

U.S. ARMY AUDIT AGENCY



FYs 14-18 STRATEGIC PLAN



Providing Solutions for Army Challenges

U.S. Army Audit Agency: Providing Solutions for Army Challenges

Our Mission: We serve the Army by assessing risk and providing solutions through independent, internal audit services for the benefit of the American Soldier.

Key Issues

Strategic Audit Capability

Results Delivery

Strategic Workforce Planning

Leadership
and Succession Planning

Professional Development

Employee Engagement

Audit Process
and Delivery Time

Support Processes

Organizational Structure

Internal and External
Communications

Strategic Goals

Valued Service

Deliver timely solutions to Army challenges

Professional Workforce

Foster an engaged, high-performing, and diverse workforce

Organizational Effectiveness and Efficiency

Continuously evaluate internal processes

Strategic Communications

Maximize effective communications within and outside the Agency

Performance Measures

Execution of the Army's
Internal Audit Plan

Monetary Benefits

Followup/Recommendations
Implemented

Client Satisfaction

Enterprise Integration

Audit Delivery Time

Direct Time

Leadership

Diversity

Workforce Engagement

Support Functions

Talent Management

Service ~ Ethics ~ Progress



*Randall L. Exley
The Auditor General*

“We continue to emphasize swift implementation of our audit recommendations so the Army can achieve greater program effectiveness, additional savings, process efficiencies, and stronger internal controls.”

I’m pleased to present the U.S. Army Audit Agency’s FYs 14-18 Strategic Plan. The plan is built upon one overarching principle: We are the Army’s internal auditors. We audit what matters most to Army senior leaders and quickly deliver results in support of Soldiers, civilians, and families. The plan outlines our mission, vision, and core values. The strategic goals and objectives in the plan and their related performance goals outline specific courses of action we’ll take to deliver the highest quality audit services in a timely manner to the Army.

This strategic plan replaces our FYs 11-15 plan. We made significant progress in executing that plan and achieved most of its goals. We continue to refine our strategic audit planning by enhancing our risk assessment process and by continuing to collaborate with Army senior leaders. We seek ways to find efficiencies and savings for the Army and to build them into the plan. This is increasingly important as the fiscal environment becomes more and more constricted. We added a dedicated forensics team to leverage data mining to streamline the search for efficiencies and to identify fraud, waste, and abuse. Because we’ve successfully marketed our findings to Army senior leadership, the Assistant Secretary of the Army (Financial Management and Comptroller) has asked for details of monetary benefits we identify in every audit to help the Army build its budget. We continue to emphasize swift implementation of our audit recommendations so the Army can achieve greater program effectiveness, additional savings, process efficiencies, and stronger internal controls.

We’ve reorganized the Agency to better align ourselves with the Army, improve our internal governance, and position ourselves to address future priorities. We continually assess our available resources and ongoing and planned projects at a corporate level to ensure those resources are allocated to the most critical audits, including emerging requests. These efforts continue to foster productive relationships with senior Army leaders and generate requests for our services.

Our success depends on the talented and dedicated professionals in our workforce. We continue to focus on hiring, developing,

and retaining intelligent, team-oriented, and engaged individuals. Though challenges in keeping our employees engaged continue to mount due to the current fiscal environment, we're confident that the dedication and commitment of our workforce will rise above those challenges. We'll continue to work on succession planning and leadership development, as well as reassess our matrix training to accommodate changes in the composition of our workforce and reduced funding. We'll further our efforts to ensure inclusiveness through diversity and we've incorporated this goal into our strategic plan and performance measures.

Since FY 10, we've participated in the Partnership for Public Service's survey of the Best Places to Work in the Federal Government. In each of the first 2 years we participated, we ranked second in more than 200 participating organizations in our class (agency subcomponent). In FY 12, we ranked first among 292 subcomponent organizations. At a time when most Federal agency scores decreased, we showed significant improvement; indeed, our score was the highest satisfaction rating of all agencies competing in all categories of the government (large, medium, small, and subcomponent). We attribute these results to a culture focused on open communication, continuous improvement, and family. As we look to the future, we want to build on our past successes by improving the services we deliver to our customers. Our leadership team has established signature issues to help us achieve this, which include making strong and actionable recommendations in our audit reports and increasing collaborative communication with the Army's most senior political appointees, general officers, and senior executives. We also want to find ways to inspire and invigorate our engaged workforce.

This strategic plan also details our strategic communications goal, which our last plan introduced. We've focused on improving communications during the last year, and we've made noteworthy progress. We selected a dedicated strategic communications chief and drafted our internal communications plan. Additionally, we developed a course for all Agency leaders from GS-13s to senior executives to improve communications. This class focused on principles of communication and, as a result of the class, we developed a communications handbook as a reference for all managers and employees. Finally, we updated and revised our key corporate measures based on completing certain goals and evolving Army priorities.

This strategic plan is our roadmap as we strive to continue to be a model audit organization. As with any strategy, the plan's success relies on the support and commitment of every Agency employee. I ask each of you to adopt this plan and take responsibility for doing all you can to help us achieve our goals. As you review the plan, please let me know your suggestions for making it even better. We have accomplished many great things and have much to be proud of, but there is always room for improvement. I look forward to taking the next steps in this journey with each of you.

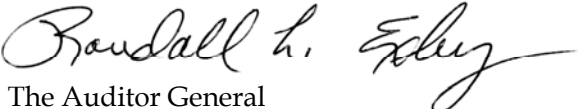





The Auditor General

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OUR MISSION

We serve the Army by assessing risk and providing solutions through independent, internal audit services for the benefit of the American Soldier.

