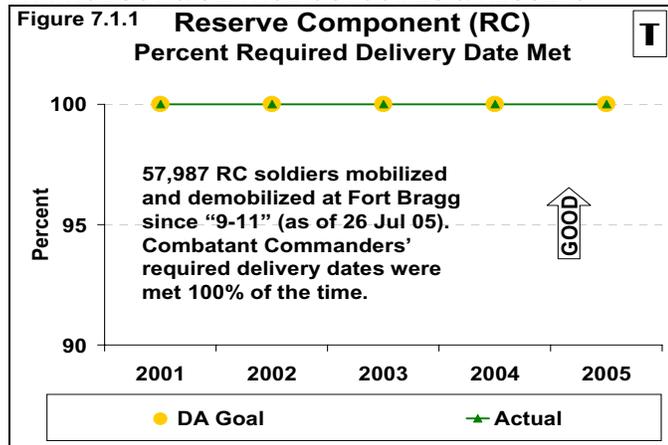
Figure 7.1.1: (Readiness, Training subservice, Figure 7.2.4)

Figure 7.1.2 **Force Projection Capability A/DACG Facilities**

Fort Drum currently has the capability we are striving to attain.
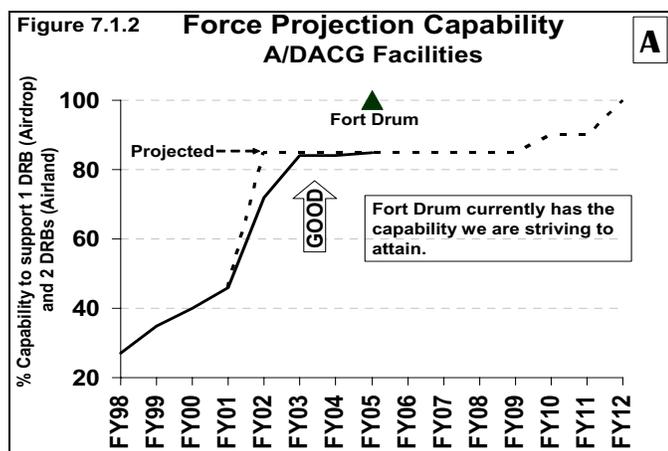
Figure 7.1.2: The requirement is for the Arrival/Departure Airfield Control Group Facilities to support one Division Ready

Brigade (DRB) Airdrop Scenario or two DRB's Airland Scenarios. Our five-phased MCA Outload Enhancement Plan, benchmarked with Fort Drum, will improve our ability to meet this requirement. (Readiness, Training and Airfield Operations subservices, Figure 7.2.4)

Figure 7.1.3 **Range Operational Readiness**
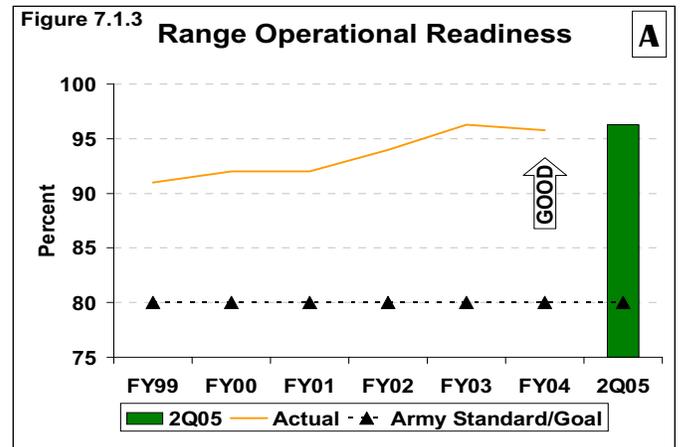
Figure 7.1.3: Operational readiness is determined by the number of days ranges were ready and available for training, based on a medium training year (240 days). For FY05, through March 2005, 183,754 soldiers were trained and 4,784 live fire operations were supported (Readiness, Training subservice, Figure 7.2.4)
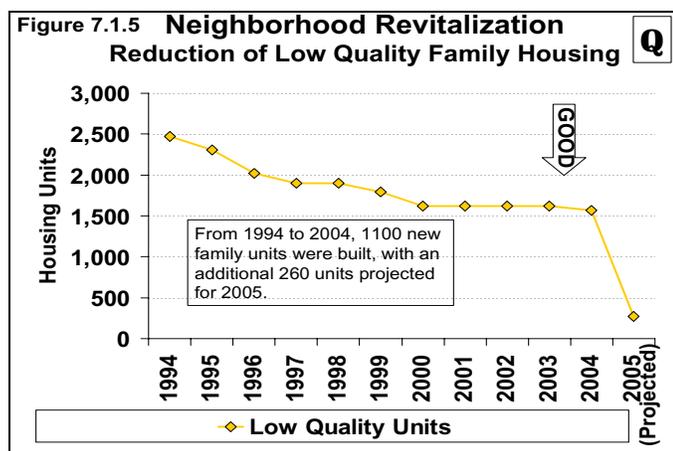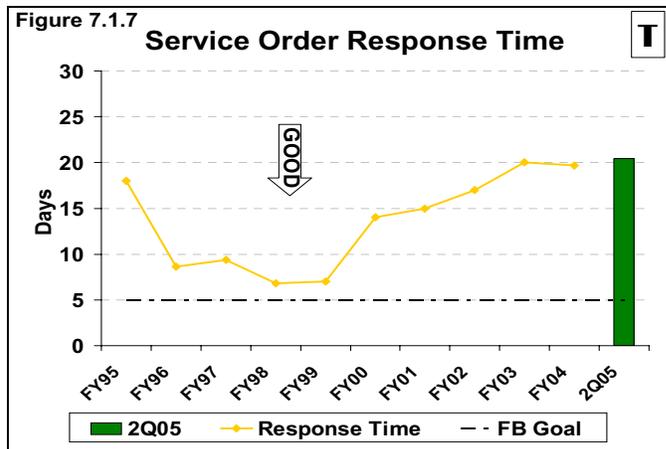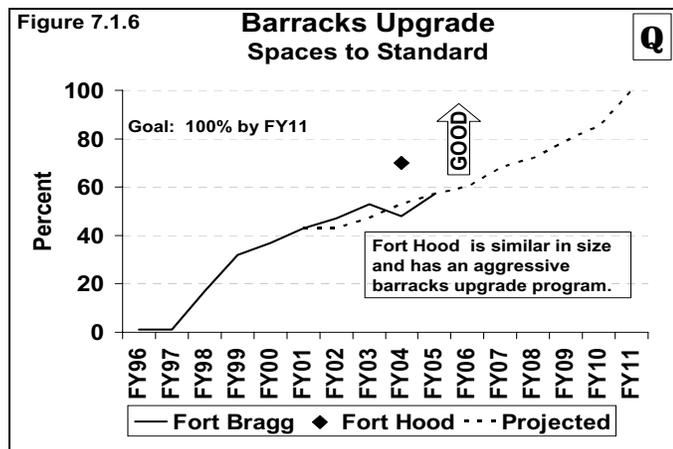

Figure 7.1.4 **On-Post Family Housing Utilization**
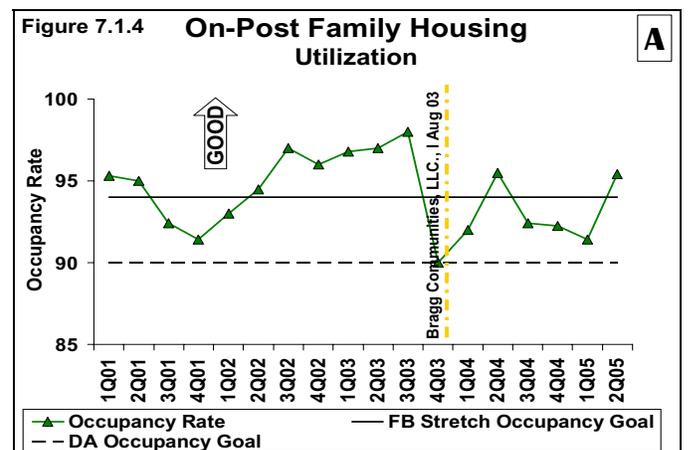
Figure 7.1.4: The Army's partnership, Bragg Communities, LLC began in 2003. The partnership will renovate/construct the entire inventory to modern day standards by 2010. Maintaining high utilization of the housing inventory is a key factor to success. When the inventory was high in 1997-2002, so was the satisfaction (Figure 7.2.5). When the inventory declined in 1Q05 (Figure 7.1.5), so did satisfaction (Figure 7.2.14). (Infrastructure, Housing subservice (Figure 7.2.5)

Figure 7.1.5 **Neighborhood Revitalization**
Reduction of Low Quality Family Housing **Q**

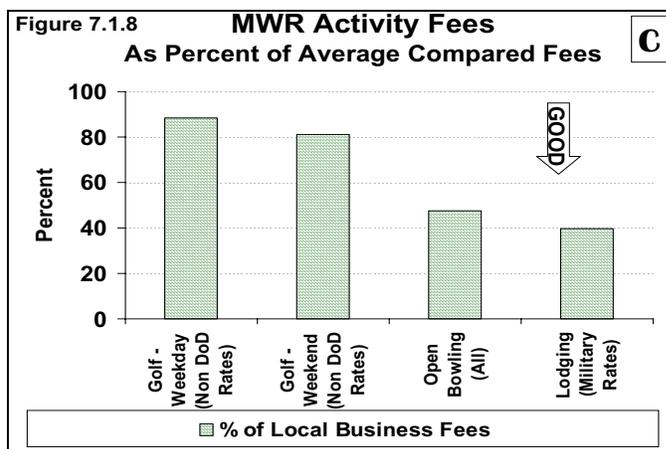From 1994 to 2004, 1100 new family units were built, with an additional 260 units projected for 2005.

Figure 7.1.5: In 2004, Bragg Communities, LLC demolished nine low quality units and completed major renovations on 54 Junior Enlisted single family homes. The Community Development and Management Plan will upgrade the total inventory to current day standards by 2010. (Infrastructure, Housing subservice, Figure 7.2.5)

Figure 7.1.6 **Barracks Upgrade**
Spaces to Standard **Q**

Goal: 100% by FY11

Fort Hood is similar in size and has an aggressive barracks upgrade program.

Figure 7.1.6: Our barracks are being renovated or replaced to provide living space comparable to most apartment complexes to improve quality of life for single soldiers. In Jan 2004 Fort Bragg's barracks requirement increased from 13,853 spaces to 15,226 spaces, resulting in the decline in FY04. (Infrastructure, Housing subservice, Figure 7.2.5)

Figure 7.1.7 **Service Order Response Time** **T**

Figure 7.1.7: It is remarkable Fort Bragg has maintained this level of service through process redesign in spite of reduced SRM (Figure 7.3.5), the increased square footage to maintain (Figure 7.3.4) and increased demand (Figure 7.5.7) (Infrastructure, Facility Maintenance subservice, Figures 7.2.5 & 7.2.2)

Figure 7.1.8 **MWR Activity Fees**
As Percent of Average Compared Fees **C**

Figure 7.1.8: Our MWR activities strive to provide quality services at competitive prices. This chart illustrates Fort Bragg's fees as a percent of competitor fees. (Quality of Life, Recreation Services and Community Activities subservices, Figure 7.2.6)

7.2 CUSTOMER FOCUSED RESULTS
7.2a(1) Customer Satisfaction/Dissatisfaction

Figures 7.2.1-7.2.6: Our customer satisfaction survey is aligned with the services monitored in the Installation Status Report and our value creation and support processes and provides us a snapshot of satisfaction and importance. This
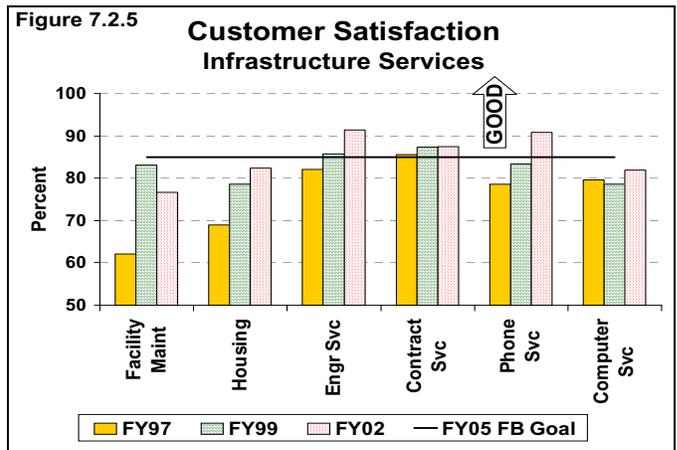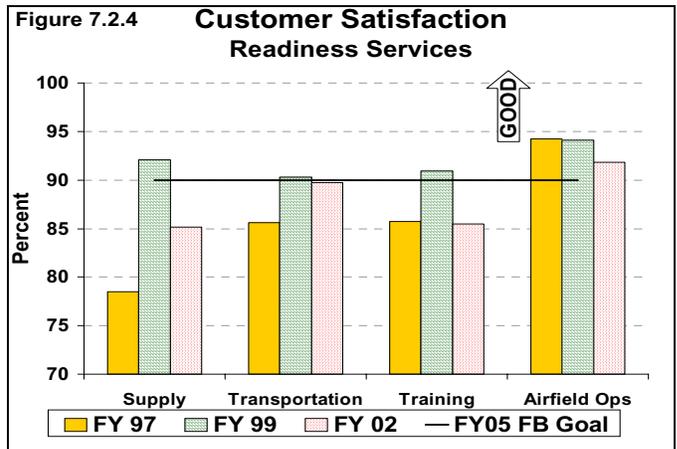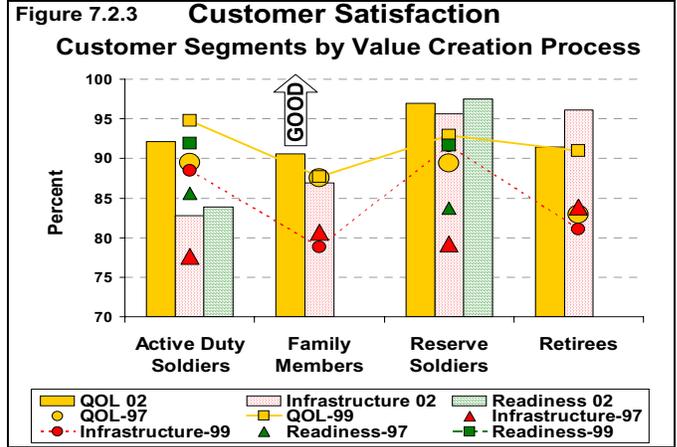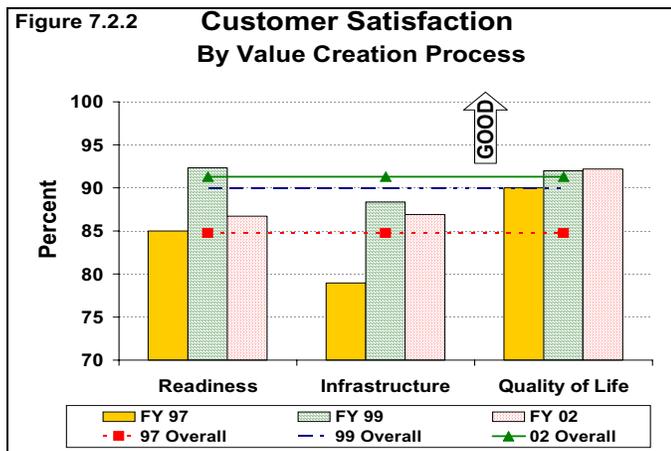
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information is validated using other mechanisms identified in Figure 3.1.2 and other surveys conducted throughout the organization.