OUR VISION

To be the premier audit organization of respected professionals, helping the Army overcome challenges in accomplishing its mission.

OUR CORE VALUES

Service

We provide high-quality, client-focused service that is timely and relevant. We accomplish this through our diverse, talented workforce that is committed to open communication and continuous professional development.

Ethics

We are ethical, credible, and committed to accountability. We are independent and perform our mission using professional standards. We hold ourselves to the same standards that we apply to those we audit.

Progress

We anticipate and adapt quickly to change and institute innovative approaches and techniques. We focus on Army priorities and maintain a culture that supports empowerment, professional development, and work-life balance.

STATUTORY RESPONSIBILITIES

The U.S. Army Audit Agency was created after World War II to help the Army meet its global strategic challenges through independent, value-added auditing services. The Agency helps Army leaders and Soldiers resolve issues by providing high-quality solutions that enable them to meet their goals more effectively and efficiently.

At the request of the Under Secretary of War, the Agency was established on 12 November 1946, when General Dwight D. Eisenhower issued General Order No. 135. The Agency was placed under the jurisdiction of the chief of finance and tasked with maintaining appropriation and fund accounting, maintaining military property accountability, and auditing the accounts of the American Red Cross.

The DOD Reorganization Act of 1986 placed the Agency under the sole jurisdiction of the Secretary of the Army. Subsequent general orders made The Auditor General responsible for internal audit services throughout the Department of the Army, including audit policy, training, followup, and liaison with external audit organizations.

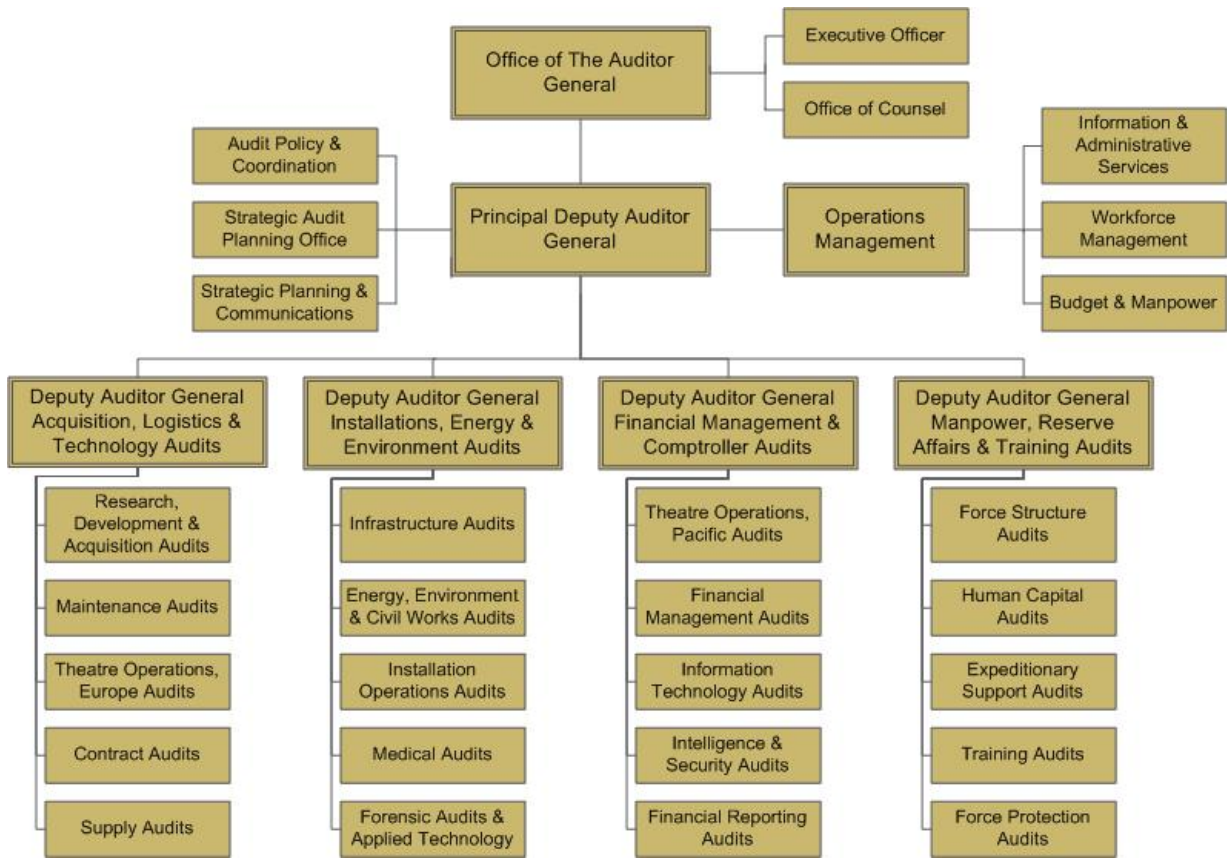
Today, we examine the full spectrum of Army operations and programs to help the Army account for and manage the public resources entrusted to it. Our goal is to be recognized as a model organization with an engaged workforce of respected professionals, guided by innovation and integrity, helping the Army overcome challenges in high-risk areas.