Figure 7.2.1 Overall Customer Satisfaction
By Customer Segment
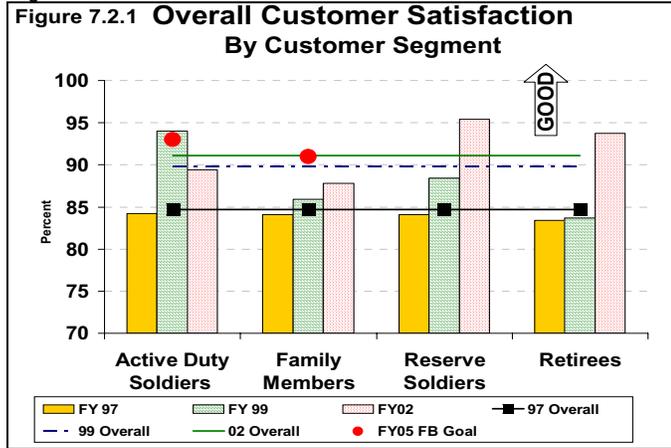
Figure 7.2.1: Our FY02 goal to increase overall satisfaction levels by 5% over the FY97 baseline resulted in an actual 6.7% increase. Our two least satisfied customer groups (active duty soldiers and family members) are the targets for improvement, while sustaining current levels for the other three groups.

Figures 7.2.2-7.2.4: Quality of Life sustained an acceptable level of satisfaction; SRM funding challenges our abiilty to increase satisfaction in Infrastructure (Figure 7.3.5). Increased pace of operations since "9-11" and untimely funding (Figure 7.3.3) are key factors in declined satisfaction in Readiness (overall and subservices) and among active duty customers.

Figure 7.2.2 Customer Satisfaction
By Value Creation Process

Figure 7.2.3 Customer Satisfaction
Customer Segments by Value Creation Process

Figure 7.2.4 Customer Satisfaction
Readiness Services

Figure 7.2.5 Customer Satisfaction
Infrastructure Services

Figure 7.2.5: Initiatives to improve Housing (Figures 7.1.4-5), resulted in improved satisfaction. The decline in Facility Maintenance is primarily due to inadequate funds to meet requirements (Figure 7.3.5).
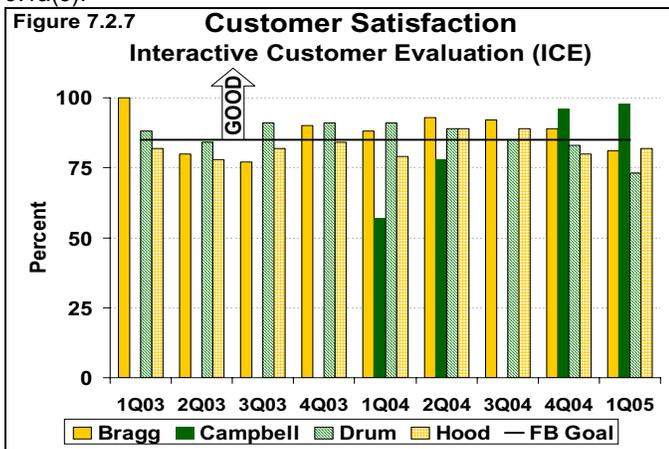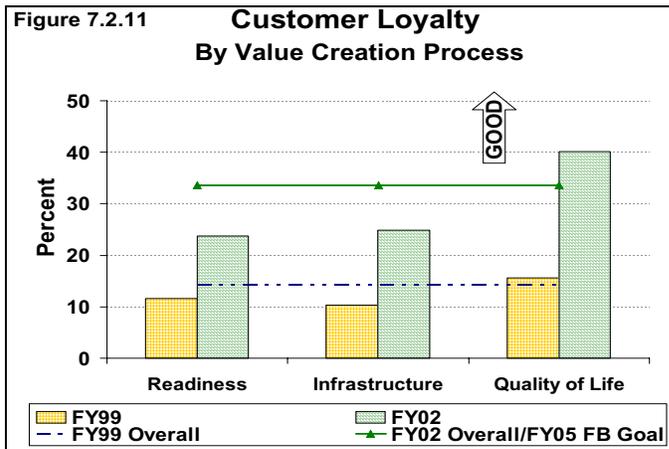
Figure 7.2.6

Customer Satisfaction
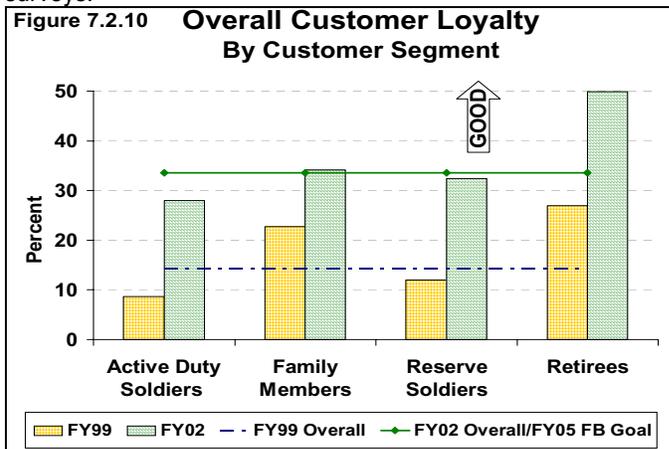Quality Of Life Services
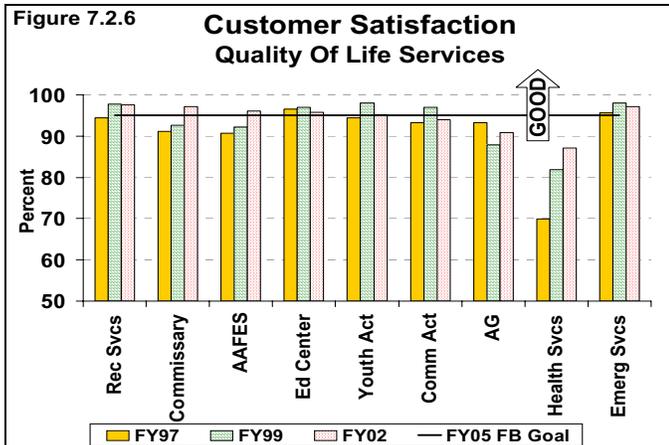
Figure 7.2.6: Initiatives to improve services with the lowest satisfaction rates (AG and Health Services) resulted in increases over the FY97 baseline.
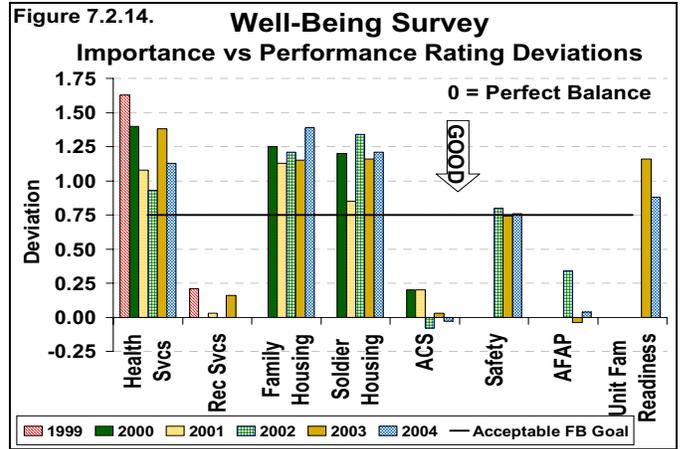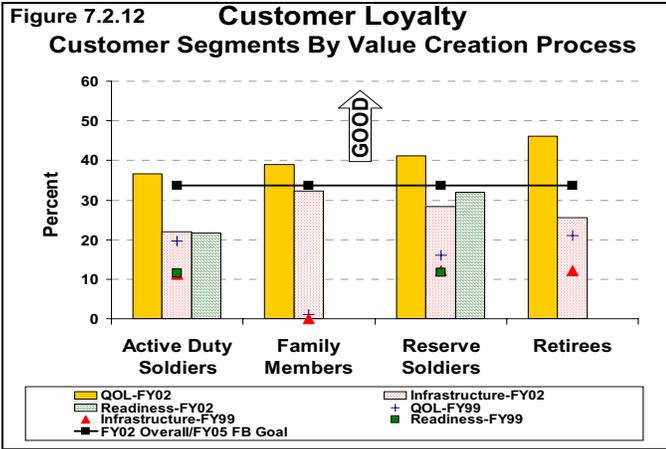
Figures 7.2.7-7.2.9: ICE provides a valuable tool for real-time satisfaction and comparative data, as discussed in Item 3.1a(3).

Figure 7.2.7

Customer Satisfaction
Interactive Customer Evaluation (ICE)

Figure 7.2.8

ICE Overall Customer Satisfaction
By Customer Segment

Figure 7.2.9

ICE Customer Satisfaction
By Value Creation Process
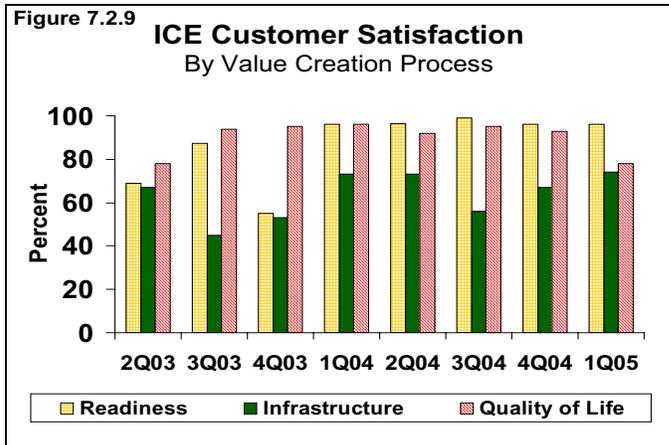
7.2a(2) Customer Perceived Value

Figures 7.2.10-7.2.12: In keeping with industry, we believe "very satisfied" customers will return. These figures display the percentage of "top block" ratings from our last 2 customer surveys.

Figure 7.2.10

Overall Customer Loyalty
By Customer Segment

Figure 7.2.11

Customer Loyalty
By Value Creation Process

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Figure 7.2.12 **Customer Loyalty** — Customer Segments By Value Creation Process

Figure 7.2.14. **Well-Being Survey** — Importance vs Performance Rating Deviations

Figures 7.2.13 & 7.2.14: Another tool we use to prioritize improvement efforts is the use of deviation in customer ratings between importance (perceived value) and satisfaction (scale of 1 (low) and 5 (high)). The higher the gap between the two ratings, the higher the priority we need to place on improvements. When the difference goes below zero, less emphasis should be placed on the program to provide a better balance. Plus or minus .75 of a deviation point is within acceptable range. Our customer survey provides a macro view of our services (Figure 7.2.13). Our Well-Being survey, conducted in conjunction with our AFAP conference, drills our macro services down to obtain data for specific programs (Figure 7.2.14). Health services consistently scores with high deviation in both surveys. When compared to customer satisfaction in Figures 7.2.5-6, our focus on health services and housing was validated.
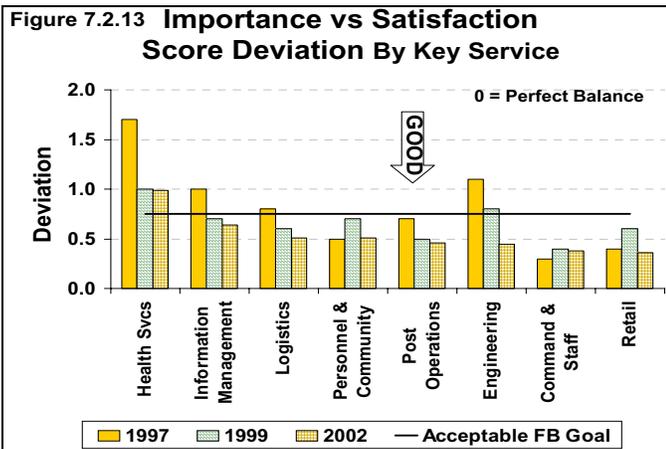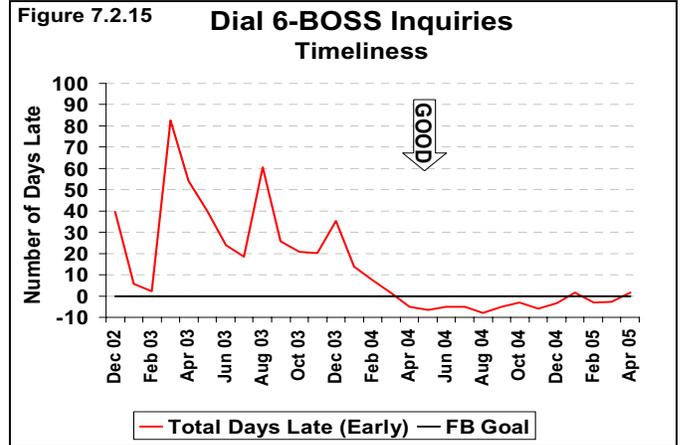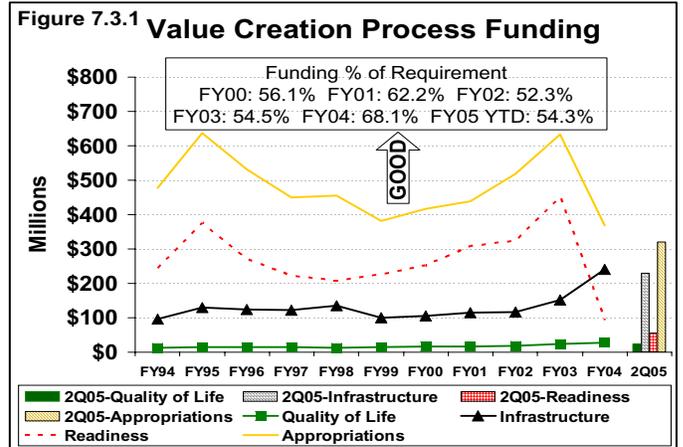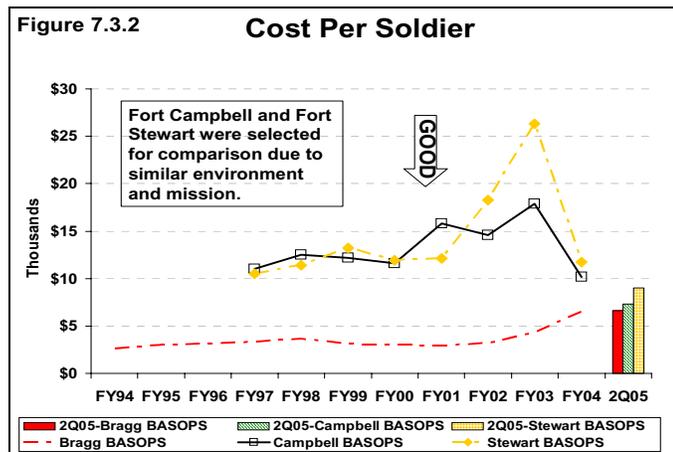

Figure 7.2.15 **Dial 6-BOSS Inquiries** — Timeliness

Figure 7.2.15: The 6-BOSS program is a key access mechanism (Item 3.2a(2)) in our Complaint Management Process (Item 3.2a(3)). Improved timeliness of response increases customer confidence. Drastic improvement in our response time was accomplished via our PIC (Figure 6.1.2).
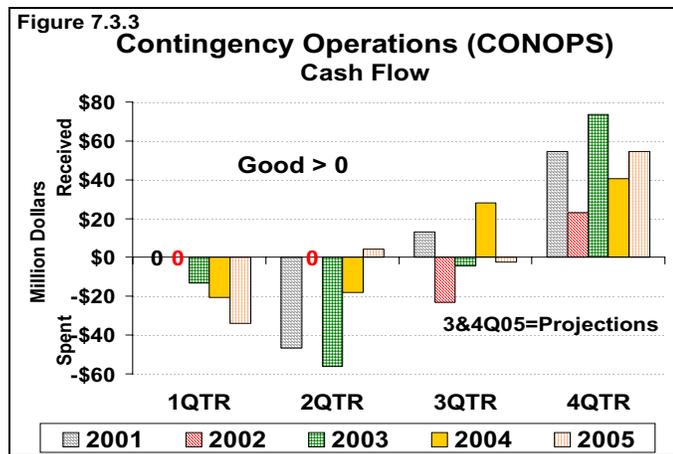
7.3 FINANCIAL & MARKET RESULTS

Figure 7.2.13 **Importance vs Satisfaction** — Score Deviation By Key Service

Figure 7.3.1 **Value Creation Process Funding**

Funding % of Requirement
FY00: 56.1% FY01: 62.2% FY02: 52.3%
FY03: 54.5% FY04: 68.1% FY05 YTD: 54.3%

Figure 7.3.1: During the current budget year, execution dollars are reviewed at monthly Program Budget Advisory Committee briefings and reprogrammed as necessary to support requirements based on our priorities, as discussed in 2.2a(1-2) and 4.1b(1). The decline in Readiness in FY04 is due to the transition to IMA and the separation of mission funding, i.e., training enablers.