ORGANIZATIONAL STRUCTURE

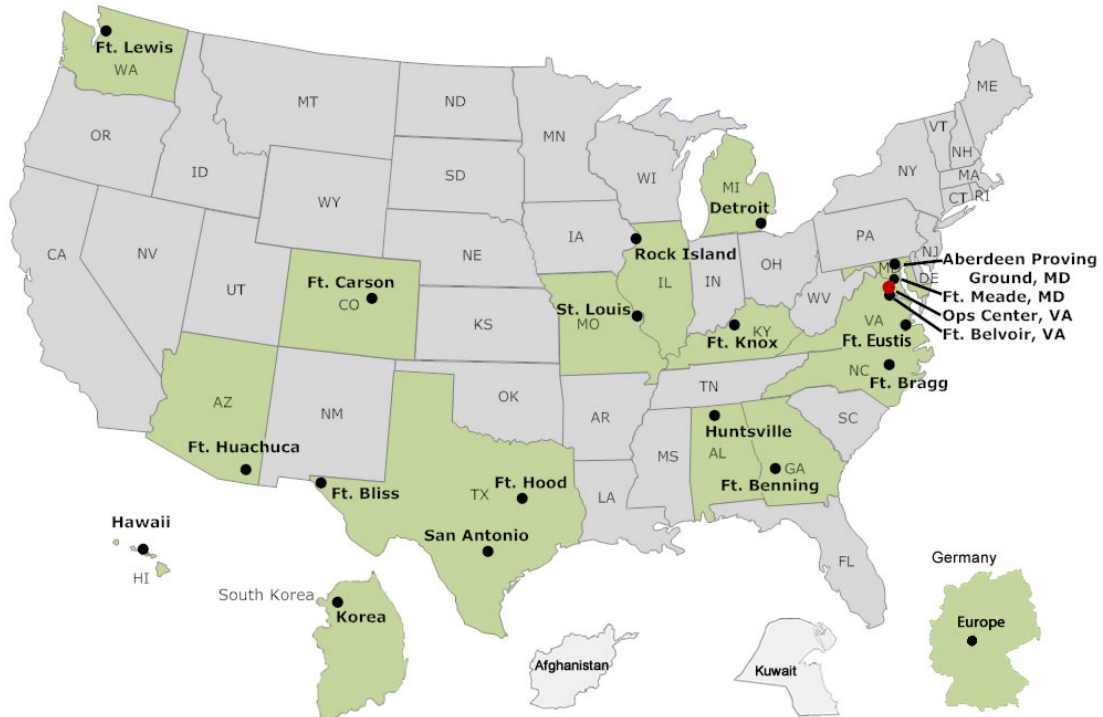
The Auditor General, the Principal Deputy Auditor General, and four deputy auditors general lead our Agency. The Principal Deputy Auditor General oversees the Agency's strategic planning efforts and all internal support functions. The four deputy auditors general oversee audits of various Army functions.

To achieve our strategic goals and objectives, we maintain a workforce of highly trained professionals, many with advanced degrees and certifications. Our staff of approximately 550 (though authorized 577) is organized into 20 functional audit teams. We also have a support staff directorate that helps us accomplish our mission by providing functions, such as information technology, workforce management, and resource management. About 80 employees are based at our operations center at Fort Belvoir, Virginia. The rest are at 20 field offices – 17 in the continental United States and 3 outside the continental United States (Germany, Hawaii, and the Republic of Korea). Auditors are also deployed to Afghanistan and Kuwait to support overseas contingency operations.

AGENCY ORGANIZATIONAL CHART



AGENCY FIELD OFFICE LOCATIONS



SITUATIONAL ASSESSMENT

In mapping the Agency's work over the next 5 years, we analyzed internal and external factors to identify the challenges we face in meeting our strategic goals and objectives. This plan considers many issues affecting the Army and the Federal Government.



Valued Service

As we develop this strategic plan, America's Army is in its 12th year of combat operations in Afghanistan. While operations there are scheduled to conclude by the end of 2014, the years of conflict have strained the Army's resources considerably. The Army also continues with its mission to provide strategic land power for the Nation, playing a fundamental role in 10 of the 11 missions of the new National Defense Strategy. Despite this critical role, the continuing economic challenges facing our Nation and the coming end of current combat operations have resulted in a reduction of the DOD budget by \$487 billion over the next 10 years under the Budget Control Act of 2011.

To adapt to this new level of funding, the Army looks for appropriate changes – the size of its Active Component will be reduced by 80,000 Soldiers; decisions will be made about the structure and composition of the Army; investments in training and equipment to meet current and future requirements will be adjusted; and the support and services to Soldiers, civilians, and families will be reviewed. Budget reductions also heighten the importance of funding timeliness and predictability, which enable the Army to plan, resource, and manage programs for a trained and ready force. As a result, the Army is facing the challenge of restoring balance through its four imperatives – Sustain, Prepare, Reset, and Transform.

As the operations in Afghanistan come to a close, the Army will begin the immense task of pulling its equipment and supplies out while planning for the drawdown of troop strength. And, as fiscal pressures mount, Army leadership will look to our Agency to identify opportunities for savings and efficiencies.

As the Army transforms into a smaller force and rebalances to meet its vision, our Agency must conduct audits to verify that programmed changes are effective. Congress has directed the Army to pursue and report on business transformation initiatives to fully implement

The Army Vision

The Army is globally engaged and regionally responsive; it is an indispensable partner and provider of a full range of capabilities to Combatant Commanders in a Joint, Interagency, Intergovernmental, and Multi-national environment. As part of the Joint Force and as America's Army, in all that we offer, we guarantee the agility, versatility and depth to Prevent, Shape and Win.

an integrated management system for conducting operations effectively and efficiently. The Army is implementing the following business process changes that will significantly impact the audits we perform:

- **Regionally Aligned Forces (RAF) and Future Force Generation.** Implementing the Army vision requires a globally engaged and regionally responsive force. RAF enables a persistent and visible Army presence in support of geographic combatant command requirements. RAF units include brigade combat teams (both Active and Reserve), as well as divisions and corps headquarters and enabler units trained for employment in specific theaters. Regional alignment will be accompanied by a progressive readiness model to generate forces in support of combatant commanders. The Army will move from its current rotational readiness model (which provides units for enduring missions) to a progressive readiness model (which provides forces to suit the requirements of emerging or contingency missions). RAF affects how the Army trains and equips its forces. The Army also changed its Future Force Generation model to accommodate RAF. During this period of change, audit services will provide value to Army leadership by identifying gaps, conflict, or overlap in policies, procedures, processes, and resources.
- **Acquisition Reform and Capability Portfolio Review.** The Army continues to refine how it develops and acquires services and materiel through a capability portfolio review process. This process eliminates redundancies and ensures funds are programmed in accordance with combatant commanders' requests, wartime lessons learned, the ability to support progressive readiness, and affordability. Capability portfolio reviews will be informed by periodic network integration evaluations. These evaluations are designed to put new technologies into the hands of Soldiers in a field environment early in the development process to accelerate acquisition more cost effectively. Auditors should use capability portfolio reviews and evaluate the benefits of network integration evaluations.
- **Energy Security.** The Army's ability to accomplish its missions around the world depends on secure, affordable, uninterrupted access to power and energy. Supplying these resources is increasingly challenging, expensive, and dangerous, both in operational and garrison environments. The Army began a number of initiatives for tactical operations and for installations at home and at contingency bases. This continued emphasis will present significant audit opportunities to evaluate cost savings for various initiatives and further investment.
- **Business Systems Architecture.** The Army is moving toward a single integrated management system, and it has a business systems architecture and transition plan to get there. The Army's Office of Business Transformation is responsible for making sure that business systems follow mandated requirements for certification in order to receive funding. The office steers these efforts using the Army Business Council upon which Agency personnel serve as advisors.

Fraud, waste, and mismanagement have consistently been areas of concern for the Army and for auditors. In particular, cybersecurity challenges, coupled with increasing reliance on information technology to run wartime and peacetime activities, make vulnerabilities to fraud more profound. To help counter this threat, we expanded our forensic audit capabilities. We plan to expand our partnerships with other investigative and oversight organizations to educate our auditors in identifying ways for the Army to minimize losses and prevent future occurrences. By educating our auditors, we hope to institute changes in the Army that enable continuous monitoring of highly vulnerable processes.

Discussions with senior Army leaders also identified numerous areas in which our audits will provide both immediate and long-term support to accomplishing the Army mission. The Secretary of the Army; the Chief of Staff, Army; and other senior Army officials have asked for our support on several high-risk and sensitive issues, including background investigations for child and youth services, property accountability, and contracting oversight. We must address these issues and continue to communicate with senior leaders to help the Army accomplish its most challenging and complicated missions.



Professional Workforce

The Federal Government faces significant human capital challenges, including decreased budgets, increased turnover and hiring restrictions, insufficient succession planning, and leadership skill gaps.

Governmentwide, retirements are up approximately 25 percent from a year ago, indicating that the long-anticipated retirement wave has hit. Turnover may remain high for a while due to the combined effects of an aging workforce, pay freezes, rising antigovernment sentiment, and increased workload. The inability to replace staff quickly, or at all, along with losing the institutional knowledge and expertise of these departing employees, exacerbates the impact of those departures. Though some Federal succession-planning programs are paying off, most aren't keeping pace with an organization's needs and the talent pipeline isn't sufficient. As a result, we must provide more midlevel managers and supervisors the leadership capabilities required.

To address these human capital challenges, the Army continues to implement its civilian workforce transformation. This initiative focuses on competency-based life-cycle management, civilian leader development, and civilian hiring reform. However, success in this transformation depends on sufficient funding, specifically for recruiting and training, which is uncertain due to the effects of the sequester. An Armywide restriction on civilian hiring, as well as future planned civilian authorization reductions, will also hinder the Army's ability to produce and deliver the right person to the right place at the right time.

Given these challenges and the restrictive civilian recruiting environment within the Army, our Agency must focus on developing and retaining the workforce we have, building internal leadership capability, and keeping employee engagement levels high.



Organizational Effectiveness and Efficiency

The Agency must continually seek to improve the effectiveness and efficiency of our operations to ensure that we have enough resources to perform our mission and meet the needs of our Army clients. As the Federal Government continues to focus on decreased spending and as overseas contingency operations draw down, we must do our part to conserve resources. To make the most of our limited available resources, we'll continue our longstanding focus on continuous process improvement. We'll look to refine processes to ensure maximum efficiency, thereby reducing non-value-added activities while increasing the value, quality, and timeliness of our services. We'll seek to conduct audits even more efficiently by decreasing delivery time. Delivering audit results more timely will also allow Army operations to more quickly realize savings and other benefits we identify.

As the Army continues to fight terrorism on a global scale, yet becomes physically smaller and faces stringent budget cuts, we must remain diligent at keeping our vital information secure. Information security and automation are essential to maintaining effective and efficient operations. During FYs 14-18, the Agency will focus on reviewing our automation support processes to reduce redundancies and to increase the efficiency and productivity of our support teams.

Despite our severe budgetary constraints, hiring freezes, and possible furloughs, we're determined to operate efficiently and to monitor our organizational footprint to be strategically positioned to aid Army leaders. To ensure that we're providing value-added support, we'll periodically review our organizational structure to remain aligned with Army priorities. Although we've taken some personnel reductions, we've maintained our current organizational management structure to reduce spans of control and to enable us to have closer working relationships with our clients.