Figure 7.3.2

Cost Per Soldier

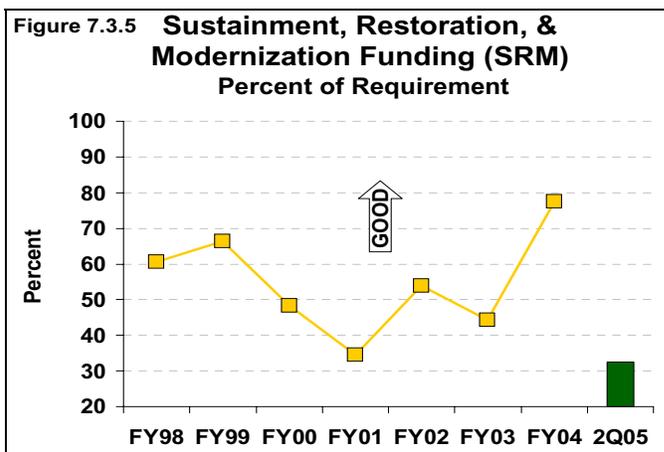Fort Campbell and Fort Stewart were selected for comparison due to similar environment and mission.

Figure 7.3.2: Historically, our funding per soldier is significantly less than other SERO installations. Maximizing the return on every dollar spent, we improved base operation performance and maintained cost efficiencies.

Figure 7.3.3

Contingency Operations (CONOPS)
Cash Flow

Good > 0

3&4Q05=Projections

Legend: 2001, 2002, 2003, 2004, 2005

Figure 7.3.3: CONOPS are not resourced through the budgeting process, but dependent on Congressional supplemental funding to reimburse expenses paid from local funds. This process severely restricts our ability to resource strategic initiatives early in the FY and impacts our day-to-day operations. This challenge requires continuous prioritization of available resources to ensure we are able to continue normal operations while meeting the CONOPS mission.

Figure 7.3.4

Military Construction Army (MCA)
Funding

GOOD

Projected

Legend: Bragg — Hood
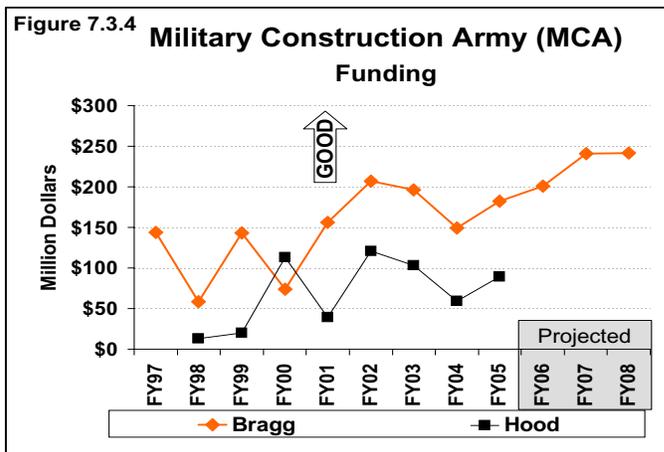
Figure 7.3.4: We are successful in competing for MCA dollars for new major construction due in large part to our leaders' interface with the funding process and the good planning and design that serves as the basis for our MCA construction. The Fort Bragg Master Plan won the American Planning Association Award for Outstanding Sustainable Master Plan (Figure P.8).

Figure 7.3.5

Sustainment, Restoration, & Modernization Funding (SRM)
Percent of Requirement

GOOD

Figure 7.3.5: The increased resources in SRM, FY04, and our consistent construction program enables improvement in our ISR Infrastructure score in 5 out of 6 areas (Figure 7.5.10). ACSIM credited Fort Bragg funding analysis as the catalyst to improve Army wide SRM funding.
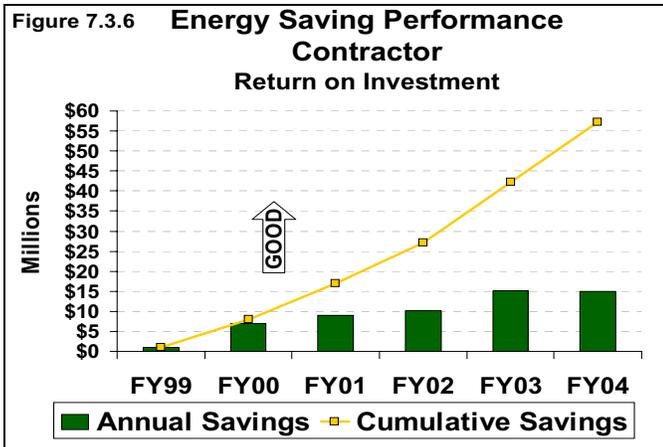
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Figure 7.3.6 **Energy Saving Performance Contractor** **Return on Investment**

Figure 7.3.8 **Net Income Before Depreciation** **% of Revenue**

Figure 7.3.6: A win-win partnership with Honeywell has realized a cumulative $39M in energy savings since 1998 on Honeywell's investment of over $68M to improve our utility infrastructure (Figure 7.5.10).

Figures 7.3.7-7.3.8: The Installation Morale, Welfare, and Recreation Fund (IMWRF) goal for FY05 is $1.6M. As of 2Q05, the Net Income Before Depreciation (NIBD) was $1.6M, an increase of 49.1% over budget. AAFES dividends are up $142.9K over 2Q04 and $251.3K over budget as a result of an increase in telephone calling cards, Class VI income and prior period adjustments.
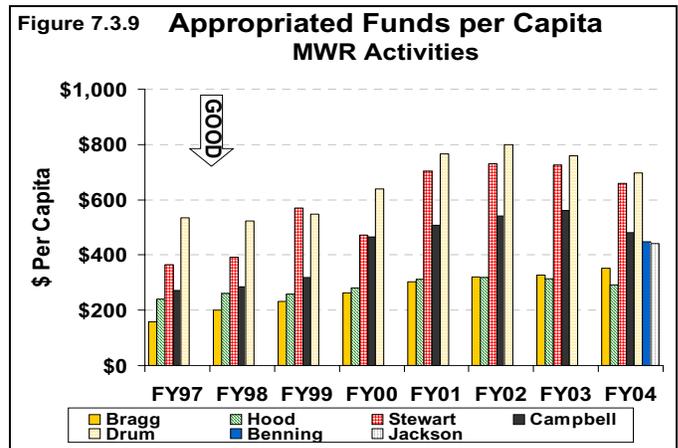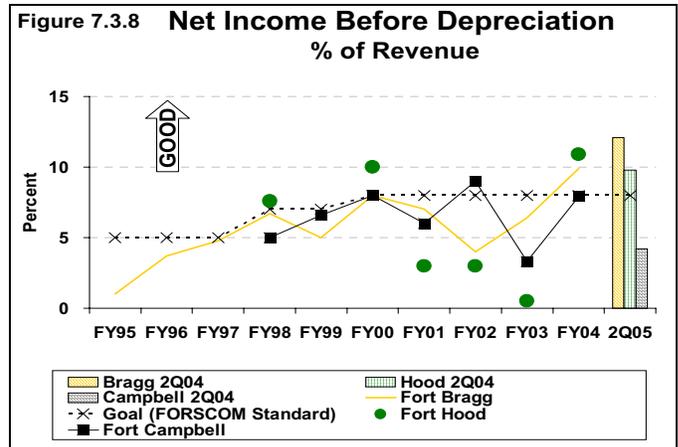
Figure 7.3.7 **IMWRF Performance**

Figure 7.3.9 **Appropriated Funds per Capita** **MWR Activities**

Figure 7.3.9: Our IMWRF profitability (Figure 7.3.7) is impacted by the appropriated funds we receive for mission essential and family programs. We are competitive with Fort Hood and among the most efficient by this measure. Our IMWRF performance with such a low cost per capita indicates our programs are sustainable.

**Figure 7.3.10** **Army/Air Force Exchange Services** **Dividends**
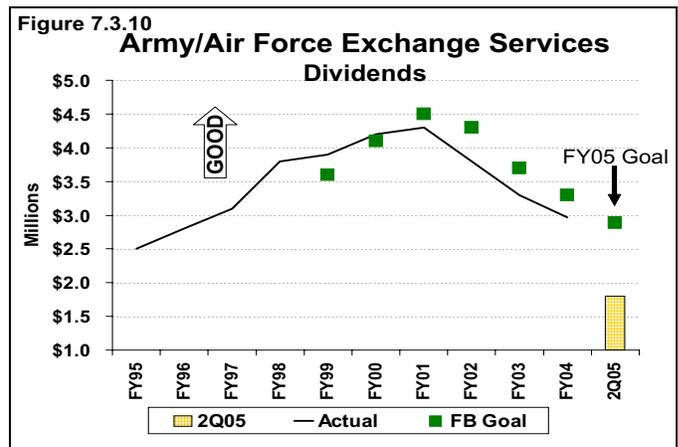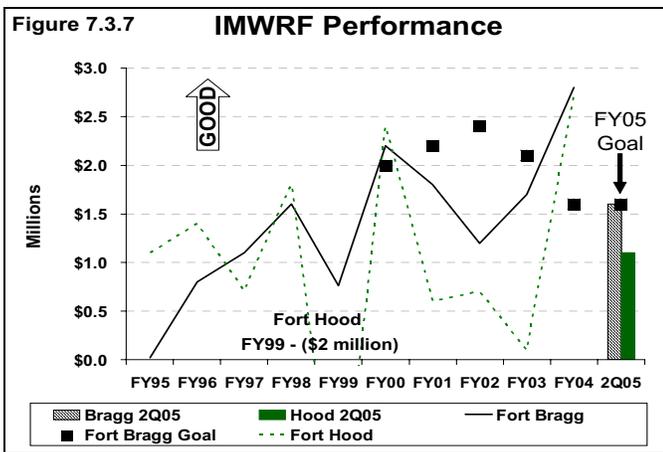
Figure 7.3.10: Our IMWRF receives dividends from AAFES equal to actual income from alcohol and telephone sales, plus .4% of AAFES revenue. Class VI income and income from telephone calling cards have increased in FY05.

Figure 7.3.11 **Solid Waste Management**
Annual Cost Avoidance
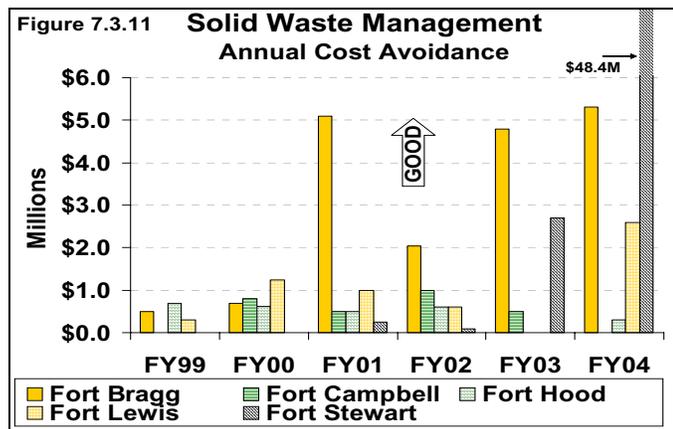
Figure 7.3.11: One of the ten goals in our Environmental Sustainability Plan focuses on decreasing solid waste taken to our landfill. One of the strategies to accomplish that improved solid waste management. 50% of our solid waste was diverted and reused in FY02, 34% in FY03, and 30% in FY04 (Figure 2.1.3). Concrete is crushed into gravel and reused; dirt is stockpiled and reused on our ranges, thereby avoiding the purchase of both items. FY05 data is unavailable at the time of this writing.

Figure 7.3.12 **Environmental Funding**
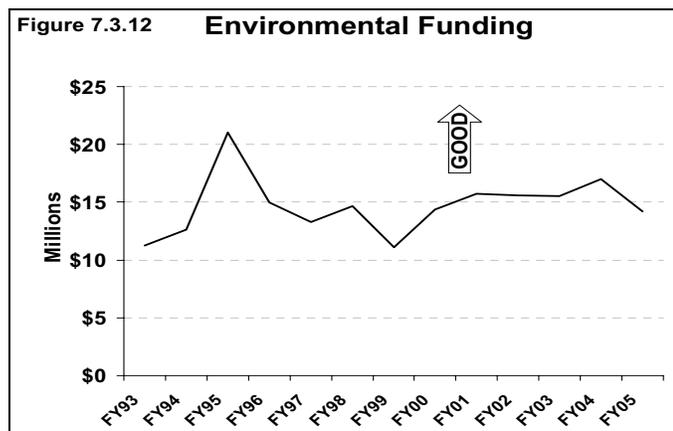
Figure 7.3.12: We have focused efforts on the development of a Sustainability Management System while executing projects required to maintain compliance with environmental regulations/laws.

Figure 7.3.13 **Worker's Compensation Costs**
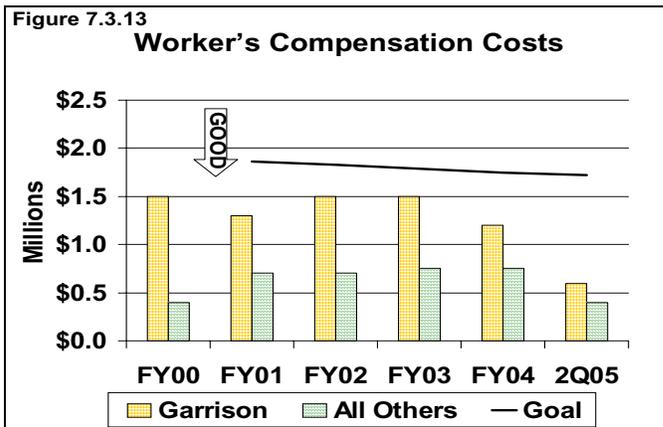
Figure 7.3.13: Our goal is to reduce salary compensation costs by 2% for FY05. While our work force engages in some of the most hazardous activities our emphasis on awareness and prevention continues to reduce our cost.

7.4 HUMAN RESOURCE RESULTS
7.4a(1) Work System Performance

Figure 7.4.1 **Average Vacancy Fill Time**
Appropriated & Nonappropriated
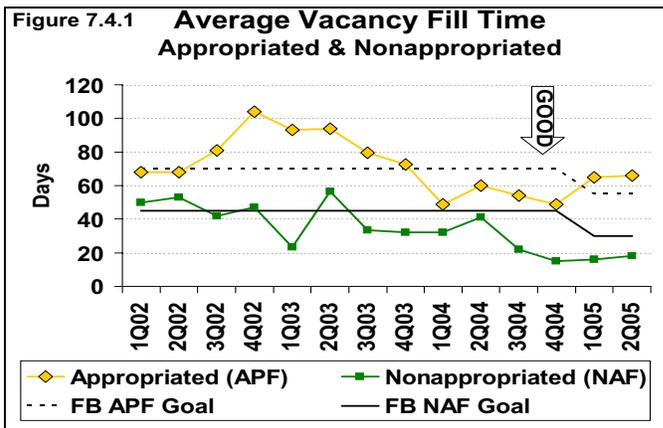
Figure 7.4.1: Increase in AF fill rate was due to selective, budget-driven hiring practices and a large number of Priority Placement Program (PPP) overseas placements. The goal was lowered due to sustained goal achievement.