San Antonio Field Office



Strategic Communications

The Agency views strategic communications as one of its top priorities. Indeed, we added this as a fourth strategic goal in our last strategic plan because we understood that effective communication is essential to any successful organization. As we continue to increase our presence within the Army community, our primary goal is to develop internal and external strategic communications plans. These plans will provide a directional framework for communicating targeted messages to key internal and external audiences. They will focus on the importance of transparent and open multidirectional communication in understanding the needs of our key customers and our workforce. We'll look holistically at current strategies and methods of communication to ensure we focus on efforts that are most effective and discontinue those that are ineffective or unnecessary. The Office of the Chief of Public Affairs has pledged its support in helping us develop these plans.

In light of the current challenges facing our workforce, including concerns over additional budget cuts, continuing pay freezes, and possible furloughs, our initial focus has been on drafting the internal strategic communications plan. These trying times only underscore the need for open, transparent, and free-flowing communication throughout our Agency. Our internal plan includes strategies to not only increase, but to improve the quality of communication from the corporate level to the workforce, within teams, across the workforce, and from the workforce to the corporate level. Our leadership made internal communications a top priority in FYs 12 and 13, and we have made significant progress in this area. For instance, our workforce management team developed a communications course using off-the-shelf software and tailoring it for the Agency. All supervisors, from auditors-in-charge to senior executives, participated in the course. We also developed a handbook for all staff with ideas to increase and improve communications. The entire organization has embraced this effort and is experiencing positive results as is evidenced by improved workforce survey ratings on communications. These were just the first steps in a long process to institutionalize a culture of positive, effective, and open communication.



Fort Eustis Field Office



Goal 1: Valued Service

Provide services that benefit the Soldier and improve Army operations by delivering timely solutions to Army challenges.

The intent of this strategic goal is to:

- Maintain our status as a highly sought-after and integral part of the Army.
- Make sure our services align with the Army's highest priority areas.
- Maximize our return on investment to the Army.

We want to maximize our partnerships within the Army by providing timely, actionable information. This will enhance our capability to deter and detect fraud, expand our range of audit products and services, and leverage expertise to help Army leaders make informed decisions and solve problems.

Our strategic objectives and performance goals in this area focus on maximizing our resources by assessing risks for strategic audit planning, conducting the highest priority audits, and delivering timely and valued results.

Strategic Objectives and Performance Goals



Strategic Objective 1.1 – Strategic Audit Capability

Performance Goal 1.1.1

Enhance risk assessment processes across the Army enterprise to identify high-risk areas and senior leader concerns, and incorporate these into future Army Internal Audit Plans.

Performance Goal 1.1.2

Assess the Army's Internal Audit Plan and resources at the corporate level to provide the highest priority audit coverage and to prevent duplication.

Performance Goal 1.1.3

Execute and monitor the Army's Internal Audit Plan, maintaining flexibility to accommodate emerging requests.

Performance Goal 1.1.4

Enhance partnering with investigative and legal agencies to facilitate knowledge sharing about fraud within the Army.

Performance Goal 1.1.5

Develop Armywide fraud audit capability that helps the Army prevent, minimize, and identify fraud.

Performance Goal 1.1.6

Develop a strategy to partner with functional oversight activities for continuous monitoring and auditing of high-risk processes and controls.

***Strategic Objective 1.2 – Results Delivery*****Performance Goal 1.2.1**

Reassess methods used to identify and calculate benefits from audits (monetary and nonmonetary).

Performance Goal 1.2.2

Ensure that we deliver valued and actionable information and solutions to Army clients.

Performance Goal 1.2.3

Develop a broad-based client satisfaction measurement program.

Performance Goal 1.2.4

Reassess the followup process to identify the best method to determine that the Army achieved the intended benefits as a result of an audit engagement.

Strategies for Goal 1

Strategic Audit Capability

To make sure that we're providing the right audit support at the right time and improving Army operations, we develop the Army's Internal Audit Plan. The plan is a living document that guides our audit selection process. It is developed by continually evaluating risks, communicating regularly with Army leaders and analyzing their strategic documents, developing proposed audits, gathering requests for audits, and socializing those planned audits throughout the Army. We brief senior Army leaders on our audit plan to solicit input before gaining the approval of the Chief of Staff, Army and endorsement by the Secretary of the Army. This gives us confidence that we're using our resources effectively to help the Army accomplish

its mission. As Army priorities change and as we receive requests for audits, we revise our plan and shift resources to remain responsive.

Our Strategic Audit Planning Office continually gathers, analyzes, and translates Army strategic information into usable data for our audits. The office prepares enterprisewide risk assessments that identify the highest priority audit categories and key issues the Agency should address in its audits. Program directors use this information to develop and refine audit issue areas and assign resources for specific audit coverage. This process is formalized in U.S. Army Audit Agency Regulation 36-1 (Strategic Audit Planning).

We'll continue to grow our fraud audit capability through our Forensic Audits and Applied Technology Division and assist Army leaders in identifying and minimizing fraud. We'll also assess our methodology for audits and enhance our partnerships with investigative legal agencies. Our efforts will identify ways to better facilitate knowledge sharing about fraud within the Agency and the Army. In addition to fraud identification capabilities, the Agency will foster partnerships with other Service audit organizations and functional oversight activities. These partnerships will improve our ability to monitor and audit high-risk processes and controls.

Results Delivery

A process action team will be chartered to study options for expanding our range of audit products to deliver information to our clients even more effectively. The team will identify customer needs, define criteria for using nontraditional audit products, and develop guidelines for using products other than standard audit reports.

To make sure that we're meeting client needs, we'll expand our current client satisfaction surveys and develop a broad-based client satisfaction program. The current program solicits feedback when an audit is finished. We'll look for additional ways to gather client and stakeholder feedback throughout the audit and in other interactions with them.