Appendix B

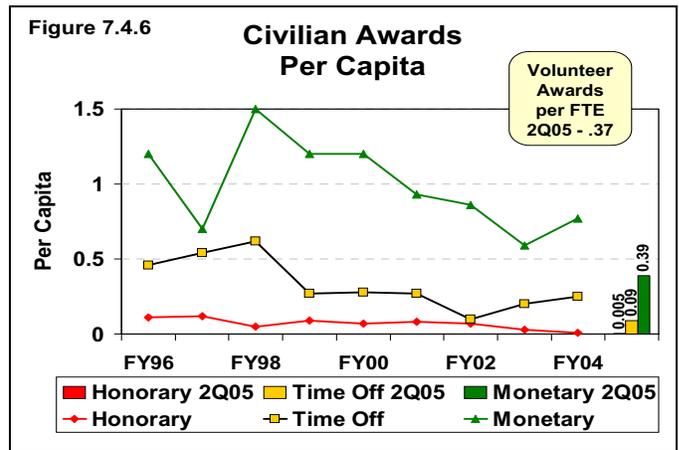Figure 7.4.2 — Formal Corrective Actions — Completion Timeliness
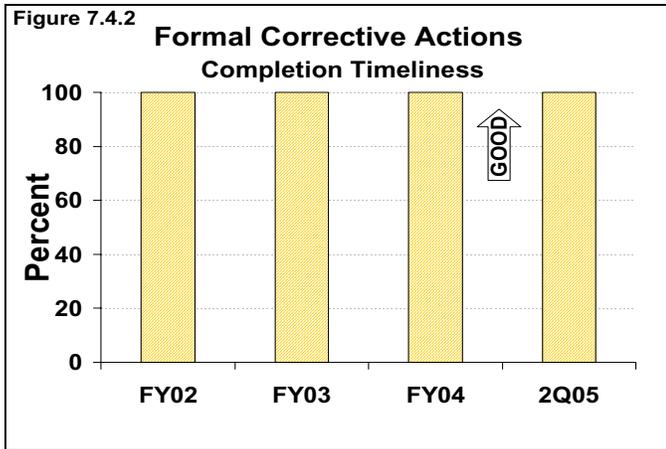
Figure 7.4.2: Prescribed times to complete formal corrective actions differ based on the type of action. All corrective actions depicted in Figure 7.6.4 were completed within the prescribed time limitations.

Figure 7.4.3 — Volunteer Service Value
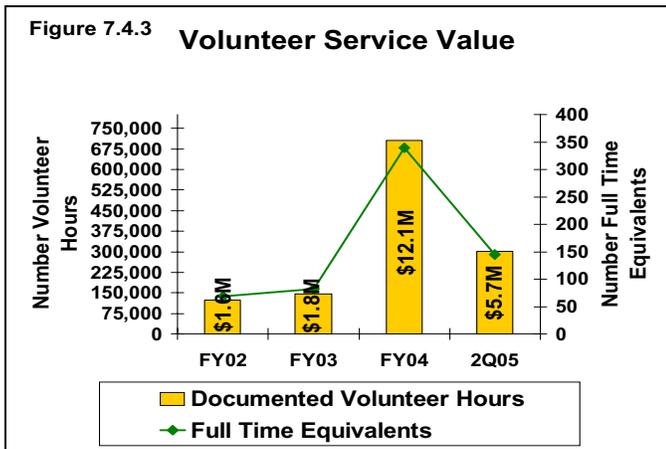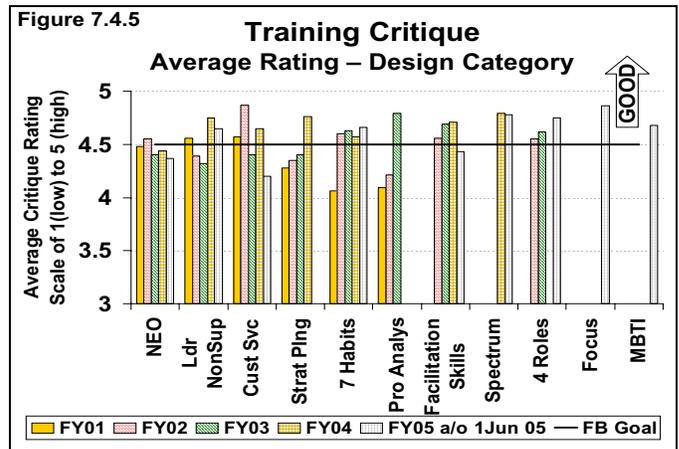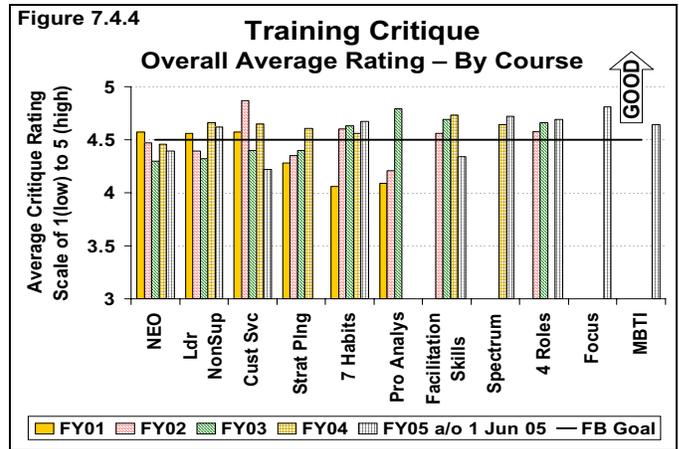
Figure 7.4.3: Our volunteer corps is a significant augmentation to our workforce and provide services in a variety of our organizations, from resource management to family programs.

7.4a(2) Employee Learning & Development

Figures 7.4.4-7.4.5: Our end-of-course critiques provide a tool to improve our training courses, as discussed in Item 5.2a(6). They are representative of the various ways the critique data is looked at. Focus and MBTI are new courses in FY05.

Figure 7.4.4 — Training Critique — Overall Average Rating – By Course

Figure 7.4.5 — Training Critique — Average Rating – Design Category

Figure 7.4.6 — Civilian Awards Per Capita

Figure 7.4.6. Rewards and recognition continue to be one of our top three dissatisfiers (Figure 7.4.9). Our strategy to award all employees evenly in FY98 resulted in a further decline in satisfaction. Elimination of that policy in FY00 increased satisfaction. Strategies to find the right balance to

improve this area continue as illustrated in improvement over the last 6 years (Figure 7.4.9).   The lack of trends for volunteer awards is due to improved process to track volunteer hours (Figure 7.4.3).
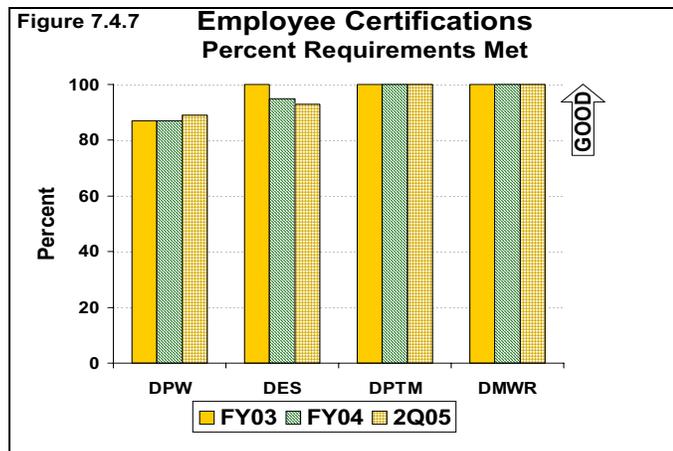

Figure 7.4.7 **Employee Certifications**
Percent Requirements Met

Figure 7.4.7: Funding limitations hinder our ability to maintain a 100% certification rate for all employees.

7.4a(3)   Employee Well-Being, Satisfaction & Dissatisfaction

Figures 7.4.8-7.4.10:   Our biannual Employee Satisfaction Survey was not administered in FY00 due to ongoing commercial activities studies. The uncertain climate during that time would have skewed the results. Command Climate Surveys (Figure 7.4.11) fill the gap.   While Fort Bragg continues to improve our Rewards and Recognition program, our FY04 satisfaction rate is among the top five for the entire government civilian workforce.

Figure 7.4.8 **Employee Satisfaction Survey**
Major Category Satisfaction Rate

Figure 7.4.9 **Employee Satisfaction Survey**
All Subsystems

Figure 7.4.10 **Employee Satisfaction Survey**
2004 All Subsystems – By Segment

Figure 7.4.11 **Command Climate Assessment**
Percent Agree with Statement
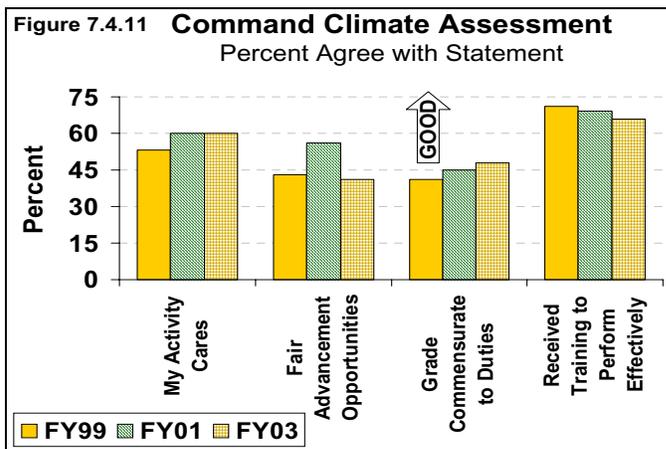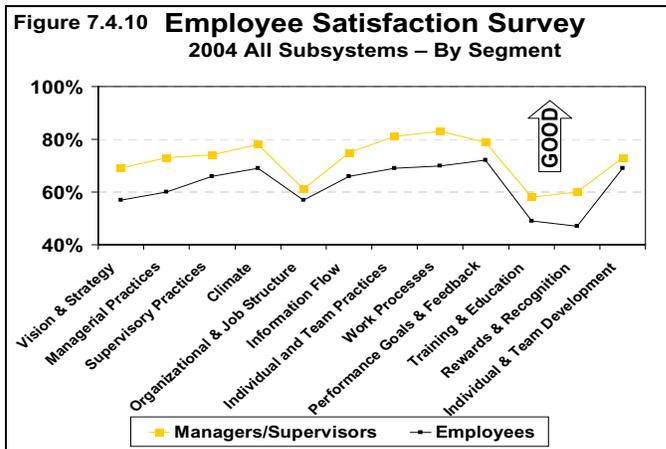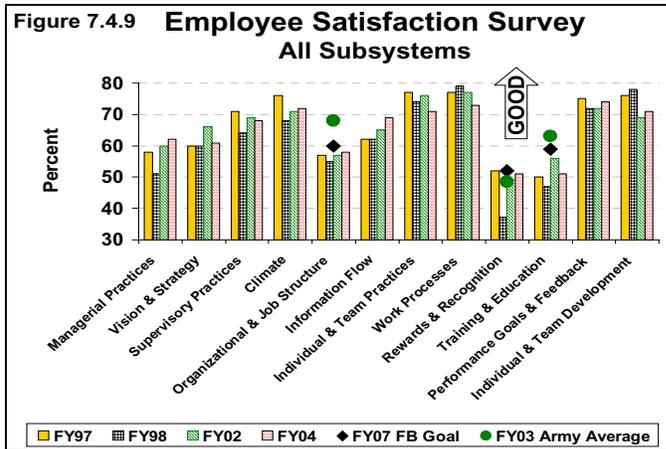
Figure 7.4.11: Command Climate Assessments, conducted by our EEO staff, supplements our formal survey (Figures 7.4.8-10). Declines in Fair Advancement Opportunities and Received Training to Perform Effectively are a direct result of CA impact on the workforce.

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Appendix B

Figure 7.4.12

Employee Satisfaction
Support Services

Figure 7.4.14

Unfair Labor Practice Charges

Figure 7.4.12: Satisfaction with support services is determined through our customer satisfaction survey. Initiatives to improve satisfaction of CPAC services resulted in a significant increase over the FY97 baseline; the slight decrease in FY02 was primarily due to the increased fill time (Figure 7.4.1).

Figures 7.4.13-7.4.14: We attribute our success in reducing grievances and ULPs over the years to our open communication with labor organizations and employees.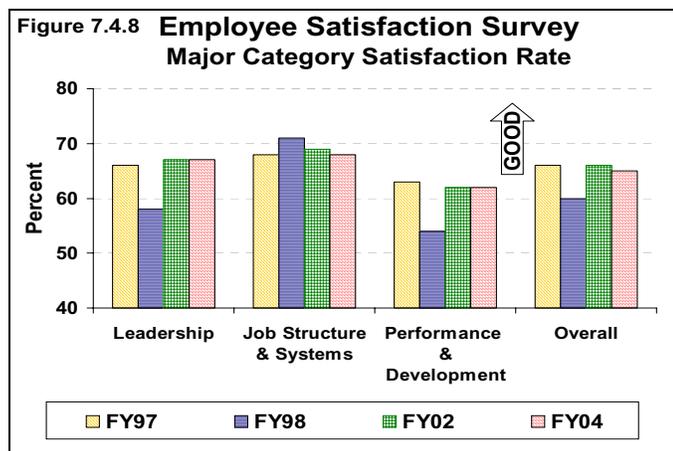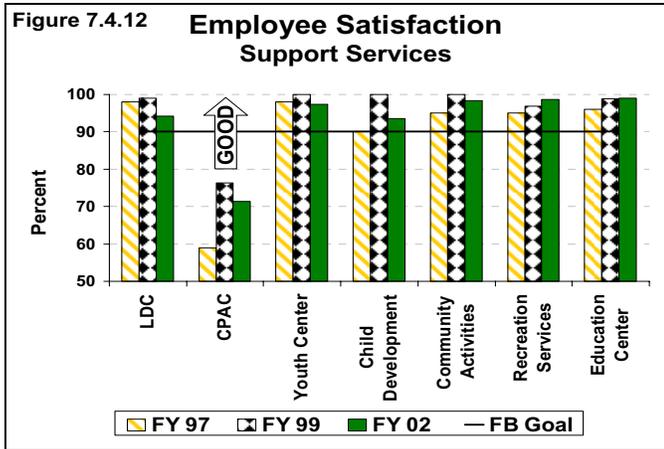 Impact of CA studies was a primary factor contributing to FY03 APF slight increase. The increase in NAF grievances in FY04 and FY05 are the result of efficiency improvement initiatives that resulted in personnel and work changes. These improvements were integral to the continued success of our Installation Morale, Welfare, and Recreation Fund (Figures 7.3.7-8). The trends for the NAF workforce were not tracked prior to FY02.

Figure 7.4.13

Grievances

FY05 Goal = 12 APF
12 NAF

Figure 7.4.15

EEO Complaint Resolution
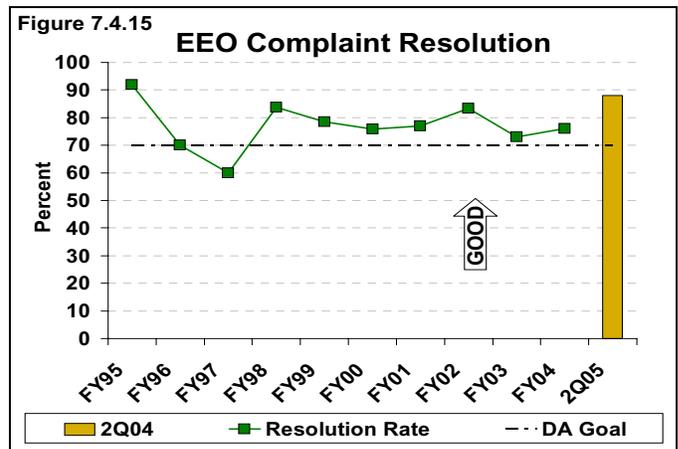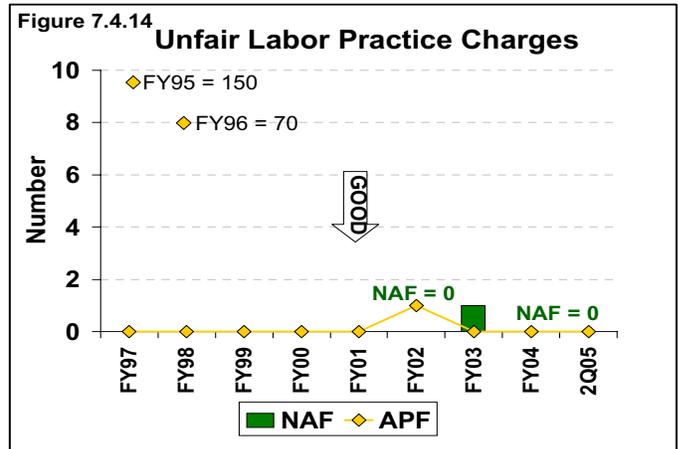
Figure 7.4.15: Through increased emphasis and the use of mediation/dispute resolution, we continue to meet or exceed the Army goal.
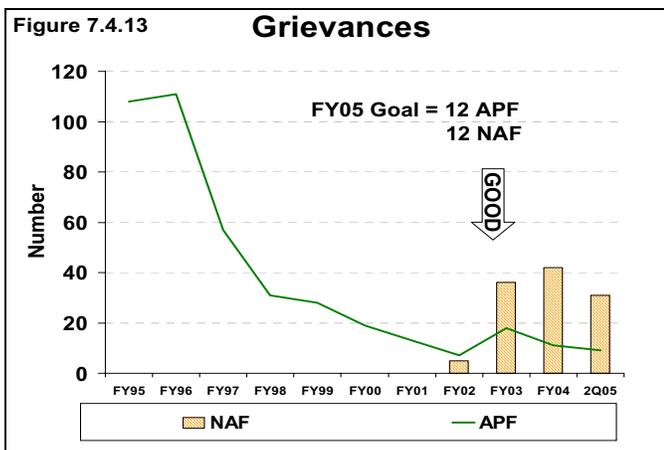
Figures 7.4.16-7.4.17: The decrease in injury rate and lost production is a direct result of increased safety awareness through improved managerial practices and information flow (Figure 7.4.9). Our newly established Accident Prevention Working Committee is reviewing trends to further strategies to reduce accidents (discussed in Item 5.3a(1)). The FECA FY is Jul through Jun.

Figure 7.4.16 Civilian Resources Conservation Program — Injury Rate Per 100 Employees

Figure 7.4.17 Lost Production Days — Rate/100 Employees
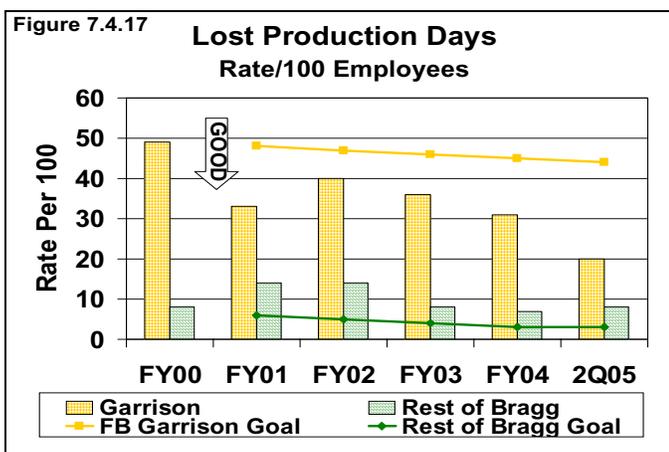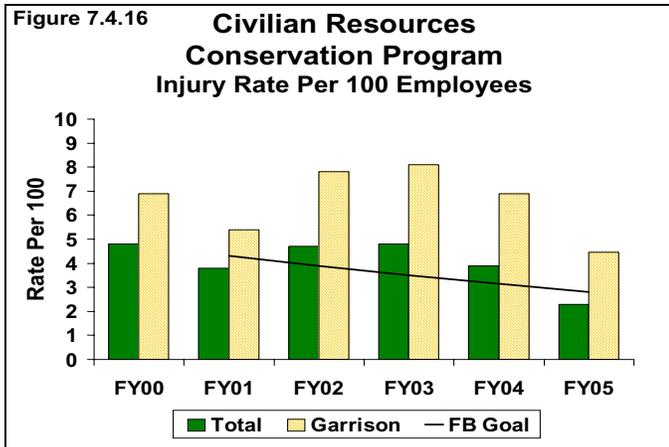
7.5 ORGANIZATIONAL EFFECTIVENESS RESULTS
7.5a(1) Value Creation Process Performance

Figure 7.5.1 — Readiness Ratings   Q A T

Readiness Ratings > 85%=Green 75-85%=Amber < 75%=Red	1Q00	2Q00	3Q00	4Q00	1Q01	2Q01	3Q01	4Q01	1Q02	2Q02	3Q02	4Q02	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05
Overall Unit Readiness	90	83	87	91	86	85	87	89	86	82	86	94	91	86	83	84	89	90	81	82	84	83
Personnel Readiness	96	86	89	91	92	90	89	91	92	86	92	99	97	91	95	88	89	91	91	89	94	96
Equipment Readiness	82	79	86	90	83	82	86	90	82	79	83	97	87	80	78	90	94	93	94	88	93	93
Training Readiness	91	85	88	93	85	84	87	87	83	82	82	96	87	86	76	83	83	86	86	82	91	91

Figure 7.5.1: Our contingency forces must sustain a high level of readiness to meet an 18-hour wheels-up deployment requirement. These readiness performance measures are critical to our contingency force customers and are a direct result of our process management. Participation in multiple deployment operations since 4Q0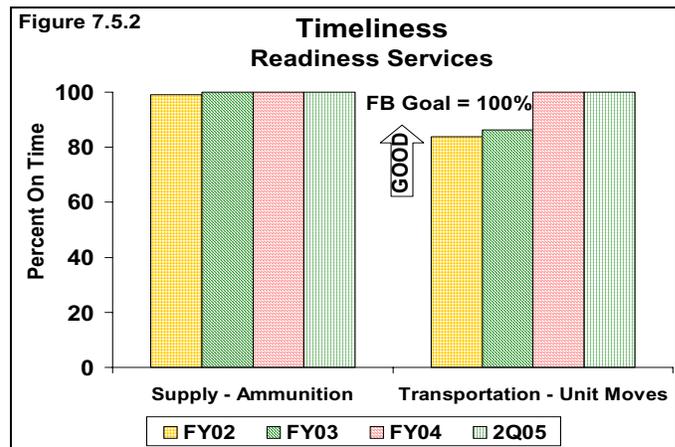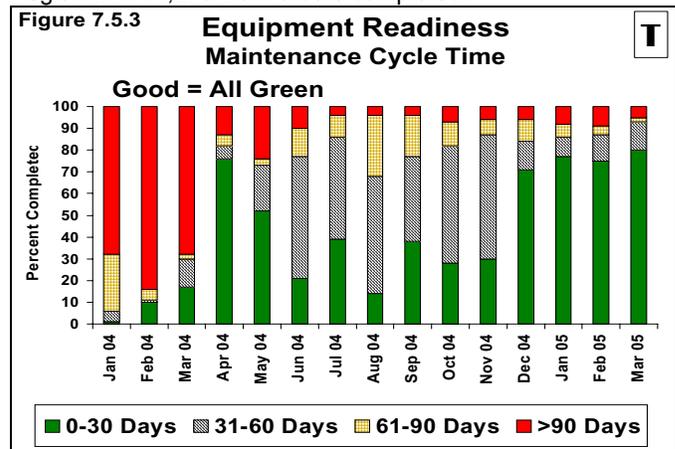1 resulted in declined ratings, as is normally the case, but opening of our Freedom City Convoy Ambush Miles Complex and convoy training facilities (Item P.2a(2)) assisted in the improvement in training readiness.

Figure 7.5.2 — Timeliness, Readiness Services FB Goal = 100%

Figure 7.5.2: Timely service is critical to our warfighting customers (Figure P.6). Deployments, mobilization, and demobilization put a new focus on the organization's mission and significantly increased the workload. Aggressive improvement initiatives resulted in improved timeliness.

Figures 7.5.3-7.5.4: A critical mission is to reconstitute units upon their return from deployment in a timely manner in order for the units to regain an acceptable readiness rate (Figure 7.5.1). Aggressive initiatives, to include a reconstitution pit stop, were critical to plan for surges in FY05. Work orders increased from 512 the last 6 months of FY04 to 7,232 the first 6 months of FY05. Fort Bragg's production tops the Southeast Region with 44,273 work orders completed.

Figure 7.5.3 — Equipment Readiness, Maintenance Cycle Time Good = All Green   T

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Figure 7.5.4

Cumulative GWOT Work Orders

Legend: Fort Benning, Fort Bragg, Fort Campbell, Fort Jackson, Fort Knox, Fort Rucker, Fort Stewart

Bar values: 3,295; 44,273; 4,814; 756; 4,308; 306; 2,940 (# Completed)

Figure 7.5.5   **Percent Completed Issues**   **A**
OCIE

FB Goal = 100%

Legend: Percent Completed

Figure 7.5.5: Our Central Issue Facility (CIF) provides Organizational Clothing and Individual Equipment (OCIE) to all supported soldiers. During times of high density (Figure 7.5.7), it is difficult to ensure suppliers can meet the demand, particularly for clothing sizes, which are unknown until soldiers are on site. We continually meet required delivery dates 100% of the time (Figure 7.1.1).

Figure 7.5.6   **Pope Air Force Base**   **T**
Aircraft Departure Timeliness

GOOD
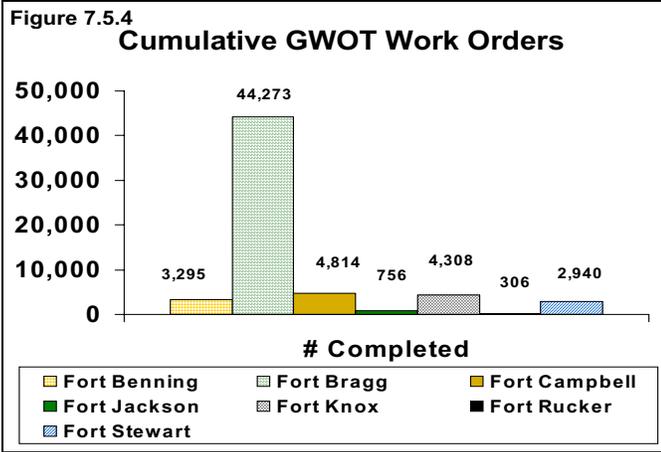
Legend: # Departures, % On-Time Departures

Figure 7.5.6: Our partnership with Pope provides the aircraft for movement of personnel and cargo to meet 100% of airborne and special operations missions. Our facilities for holding personnel, issuing parachutes, and loading cargo are co-located at Pope. As contingency deployments increase, training flights decrease.
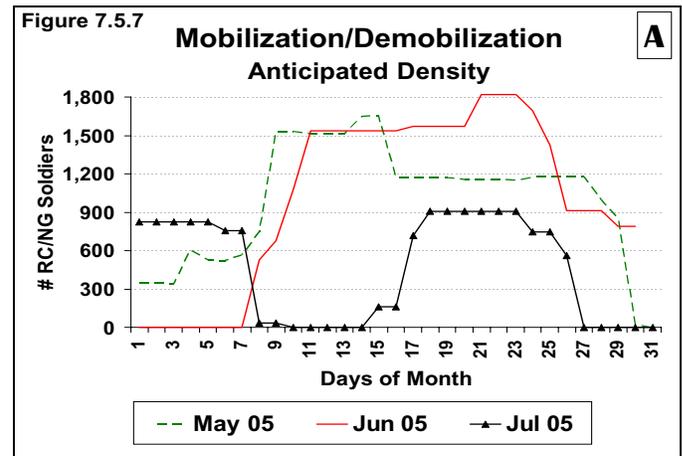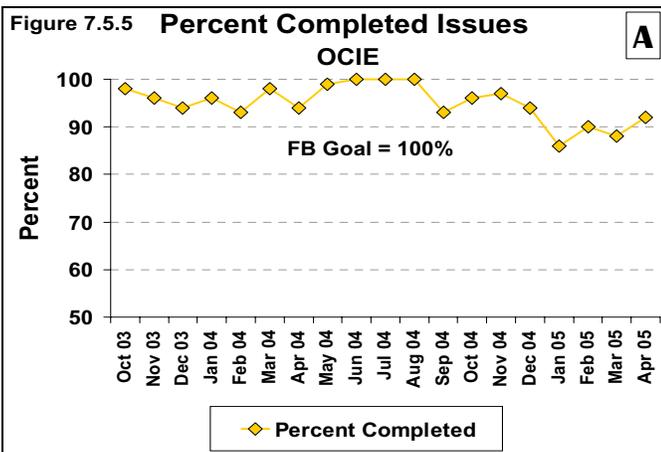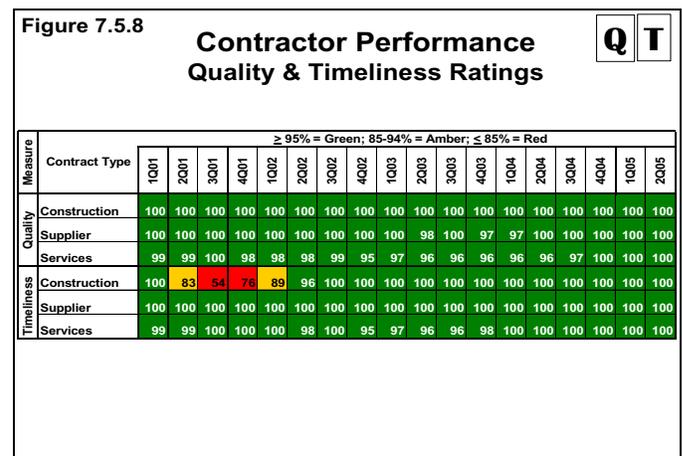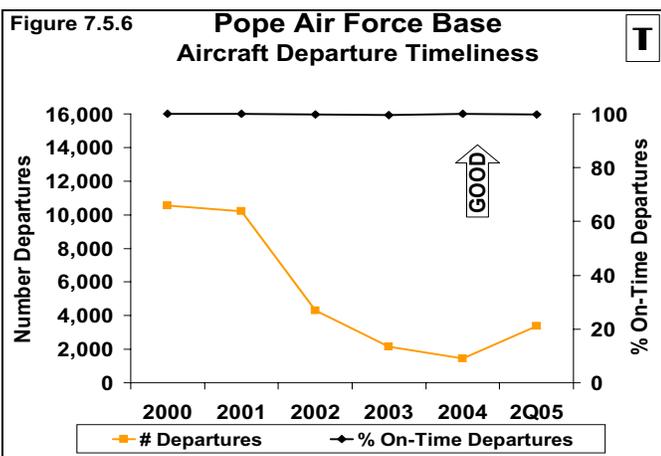
Figure 7.5.7   **Mobilization/Demobilization**   **A**
Anticipated Density

Legend: May 05, Jun 05, Jul 05

Figure 7.5.7: Monitoring the expected number of soldiers being processed on any given day provides a tool to prioritize resources. Since mobilization is a reimbursable cost, it is critical that resources are available when needed and is part of the formula in the CONOPS cash flow (Figure 7.3.3).