We'll also review our process for conducting followup audits. We'll review the requirements for executing The Auditor General's responsibility as the Army's Followup Official and our needs for assessing whether our audits achieved the desired results. We'll do an overall review to determine the most efficient means of conducting followup work while continuing to meet requirements. Our focus will be on the implementation of our recommendations by command and on the success of those recommendations in achieving desired results.



Goal 2: Professional Workforce

Continue to develop an engaged, high-performing, and diverse workforce that maximizes our ability to deliver on our mission.

The intent of this strategic goal is to make sure the Agency maintains a professional, engaged, and diverse workforce that can meet our mission today and into the future. The Agency has long recognized the value of its most important resource – its people. Employee engagement and satisfaction levels were at a record high in 2012, leading to our number-one ranking in the Best Places to Work in the Federal Government. While such recognition is laudable, we're not immune to the significant human capital challenges faced by the entire Federal Government, including the Army. To support our Army, we need an engaged workforce equipped with the knowledge, skills, abilities, and behaviors that will let us develop viable solutions to increasingly complex issues.

With implementation of nearly all of the initiatives in our 2009-2012 Human Capital Plan, the Agency has adopted a competency-based human capital strategy. This strategy, which is in accordance with the Army's civilian workforce transformation, will help make sure we continue to have the necessary workforce capability to meet our mission now and into the future. Technical and leadership competencies are critical links to workforce readiness and contribute directly to the success of our mission.

As we face increasing retirements, additional cuts in our civilian authorizations, and the continued restriction of the hiring freeze, we must focus on planning for the replacement of some of our most experienced leaders. The strategic objectives and performance goals that follow focus on closing technical competency gaps, developing leaders, planning for succession, and maintaining high employee engagement levels.



Fort Bliss Field Office

Strategic Objectives and Performance Goals



Strategic Objective 2.1 – Strategic Workforce Planning

Performance Goal 2.1.1

Shape the workforce to quickly adapt to changing conditions.



Strategic Objective 2.2 – Leadership & Succession Planning

Performance Goal 2.2.1

Implement our leadership development plan.

Performance Goal 2.2.2

Continue succession planning in accordance with our current strategy for auditors.

Performance Goal 2.2.3

Determine appropriate succession planning strategies for other professionals.



Strategic Objective 2.3 – Professional Development

Performance Goal 2.3.1

Continue to implement the competency-based training and development program as identified in the final report, *Competency Management System Process Action Team*, dated 29 June 2012.

Performance Goal 2.3.2

Promote an environment of continuous learning for all Agency team members by encouraging and supporting professional development.

Performance Goal 2.3.3

Reassess the matrix training program to accommodate the future training environment.

Performance Goal 2.3.4

Implement the financial management certification program.



Strategic Objective 2.4 – Employee Engagement

Performance Goal 2.4.1

Achieve a mission-focused workforce that is engaged and satisfied.

Performance Goal 2.4.2

Build inclusiveness through diversity.

Strategies for Goal 2

Our strategic objectives and performance goals focus on fostering an engaged, high-performing, and diverse workforce.

Strategic Workforce Planning and Competency Management

The 511 Auditor occupational series has been identified as one of seven high-risk, mission-critical occupations within DOD. As the employer of the majority of civilian auditors within the Army, we must continue to participate in G-1 efforts to forecast staffing requirements, identify recruitment and loss trends, and identify and close mission-critical competency gaps across the Army's civilian workforce.

We've reviewed and redefined competency definitions in the Army's Competency Management System and plan to reassess the skills we have and need. We'll use the results of this reassessment to:

- Evaluate our corporate closure strategies implemented to date.
- Revise existing initiatives.
- Determine the need for additional closure strategies.

We'll coordinate with the CP-11 functional career program manager to report our internal efforts to close identified competency gaps for inclusion in the Army's strategic workforce planning products. We'll encourage our professional support staff to complete a Competency Management System assessment to determine individual gap closure strategies.

Succession Planning and Leadership Development

We'll continue succession planning in accordance with our current strategy for auditors by identifying key positions within the Agency. This includes:

- Defining competencies required for key positions.
- Identifying potential talent based on competencies identified and the available pool of candidates.
- Developing employees to increase the pipeline of qualified candidates for key positions with a high attrition risk.

With our professional support staff continuing to face challenges associated with working in one-deep positions, we'll determine appropriate succession planning strategies to make sure these mission-essential functions continue as employees retire or leave for other career opportunities.

To support developing leadership skills for the entire workforce, we'll continue to identify leadership competency gaps through the Competency Management System and assess the effectiveness of strategies implemented, such as:

- Revising our matrix training.
- Creating a leadership development section in the training area of SharePoint.
- Integrating audit managers into audit operations meetings and auditors-in-charge and other professional support staff into Agency leadership meetings.

Professional Development

To make sure our workforce has the skills, knowledge, and capabilities to accomplish our mission, we'll continue to professionally develop employees to their fullest potential. We'll fully implement our comprehensive competency-based training and development program, which combines classroom, distance learning, and on-the-job training strategies.

Due to the decreasing number of auditors below the journey level, limited external recruiting, and continued budgetary limitations, we'll reassess our existing matrix training program. As DOD implements its competency-based financial management certification program, we'll make sure that our financial management workforce (that is, employees in the 500 job series) meets the requirements for the certification level associated with their positions.

Employee Engagement

We'll continue to improve communications throughout the Agency, support work-life flexibilities, and ensure our workforce has access to available resources for civilian employees facing both emotional and financial stress.