Figure 7.5.8   **Contractor Performance**   **Q** **T**
Quality & Timeliness Ratings

≥ 95% = Green; 85-94% = Amber; ≤ 85% = Red

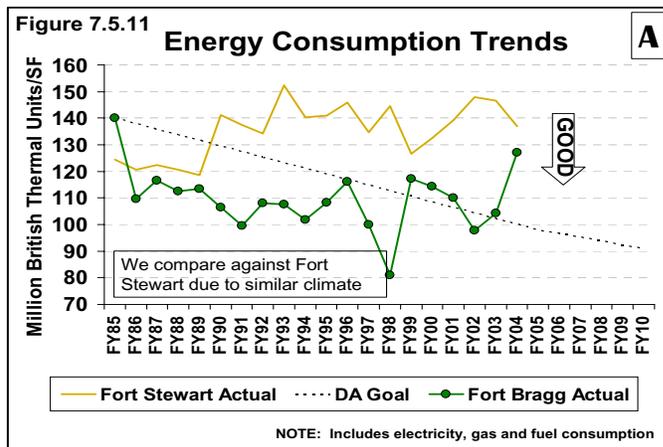| Measure	Contract Type	1Q01	2Q01	3Q01	4Q01	1Q02	2Q02	3Q02	4Q02	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05
Quality	Construction	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
	Supplier	100	100	100	100	100	100	100	100	100	98	100	97	97	100	100	100	100	100
	Services	99	99	100	98	98	98	99	95	97	96	96	96	96	96	97	100	100	100
Timeliness	Construction	100	83	54	76	89	96	100	100	100	100	100	100	100	100	100	100	100	100
	Supplier	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
	Services	99	99	100	100	100	98	100	95	97	96	96	98	100	100	100	100	100	100

Figure 7.5.8: Contracting personnel meet regularly with contractors and inspectors/contracting officer representatives to discuss issues that could potentially have a negative impact on timeliness and quality of contractor performance. This approach fosters consistently high performance.
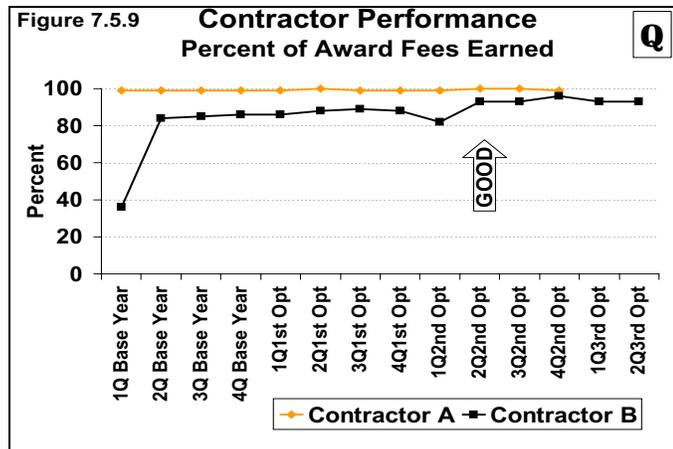
Figure 7.5.9: Two of our major contracts critical to meeting our mission allow the contractors the opportunity to earn incentive fees for exceeding their performance standards. Exceeding performance increases customer support and satisfaction. Our key suppliers continually exceed requirements due in large part to the partnering relationship that exists. This accomplishment is indicative of our suppliers/partners being an integral part of our workforce and culture.

Figure 7.5.10 — Installation Status Report — Infrastructure (A Q)

NA= Not Available

| ISR 1 Infrastructure	Opns & Trng				Maint & Prod				Supply				Housing				Util & Ground				Mobility			
	Quality	Quantity	Overall	DA Avg Overall	Quality	Quantity	Overall	DA Avg Overall	Quality	Quantity	Overall	DA Avg Overall	Quality	Quantity	Overall	DA Avg Overall	Quality	Quantity	Overall	DA Avg Overall	Quality	Quantity	Overall	DA Avg Overall
2000	C3	C3	C3	C3	C3	C2	C3	C3	C4	C4	C4	C3	C3	C3	C3	C3	C1	C3	C3	C3	C2	C3	C3	
2001	C3	C3	C3	C3	C3	C2	C3	C3	C3	C3	C3	C3	C3	C3	C3	C3	C1	C3	C3	C3	C2	C3	C3	
2002	C3	C3	C3	C3	C3	C2	C3	C3	C3	C3	C3	C3	C3	C3	C3	C3	C1	C3	C3	C3	C2	C3	C3	
2003	C3	C3	C3	C3	C3	C2	C3	C3	C4	C4	C3	C3	C1	C3	C3	C3	C2	C3	C3	C3	C2	C3	C3	
2004	C3	C3	C3	C3	C3	C3	C3	C3	C2	C4	C4	C3	C1	C3	C3	C2	C3	C2	C3	C3	C1	C3	C3	
2005	C1	C3	C2	NA	C1	C3	C2	NA	C1	C4	C3	NA	C1	C1	C1	NA	C3	C2	C3	NA	C2	C2	C2	NA

Figure 7.5.10: The ISR for Infrastructure provides quality and quantity ratings of infrastructure and facilities based on Army standard criteria. We use quantity component ratings to prioritize the need for additional facilities (Figure 7.3.4). Quality of our facilities is a direct result of inability to adequately fund SRM (Figure 7.3.5) over time. Renovations to bring barracks up to standard (Figure 7.2.6) and replacing substandard housing and construction of additional units for junior enlisted personnel (Figure 7.2.5) resulted in improved quantity of Housing. Improvements to our railhead improved our Mobility quantity rating.

Figure 7.5.11: Completion of Energy Saving Performance Contract projects (Figure 7.3.6), has enabled Fort Bragg to decrease its per square foot energy consumption since 1999. However, the significant increase in new facility construction on the installation, although more energy efficient, is also more energy intensive. The result of this new construction has been an increase in the per square foot energy consumption the last two years.

Figure 7.5.12 — Installation Status Report — Services (Q)

NA = Not Available
NR = Not Rated

ISR 3 Services	Quality															
	Personnel & Cmty		Info Technology		Operations		Logistics		Engineering		Acquisitions		Health Services		Command & Staff	
	Bragg	DA Avg	Bragg	DA Avg	Bragg	DA Avg	Bragg	DA Avg	Bragg	DA Avg	Bragg	DA Avg	Bragg	DA Avg	Bragg	DA Avg
2000	C3	C3	C3	C3	NR	NR	C2	C2	C4	C2	NR	NR	C3	C2	C3	C2
2001	C3	C3	C4	C3	NR	NR	C2	C2	C4	C3	NR	NR	C3	C3	C3	C2
2002	C3	C3	C3	C3	NR	NR	C2	C2	C3	C3	NR	NR	C3	C3	C2	C2
2003	C3	C3	C4	C3	NR	NR	C2	C1	C3	C3	NR	NR	C3	C2	C2	C2
2004	C3	C3	C3	C3	C1	C2	C1	C3	C3	C3	C1	C1	C3	C3	C2	C2
2005	C3	NA	C3	NA	C3	NA	C2	NA	C2	NA	C1	NA	C3	NA	C2	NA

7.5.12: The ISR for Services provides quality ratings based on Army standard criteria and is used to improve resource alignment. The decrease in the operations score was a result of new services and measures being added. Improvement in engineering was impacted by improved funding (Figure 7.3.1). Insufficient resources to provide services at standard levels remains our biggest challenge.

Figure 7.5.13 Womack Army Medical Center — Average Monthly Customer Complaints [Q]
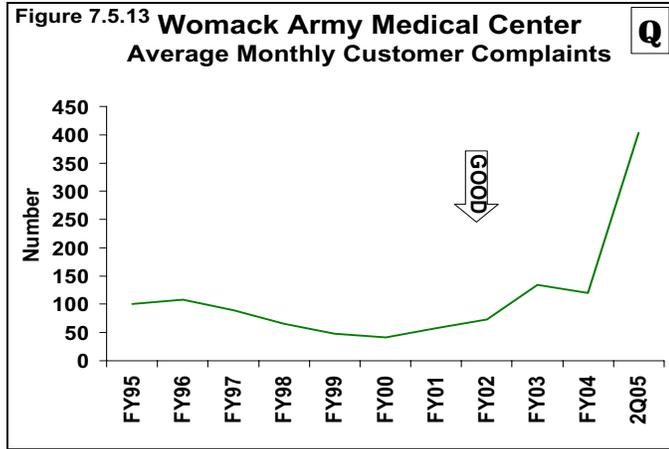
Figure 7.5.13: In July 2004, the TRICARE Management Agency (TMA) changed healthcare contractors. The FY05 complaints averaged 403 per month due to transfer and operability of the new referral system. The Clinical Support Division actively worked with the contractor to develop corrective actions. If complaints about referrals were taken out as an anomaly, then the average number of complaints (without referral complaint issues) would be 191. These complaints include issues on staff attitudes, communication, customer service, etc.

7.5.a(2) Support Process Performance. See Item 7.3 for other financial management results and 7.4 for human resource results.

Figure 7.5.14 Joint Agreements — Fort Bragg Garrison [Q][C][T][A]
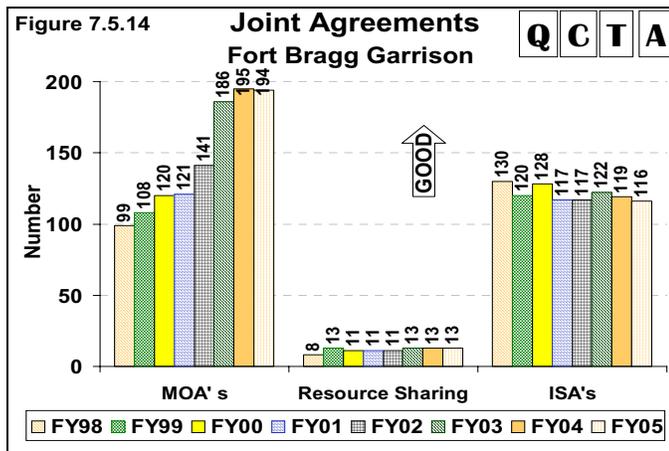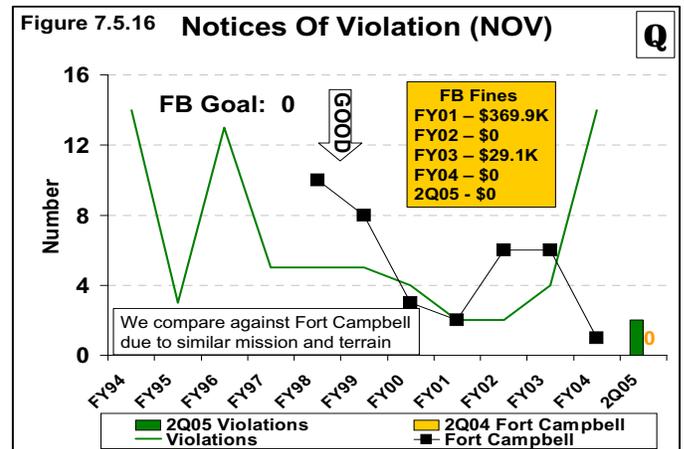
Figure 7.5.14: Partnerships provide a business management tool to gain efficiencies and share information and resources in a mutually beneficial environment. We aggressively exercise this business tool. Increase in total agreements since 1998

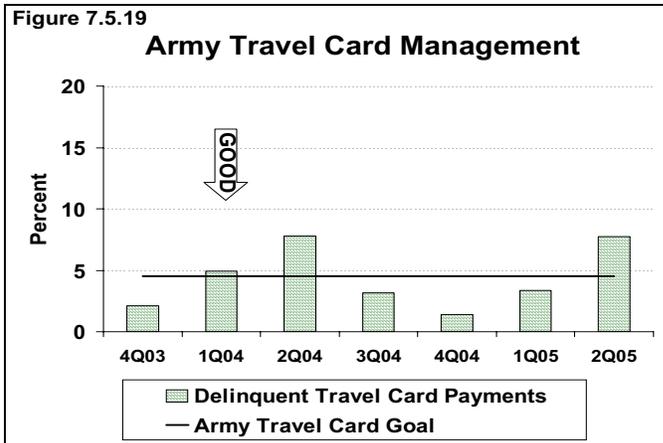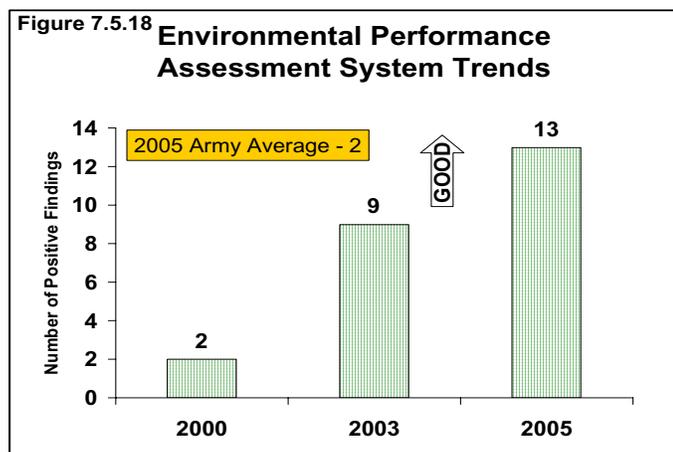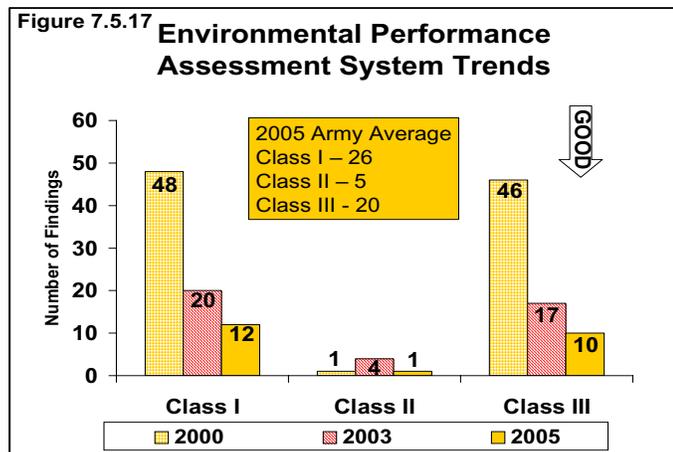has resulted in a corresponding increase in annual reimbursements of approximately $20.7 million.

Figure 7.5.15 Installation Status Report Environment [A][Q]

NA = Not Available
NR = Not Rated

ISR 2 Environment	Compliance				Conservation				Restoration				Pollution Prevention				Foundations			
	Quality	Quantity	Overall	DA Avg Overall	Quality	Quantity	Overall	DA Avg Overall	Quality	Quantity	Overall	DA Avg Overall	Quality	Quantity	Overall	DA Avg Overall	Quality	Quantity	Overall	DA Avg Overall
1997	C1	C1	C1	NA	C2	C2	C2	NA	C1	C1	C1	NA	C3	C3	C3	NA	C1	C1	C1	NA
1998	C1	C2	C2	NA	C1	C3	C3	NA	C1	C1	C1	NA	C2	C3	C3	NA	C1	C1	C1	NA
1999	C1	C1	C1	NA	C2	C2	C2	NA	C1	C1	C1	NA	C2	C2	C2	NA	C1	C1	C1	NA
2000	C2	C3	C3	C3	C1	C3	C3	C2	C1	C1	C1	C2	C3	C4	C4	C3	C2	C4	C4	C3
2001	C1	C3	C3	C2	C2	C4	C4	C2	C1	C3	C3	C1	C1	C4	C4	C2	C1	C4	C4	C3
2002	C1	C3	C3	C2	C1	C4	C4	C2	C1	C2	C2	C1	C1	C2	C2	C2	C2	C4	C4	C3
2003	C2	C3	C3	C4	C1	C3	C3	C4	C1	NA	C1	C2	C2	C3	C3	C4	C3	C3	C3	C4
2004	C2	NR	C2	C2	C1	NR	C1	C2	C2	NR	C2	C3	C3	NR	C3	C3	C3	NR	C3	C2

Figure 7.5.15 Degradations are due to inadequate funding. Due to ongoing redesign efforts and limited data usage no submission was required for 2005.

Figure 7.5.16 Notices Of Violation (NOV) [Q]

FB Goal: 0

FB Fines
FY01 – $369.9K
FY02 – $0
FY03 – $29.1K
FY04 – $0
2Q05 - $0

We compare against Fort Campbell due to similar mission and terrain

Legend: 2Q05 Violations — 2Q04 Fort Campbell — Violations — Fort Campbell

Figure 7.5.16: Through the 2d quarter FY 05, we have received two NOVs, which is a significant drop from FY 04 violations due to improved management processes. The violations were the result of contractor actions outside our direct oversight. Construction contractors failed to follow approved plan, both violations have been resolved. No fines associated with these NOVs.