To monitor the overall climate of the Agency, we'll continue to survey our workforce each year and participate in the Partnership for Public Service's Best Places to Work competition. To identify individual employee engagement concerns or retention issues, we'll continue our random stay interviews and encourage and promote supervisory stay interviews. To keep engagement levels high, we'll also implement our Agency's plan to build inclusiveness through diversity.



Fort Hood Field Office



Goal 3: Organizational Effectiveness and Efficiency

Operate a highly effective and efficient organization that continuously evaluates internal processes and embraces change to increase our value to the Army.

The intent of this strategic goal is to ensure that internal Agency operations are as effective and efficient as possible and to maximize our value to the Army. To fully support an Army at war that is downsizing its force and facing continued budget constraints, we must provide timely, accurate, efficient, and valuable information to provide solutions and help Army leaders make informed decisions. Therefore, this area increases our focus on continuous process improvement by streamlining our audit and audit support processes to increase the value, quality, and timeliness of our services and products.

Our strategic objectives and performance goals in this area are holistically focused on reducing delivery time so we can get information to the Warfighter as expeditiously as possible. The Agency is putting processes in place to provide information and solutions to Army leadership as quickly and as efficiently as possible.

Strategic Objectives and Performance Goals



Strategic Objective 3.1 – Audit Process and Delivery Time

Performance Goal 3.1.1

Improve the audit planning and survey phase to better define audit objectives and scope, maximize efficiency, and significantly reduce delivery time.

Performance Goal 3.1.2

Enhance the audit execution/reporting phase to maximize efficiency and ensure we're delivering the right product.

Performance Goal 3.1.3

Improve project management to maximize the efficiency of the audit process, to include TeamMate capabilities.

Performance Goal 3.1.4

Improve the audit reply process to obtain more responsive replies from command and reduce delivery time.

Performance Goal 3.1.5

Develop and implement a measurement process to assess the quality of audit products.



Strategic Objective 3.2 – Support Processes

Performance Goal 3.2.1

Provide innovative and streamlined professional support service processes to facilitate executing the audit mission.

Performance Goal 3.2.2

Ensure the Agency has appropriate tools and technology to operate effectively in an enterprise environment.

Performance Goal 3.2.3

Ensure the Agency provides an appropriate professional working environment to facilitate mission accomplishment.

Performance Goal 3.2.4

Streamline AAAsist to reduce redundancies between it, TeamMate, and other enterprise systems.



Strategic Objective 3.3 – Organizational Structure

Performance Goal 3.3.1

Assess the Agency’s organizational structure to ensure that it’s properly positioned to deliver timely, valued services and to optimize client relationships as the structure relates to the Army’s structure, priorities, and fiscal constraints.

Performance Goal 3.3.2

Assess the concept and structure of the standard audit supervisory unit to maximize personnel utilization and service delivery.



Fort Huachuca Field Office

Strategies for Goal 3

Audit Process

We plan to review the audit process and related procedures by phase to identify and eliminate functions or tasks that don't add value. Some examples of practices and procedures to be addressed include:

- Enhancing the audit planning and research process to develop concise audit objectives and scope.
- Strengthening the effectiveness of milestone decision gates used throughout the audit process.
- Reducing the likelihood of performing unnecessary and non-value-added audit steps.
- Adopting and implementing project management tools and techniques that will assist with time management, resource scheduling, and workload distribution.
- Enhancing the report writing phase to improve training, reduce rewrites, and decrease delivery time.

Strong working relationships are essential to successful audits and timely, responsive replies. This has been one of our leadership's key signature issues. We'll leverage and build on our relationships with command throughout the audit process to ensure replies from command are timely and responsive. We'll assess strategies we use to make sure that command is well informed of audit objectives, audit scope, and tentative findings and conclusions as soon as possible. Additionally, we'll develop and implement mechanisms to educate clients and stakeholders on their roles in the audit process throughout an audit engagement.

To measure the quality of our products and ensure that we're providing the right solutions in a timely way, we'll continue to seek ways to evaluate the overall quality of each audit report. These methods could provide a mechanism to measure some of the subjective elements involved in producing audit reports.

Support Processes

The Agency's professional support personnel perform a wide variety of functions ranging from human resources support to information technology support to facilities management. As many positions are one-deep with limited cross-training, vacancies create significant capability gaps and loss of institutional knowledge. This challenge is the focus of a Human Capital Plan initiative to assess current workflow processes. We'll identify and eliminate tasks that don't add value and identify and automate administrative processes to improve efficiencies where possible.

To enhance our audit capability through technology, we'll monitor the Army's plans for enterprise initiatives and determine their impact on Agency requirements. We'll assess and evaluate available tools and continue our collaborative communication with information technology leaders. We'll continue to educate our workforce and expand their technological proficiency. Additionally, we'll assess modules in AAAsist to identify redundancies and eliminate unneeded capabilities. Further, we'll revise and implement a facilities management plan to maintain an appropriate professional working environment at all Agency locations.

Organizational Structure

The Agency continually reviews its organizational structure to ensure that it's capable of meeting the Army's needs. We also need to make sure that our structure is flexible enough to meet emerging requirements, optimize client relationships, and enhance information delivery. We plan to update our current strategies and operate as efficiently as possible to accommodate increasing requests for support from Army leaders. The Agency will also assess the number of audit divisions and the span of control of Agency leaders in light of Army organizational changes, the drawdown in Afghanistan, the downsizing of the force, and tightening budgetary constraints. Further, the Agency will study the configuration of supervisory units and their success in maximizing personnel utilization and service delivery. We'll develop policies and procedures to maximize resources and efficiencies by reviewing the concepts of generalist versus specialist auditors, size of audit teams, co-located versus dispersed teams, and pooling auditors.