Figure 7.5.17-7.5.18: We have significantly improved our their EPAS scores during the last three audits. In 2000 the installation had 95 negative findings and 2 positive findings but in the 2005 audit the negative findings were reduced to only 23 and the positive findings increased to 13, the most in the Army. When compared to the 12 Army installations that were assessed Fort Bragg's environmental performance is exceptional. We received less than 50% of the Army's negative findings average and set a new record for positive findings in the Army.

Figure 7.5.17

Environmental Performance Assessment System Trends

2005 Army Average
Class I – 26
Class II – 5
Class III - 20

GOOD

Class I: 2000 = 48, 2003 = 20, 2005 = 12
Class II: 2000 = 1, 2003 = 4, 2005 = 1
Class III: 2000 = 46, 2003 = 17, 2005 = 10

Legend: 2000, 2003, 2005

Figure 7.5.18

Environmental Performance Assessment System Trends

2005 Army Average - 2

GOOD

2000 = 2
2003 = 9
2005 = 13

Figure 7.5.19

Army Travel Card Management

GOOD

4Q03 ≈ 2, 1Q04 = 5, 2Q04 ≈ 8, 3Q04 ≈ 3, 4Q04 ≈ 1.5, 1Q05 ≈ 3.5, 2Q05 ≈ 8

Legend:
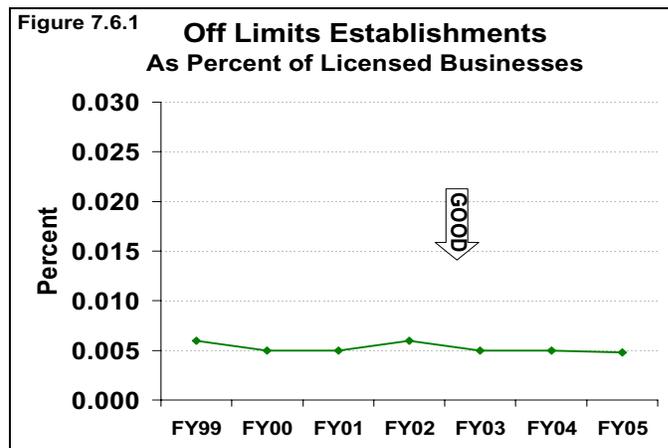- Delinquent Travel Card Payments
- Army Travel Card Goal

Figure 7.5.19: Routinely, many account holders are TDY or on leave, challenging our ability to improve timeliness. The RM, Accounting Team, proactively research payment history and immediately contact activities whose employees are slow in settling Travel Card payments.
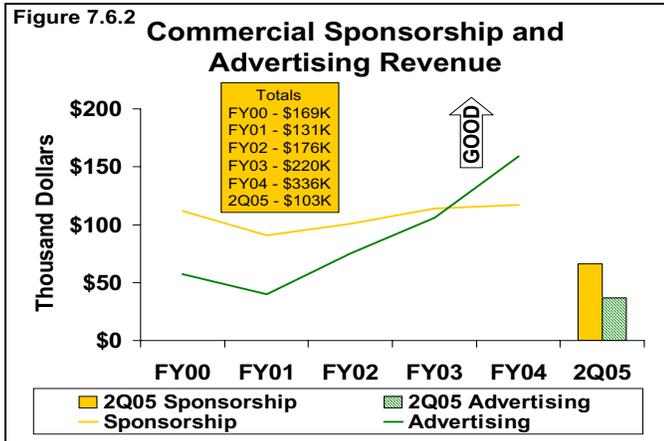
7.6 GOVERNANCE & SOCIAL RESPONSIBILITY RESULTS

7.6.a(1) Organizational Strategy and Action Plan Results. Because Fort Bragg Leadership System is customer focused, and strategy driven, results for this section are found throughout Category 7 results. The strategy/action plan column in Figure 7.0 and the results column in Figure 2.1.3 reference our organizational strategic results.
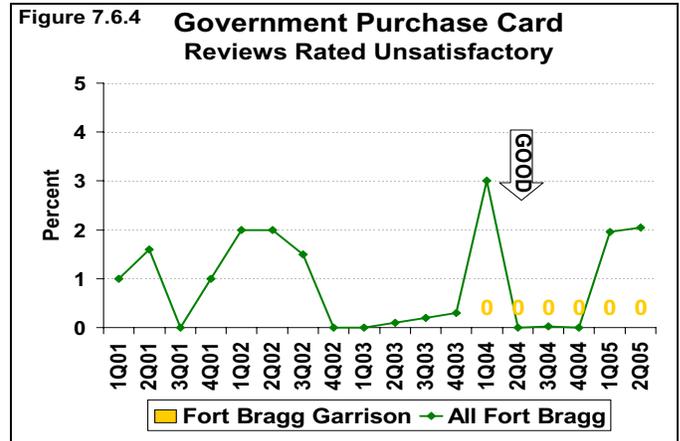
7.6a(2) Ethical Behavior & Stakeholder Trust

Figure 7.6.1

Off Limits Establishments
As Percent of Licensed Businesses

GOOD

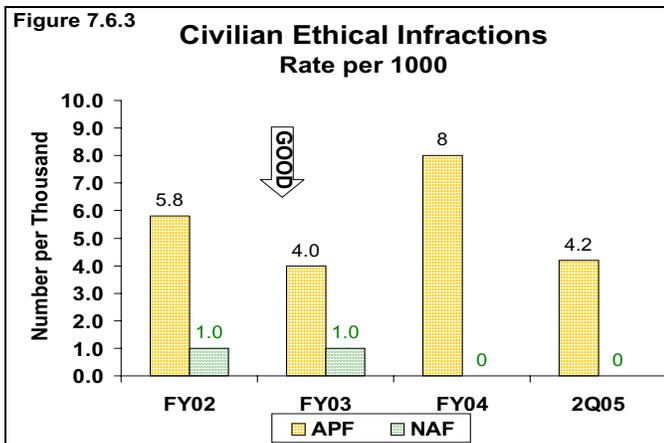FY99 ≈ 0.006, FY00 = 0.005, FY01 = 0.005, FY02 ≈ 0.006, FY03 = 0.005, FY04 = 0.005, FY05 ≈ 0.005

Figure 7.6.1: The low percent of businesses on our Off Limits List attests to the ethical behavior demonstrated by the vast majority of local businesses, due in large part to our community partnerships.

Appendix B

Figure 7.6.2

Commercial Sponsorship and Advertising Revenue

Totals
FY00 - $169K
FY01 - $131K
FY02 - $176K
FY03 - $220K
FY04 - $336K
2Q05 - $103K

Legend: 2Q05 Sponsorship | 2Q05 Advertising | Sponsorship | Advertising

Figure 7.6.2: Aggressive sales and marketing coupled with innovative approaches for fee payment and expanded customer driven programs, produced increased revenues making Fort Bragg the most successful commercial sponsorship program in the SERO.
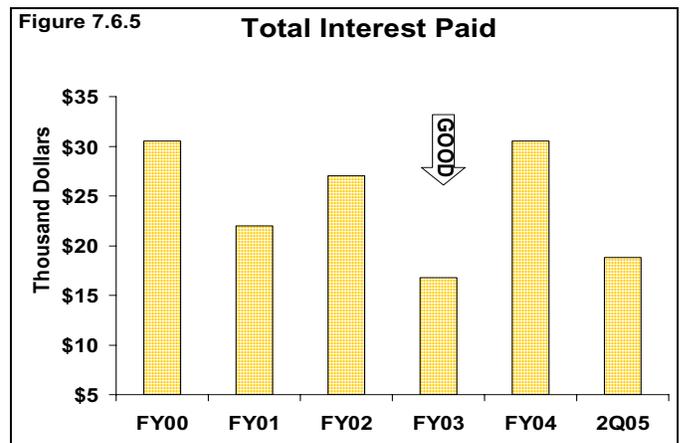
Figure 7.6.3

Civilian Ethical Infractions
### Rate per 1000

Legend: APF | NAF

Figure 7.6.3: Identified ethical infractions are quickly corrected (Figure 7.4.2) through informal and formal means. This chart provides the rate of serious infractions warranting formal corrective action IAW the Civilian Table of Offenses (Figures 1.1.4 and 1.1.5). APF increases in FY04 and 2Q05 are due to completion of multiple investigations.

7.6a(3) Fiscal Accountability

Figure 7.6.4

Government Purchase Card
Reviews Rated Unsatisfactory

Legend: Fort Bragg Garrison | All Fort Bragg

Figure 7.6.4: GPC account managers review their assigned accounts annually to ensure compliance with regulation, statute, and good business practices. The review process is also an opportunity to provide refresher training and a question and answer period for the cardholders and billing officials. Unsatisfactory reviews result in refresher training and are re-reviewed in 3-6 months. Leaders/commanders receive a letter with review results. This chart shows that Fort Bragg Garrison has controlled GPC accounts better than other Fort Bragg organizations.
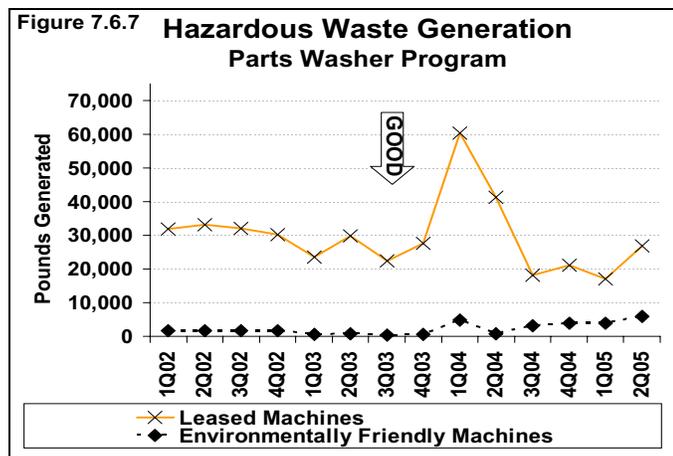
Figure 7.6.5

Total Interest Paid

Figure 7.6.5: Interest is paid when payments for purchases (contracts and credit card) are not made within the prescribed time. Interest penalties are monitored monthly and additional data is requested for all interest of $100 or greater. Budget Analysts are advised monthly and requested to explain late documentation submission. The increases in FY04 and 2Q05 are due largely to our CONOPS cash flow situation (Figure 7.3.3) created by Army level funding issues.

Figure 7.6.6

Government Purchase Card
Rebates Earned
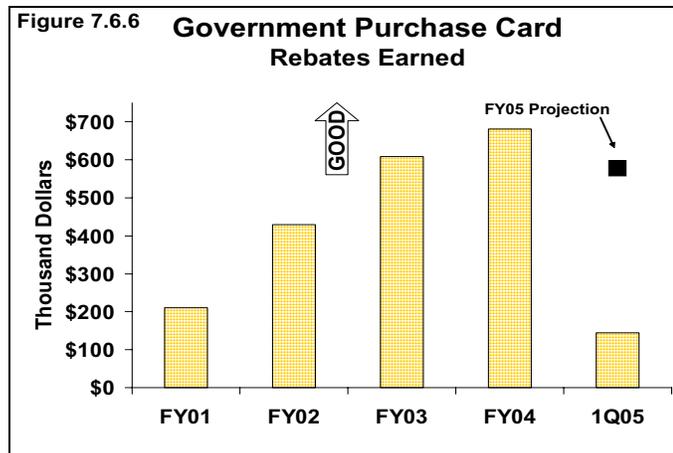
Figure 7.6.6: GPC holders and billing officials are able to certify their statements online beginning the day following cycle closeout. Early certification increases the amount of rebates credited to billing officials' accounts for use in the next billing cycle, thus increasing their purchasing power. Interest incurs after 60 days, with charges deducted from the unit's account, thus decreasing their purchasing power.

7.6a(4) Regulatory & Legal Compliance

Figure 7.6.7

Hazardous Waste Generation
Parts Washer Program

Leased Machines
Environmentally Friendly Machines

Figure 7.6.7: The Environmental Sustainment Office initiated a Parts Washer Program in CY02 to purchase parts washers within 5 years. The purchase of environmentally friendly parts washers drastically reduced the generation of hazardous waste. The program's continued success is three-fold: it has greatly reduce hazardous waste generated, helped meet hazardous waste reduction goals, and saved funds for units by replacing leased machines. The higher number reported in

1Q04 was due to a large changeover from leased machines to environmentally friendly parts washers.

Figure 7.6.8

Lithium Battery Management
Savings

Actual (Cumulative)   FY05 FB Goal
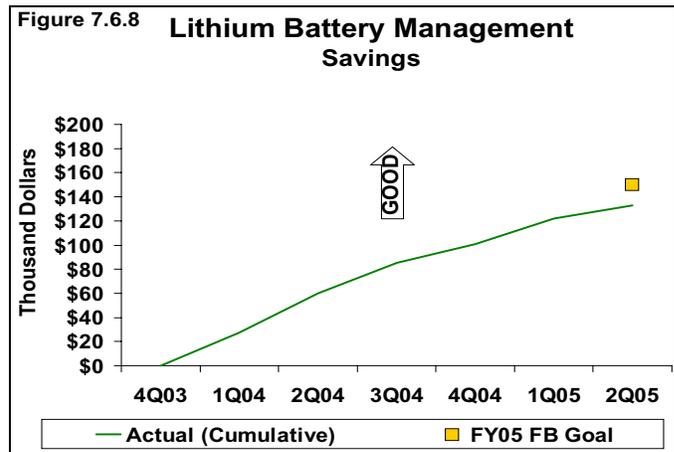
7.6.8: Prior to FY03, there was no central management of lithium batteries. Units disposed of them as hazardous waste whether they were or not, creating unnecessary disposal and purchasing costs. Identified as a productivity improvement initiative in Jan 04, the program exceeded its projected savings of $100K in 04 and is expected to exceed the 150K goal in 05.

Figure 7.6.9
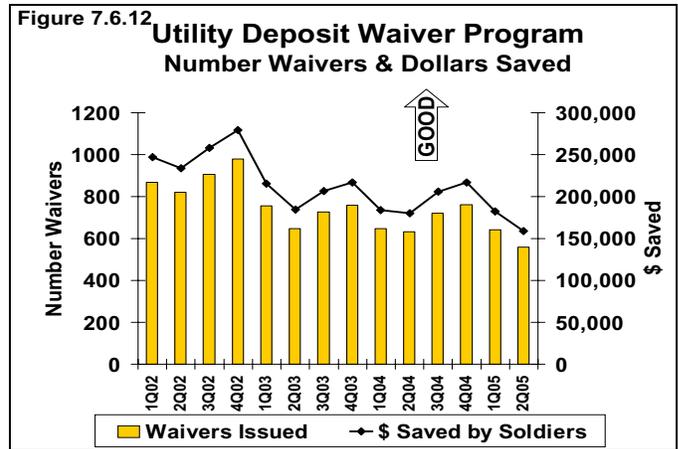
Preparedness
Orbit Comet Scores

Evaluated Tasks	FY01	FY02	FY03	FY04
Communications	G	G	G	G
Operations	G	G	G	G
Command & Control	G	G	G	G
Mutual Aid	G	G	G	G
On Scene Activities	A	A	A	G
Overall Rating	G	G	G	G

Figure 7.6.9: These exercises are an annual requirement, but Fort Bragg conducts them semi-annually. They are extremely valuable to emergency preparedness as discussed in Items 5.3a(2) and 6.2b(2). Our Anti-Terrorism and Force Protection Program has won the Best in the Army in 2002, 2003, and was the only nomination in 2004.
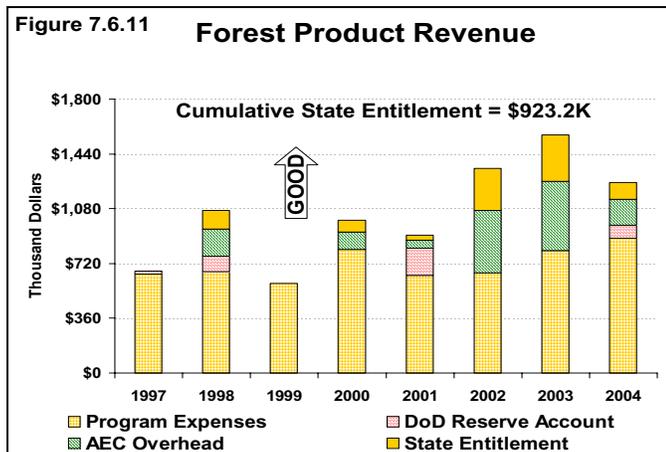
7.6a(5) Organizational Citizenship

US ARMY

Appendix B

Figure 7.6.10

Contract Dollars
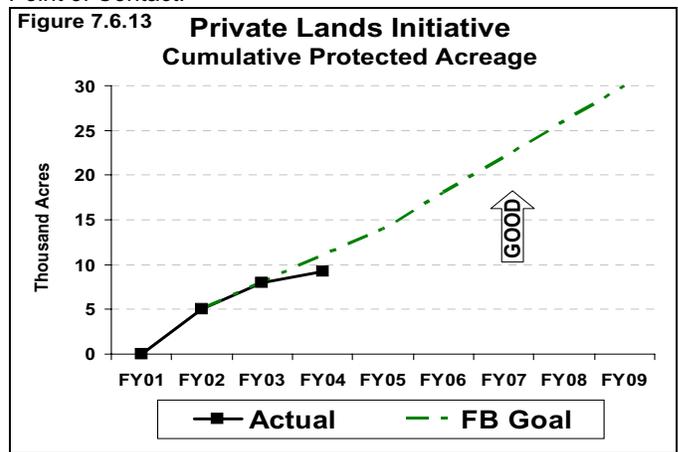**Awarded to NC Businesses**
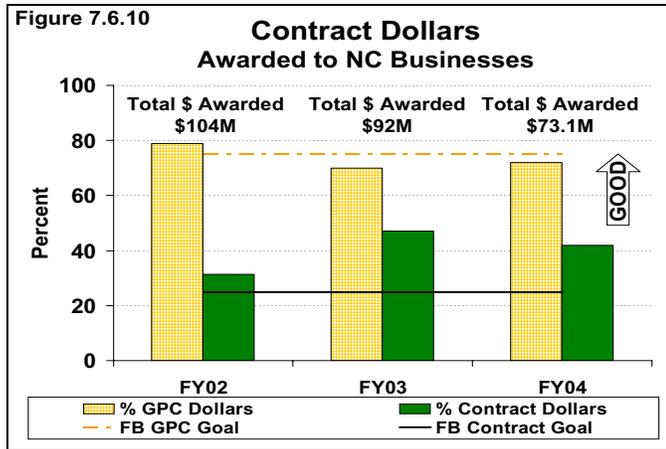
Figure 7.6.10: Committed to assisting local businesses to understand the process and be competitive, our contracting staff conducts numerous workshops. The total amount of contract dollars awarded to NC businesses is significant.

**Figure 7.6.11**

Forest Product Revenue

Figure 7.6.11: Income from the sale of forest products finance our Forestry program and provides support for education in North Carolina. A portion of the proceeds are shared with the state to support the school systems in the counties in which the installation resides.

Figure 7.6.12

Utility Deposit Waiver Program
Number Waivers & Dollars Saved

Figure 7.6.12: This program was established through written agreement between the five local utility companies, Fort Bragg Federal Credit Union, and Fort Bragg to reduce initial cost for soldiers residing in the private sector. Since its inception in Oct 97, 101,424 soldiers have taken advantage of the program. The Fort Bragg Credit Union guarantees deposits up to $200 for soldiers in the program; the utility company waives deposit requirement, provides soldiers a final or estimated final bill prior to PCS, and provides Fort Bragg a monthly list of soldiers in default. In order to clear Fort Bragg, soldiers must pay their final estimated bill and out-process through the Utility Point of Contact.

Figure 7.6.13

Private Lands Initiative
Cumulative Protected Acreage

Figure 7.6.13: Our aggressive partnership to protect 30,000 acres along our borders will, in time, increase availability of training areas with limited usage restrictions, as discussed in Item 1.2c. Our goal was established by the members of this partnership and is still attainable by FY09.

Appendix C - Army Award Programs
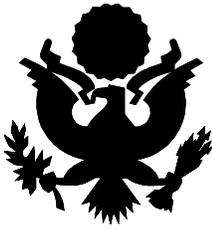
Army Communities of Excellence Program (ACOE)

Background

The Army Communities of Excellence Program (ACOE) uses the Army Performance Improvement Criteria (APIC) as the basis for evaluation and submission in the ACOE award competition. ACOE focuses on improvement in services and facilities, working and living conditions and the environment. The result is rewarded sense of pride and accomplishment in every member of the community. The byproduct of this program is designed to increase performance and productivity as the Army focuses its resources toward the common goal of readiness. Installation management supports the readiness of our fighting forces and its concepts are an integral part of the APIC

ACOE Program Purpose

The Baldrige Criteria from which the APIC are derived are based not on theories about how organizations - business, health care, education, and not-for-profit (including government) - ought to be run to perform well, but on a factual compilation of management practices shared by the worlds' top performing organizations. Although the ACOE program makes annual awards, the focus is on continuous improvement of services and facilities, of working and living conditions, and in the environment on and around all Army installations.

Specifically, the goal of the ACOE program is sustained improvements in the mission readiness of our soldiers and their units through:

- Continuous improvement in
  - the well-being of soldiers and their families;
  - the prioritization and management of limited resources;
  - the relations with communities within and beyond the garrison; and,
  - sustainability of garrisons.

ACOE Contact Points

For further information on eligibility requirements, application procedures and the ACOE Award Criteria, please contact Army Communities of Excellence Program Points of Contact

All Army Installation/Communities

Headquarters, Installation Management Agency (IMA)
Commercial Phone: (703) 602-2748; DSN: 332-2748
Email: rosye.faulk@hqda.army.mil; URL: http//www.hqda.army.mil/acsimweb/ops.shtml

Special Category (JFHQ-States)

Director, Army National Guard
Commercial Phone: (703) 607-7561; DSN: 327-7561
Email: wanda.thurman@ngb.army.mil

Special Category (Regional Readiness Commands)

Headquarters, IMA-Army Reserves
Commercial Phone: (703) 602-1817; DSN: 332-1817
Email: scott.shrader@hqda.army.mil

Headquarters Point of Contact

Office of the Assistant Chief of Staff Installation Management
Commercial Phone: (703) 601-2546; DSN: 329-2546
Email: veronica.rines@hqda.army.mil

US ARMY

Appendix C

Unit Eligibility Summary

(see ACSIM ACOE policy and IMA ACOE MOI for full eligibility details)

Award applications must meet the following requirements:

- Focus on installation management business.
- Possess an approved master planner or viable master planning capability and real property planning components maintained IAW AR 210-20.
- Address investigation of any "open" environmental Notices of Violations (NOVs).
- Have Real Property Management Controls in place consistent with AR 405-45.

Eligibility of Previous Award Recipients:

- First place winners are not eligible to compete for two (2) subsequent years.
- Second and third place winners are encouraged to reapply.

Award winners are expected to share their processes of excellence with other organizations and encouraged to take advantage of forums such as the Installation Management Institute (IMI) to share their performance improvement knowledge and experiences.

ACOE Program Awards

The Assistant Chief of Staff for Installation Management (ACSIM) established five awards for the FY07 ACOE program as follows:

- Installation/community Awards
  - 1st Place ($2M)
  - 2nd Place ($1M)
  - 3rd Place ($750K)

- Special Category Awards
  - Army National Guard Joint Force Headquarters State ($750K)
  - US Army Reserve Regional Readiness Command ($750K)

Award funds are awarded following the award ceremony, in the same fiscal year and are not considered in the winning installations' budget formulation. The funds are OMA funds and use is governed by OMA rules and regulations. ACOE award dollars are to be used to benefit the entire installation/community and shall not be used for incentive awards for individuals.

Application Process

For details about the ACOE application process, please refer to the IMA Memorandum of Instruction for the current fiscal year. You may also contact your IMA Region POC or the Program Manager for additional information.

POC: ACOE Program Manager

IMA Headquarters
ATTN: IMAH-PLD-Q
2511 Jefferson Davis Highway
Arlington, VA 22202
Commercial: (703) 602-2748
DSN: 332-2748
Email: rosye.faulk@hqda.army.mil
URL: http://www.hqda.army.mil/acsimweb/ops/ops.shtml

ACOE Training Opportunities

The IMA courses listed on page C-5 are the only courses approved for IMA installations. The courses are taught by high quality instructors who are recognized experts in each course's context. The courses have been designed and are continuously reviewed for alignment with the IMA Corporate Management Process to facilitate application by IMA installations.

All courses except for the Mobile Training Team (MTT) are conducted at centralized locations by Centralized Training Teams (CTTs). MTT training is conducted at OCONUS locations. Contact the POC for additional information about the courses and schedule

Contact Information
(See ACOE Program Manager above)

APIC

Army Performance Excellence Award (APEA)

Background

The Army Performance Excellence Award (APEA) was established as the Army's capstone program in August 2003 and the award portion of the program was executed in 2004. The APEA program is managed and administered by the Headquarters, Department of the Army. The program is open to all Army organizations—installations and non-installations. The APEA, as the capstone award program, does not replace any Army functional award program such as the Army Communities of Excellence (ACOE) or other MACOM award program.

The APEA also serves as the single Army conduit by which any Army organization may participate in any non-Army performance excellence award program, such as the Malcolm Baldrige National Quality Award (MBNQA) program administered by the National Institute of Standards and Technology (NIST). The Army Performance Improvement Criteria (APIC) provides the framework for the APEA award process.

Since the inception of APEA, it has become increasingly apparent that reinforcing the program to emphasize its alignment with the Army Vision will enable the Army to leverage the factors resident in the foundational criteria. This will help organizations assess and improve effectiveness and efficiencies. Strategies are underway to transform this award program as a recognition vehicle aligned with the Army's goals and objectives with focus on business transformation. Work continues to determine how best to launch another program cycle in full alignment with Army strategy and business priorities, including changes in Army Regulation 5-1 and program guidance for the Army.

Award Program Purpose

The Program:
- Recognizes Army organizations that improve their overall performance and capabilities. The organizations demonstrate a sustained trend in providing high quality products and services, resulting in effective use of taxpayer dollars;

- Promotes sharing of the best management techniques, strategies and performance practices among all Army organizations, as well as other government agencies and the private sector;

- Provides a model for organizations to assess their overall performance in delivering continuous value for customers; and,

- Provides a systematic, disciplined approach to change by providing a framework or tool for conducting assessments, analysis, training and performance improvement planning.

Review and Evaluation Process

- Board of Examiners: A team of examiners convene to review and score applications.
- Site Visits: Applicants selected by Board of Examiners receive site visits to clarify information and verify significant strengths and opportunities for improvements identified in the application, as well as deployment of practices.
- Panel of Judges: Final selections for APEA Program based on site visit feedback
- Feedback reports are prepared by quality expert examiners for every participating organization. These reports are applicant-specific, listing strengths and opportunities for improvement. This significant portion of the process helps organizations focus on their customers and improve overall performance providing a pathway for improvement.

The Program's Awards

Winners of the APEA awards demonstrate mature approaches to performance excellence that are well deployed throughout their organizations. They have documented world-class results and sustained performance over several years. Award recipients are required to share information on their successful performance and quality strategies with other organizations. APEA Program recipients are committed to improve competitiveness and further the Army's pursuit of performance excellence. Their efforts can encourage other organizations in all sectors of the Army to undertake their own performance improvement efforts.

The Army Performance Improvement Criteria

The Army Performance Improvement Criteria (APIC) are closely aligned with the Malcolm Baldrige National Quality Award (MBNA) Criteria, with several modifications to reflect the Army environment. The close alignment with the MBNQA promotes cooperation and exchange of information between public and private sector organizations, and sets the same high standards of excellence for both Army and business.

US ARMY

HQDA Contact Point

Office of the Chief of Staff, Army
Strategic Management & Innovations
200 Army Pentagon Rm 3D548
Washington, DC 20310
Commercial Phone (703) 693-6831 or (703) 697-1341; DSN: 223-6831 or 227-1341
Email: leadingchange@hqda.army.mil; URL: http://www.hqda.army.mil/leadingchange/

Training Opportunities

"We cannot improve without training, we cannot plan without training."

There are numerous training opportunities for organizations who seek a systematic approach to organizational self-assessment. The Army Performance Improvement Criteria (APIC), a Baldrige-based criteria, provides the basis for the Army Performance Excellence Award (APEA) Program. **Each organization applying for the APEA is required to provide three trained APIC Examiners for the annual Board of Examiners in the Fall of 2006.**

Listed below are the Army's premier training centers that provide quality APIC training. Encourage all organizations to visit the associated web sites to coordinate training of your organization's employees. Other certification programs will also qualify potential examiners for duty at the Board of Examiners, e.g. Baldrige certification and other State Certification programs who utilize the MBNQA criteria. Check with the APEA Program Manager for approval.

Installation Management Agency

Courses
IMA 0101	APIC/Strategic Planning Worship (STRAP)
IMA 0103	Interactive Customer Evaluation (ICE) Tng
IMA 0201	MTT/CTT
IMA 0203	Garrison STRAP
IMA 0204	Examiner Training
IMA 0205	Senior Executive OSA/Lean Six Sigma
IMA 0301	ACOE Writing Course (new)
	Lean Six Sigma Green Belt Training

Contact Information

ACOE Program Manager,

IMA Headquarters, ATTN: IMAH-PLD-Q
Commercial: (703) 602-2748; DSN: 332-2748
Email: rosye.faulk@hqda.army.mil

http://www.hqda.army.mil/acsimweb/ops/ops.shtml

The National Guard Professional Education Center (NGPEC)
Organizational Readiness Training Center

Courses

Facilitator Course	ORTC-010
Practitioners Course	ORTC-030
Consultant Course	ORTC-050
Strategic Planners Course	ORTC-110
Performance Improvement through Six Sigma	ORTC-200
APIC Examiners Certification Course	ORTC-201
APIC Self Assessment Course	ORTC-202
Strategic Readiness System Course	ORTC-SRS

Contact Information

Program Director
Training Center Chief
Comm: (501) 212-4623, DSN 962-4623,
Brian.Niday@pec.ngb.army.mil
http://www.pec.ngb.army.mil

Mail: Commandant, National Guard Professional Education Center
Attn: Organizational Readiness Training Center (ORTC)
Camp Robinson
North Little Rock, AR 72118
COMM: 501-212-4626; DSN: 962-4626

United States Army Logistics Management College (ALMC)
Total Army Quality (TAQ) Education Program

Courses

Army Performance Improvement Criteria (APIC)	ALMC-AA
Improving Army Customer Service	ALMC-IACS
Team Building for Army Transformation	ALMC-TF
TAQ Special Topics Seminars	ALMC-QM

    Four Roles of Leadership
    Changing Roles of Mgrs and Supv
    Basic/Advanced Facilitator
    Taking Charge of Change
    What Matters Most
    Seven Habits of Highly Effective People

Contact Information

Program Director,
Performance Improvement Curriculum
Comm: (804) 765-4762, DSN 539-4762, FAX – 4648
ellisp@lee.army.mil or taq@lee.army.mil
http://www.almc.army.mil/SED/TAQ

Mail: Commandant, US Army Logistics Management College
ATTN: ATSZ-ZMD (TAQ)
Bldg P-12500
2401 Quarters Road
Fort Lee, VA 23801-1705

US ARMY

Office of the Chief of Staff, Army
Vice Director of the Army Staff
Strategic Management and Innovations Branch
200 Army Pentagon, Room 3D548
Washington, DC 20310