Europe Field Office



Fort Benning Field Office



Goal 4: Strategic Communications

Manage communications to maximize our relevance within the Army and fully engage all Agency team members.

The intent of this strategic goal is to maximize communications throughout the Agency and increase our presence in the Army community. To do this, our primary goal is to develop an internal strategic communications plan and an external strategic communications plan. These plans will provide a framework for communicating targeted messages to key internal and external audiences. Effective communication is vital to building trust and credibility, establishing relationships, and managing conflict.

We'll develop marketing and branding strategies in the external plan to increase our visibility throughout the Army. Our internal plan will seek to build an environment of open communication in which all Agency team members can excel, grow professionally, and feel included and appreciated. This plan will also enable staff to have a clear understanding of who we are. Both the external and internal plans will include detailed communications approaches to ensure that we provide meaningful information to our workforce and Army clients.

Strategic Objectives and Performance Goals



Strategic Objective 4.1 – Internal Communications

Performance Goal 4.1.1

Assess methods and strategies to ensure continual and collaborative communication of corporate-level information and leader messages among all Agency team members.

Performance Goal 4.1.2

Improve audit teams' understanding of the importance and value of our audits by communicating the intended benefits throughout the audit process.

Performance Goal 4.1.3

Assess methods and strategies to ensure continual and collaborative communication within professional support and audit teams.

Performance Goal 4.1.4

Assess methods and strategies to ensure continual and collaborative communication across all Agency teams.

Performance Goal 4.1.5

Assess methods and strategies to ensure continual and collaborative communication of workforce ideas, concerns, and information to Agency senior leadership.



Strategic Objective 4.2 – External Communications

Performance Goal 4.2.1

Assess methods and strategies to ensure continual and collaborative communication in program planning and audit execution.

Performance Goal 4.2.2

Assess methods and strategies to communicate benefits of audit engagements to best articulate our value to customers.

Performance Goal 4.2.3

Assess methods and strategies to enhance and expand relationships through marketing and education with current and future Army leaders.

Performance Goal 4.2.4

Assess methods and strategies to demonstrate the Agency’s value to the public.

Performance Goal 4.2.5

Assess methods and strategies to establish a distinctive brand for Agency documents, publications, and other forms of communication.

Strategies for Goal 4

Internal Communications

The Agency is currently drafting its internal strategic communications plan. The plan will guide us in institutionalizing a culture of positive, effective, free-flowing communications. It will help us deliver consistent and meaningful messages to our workforce by helping us to understand what information they need and how it should be delivered. The plan will integrate internal communication processes at all levels to increase and improve communications and promote unity throughout the Agency.

We’ll inventory different methods of communication we currently use – from the corporate level to the workforce, within teams, across the workforce, and from the workforce to the corporate level. We’ll identify and evaluate other methods to ensure that we’re maximizing the available tools to get the right information to the right person at the right time. These efforts will help to build trust across the organization and increase employee satisfaction and engagement.

External Communications

The Agency will develop its external strategic communications plan with support from the Army's Office of the Chief of Public Affairs. The plan will help us deliver consistent and meaningful messages to our Army clients. It will integrate external communication processes at all levels to foster consistency in our message and delivery and to advance our interests and objectives.

We'll develop strategies to enhance communication with our customers throughout the audit process at all staff levels. This strategy will concentrate on keeping our customers informed of audit objectives, analyses, tentative conclusions, and recommendations. We'll also continually remind the audit team why we're doing the audit and the benefits the Army will receive as a result of the team's efforts.

We plan to develop a marketing strategy to improve Agency visibility throughout the Army. We'll develop a corporate message and make sure that each and every employee knows and understands that message and can deliver it. We'll review vehicles we currently use to communicate externally. We'll also identify and evaluate additional tools and outlets to make sure that we're using the best method to deliver our message. We'll develop strategies to educate current and future Army leaders of our Agency's mission. This will include conducting briefings at Army schools to market our services and educate Army staff on how we can best serve them so that they can accomplish their mission more efficiently and effectively.

The Agency will develop a corporate brand that will represent the values, mission, and vision that form our identity. This brand will represent the public face of our business strategy to our Army clients and the public. We'll also develop a branding strategy for Agency documents and publications. This brand will ensure that the results of our efforts are easily recognizable. We'll institutionalize the use of a consistent branding strategy for all internal and external communications from recruiting to employee recognition to client interactions.



Fort Belvoir Field Office

Corporate Performance Measures

This plan incorporates a three-level scoring system to measure progress toward meeting organizational goals and objectives. Our strategic goal is to achieve level I (exceptional) for all performance measures.

Key:

Level I – Significantly exceeds expected performance.

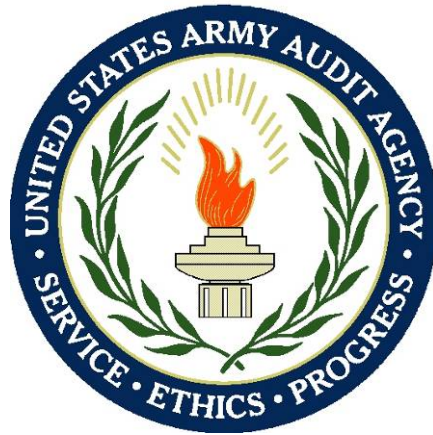
Level II – Meets or slightly exceeds expected performance.

Level III – Performance is below minimum expectations and improvements are needed to get performance back on track.

Measure	Performance Levels		
	Level I	Level II	Level III
Execution of the Army's Internal Audit Plan			
<i>Percentage of requested audits included in the Army's Internal Audit Plan started before the end of the 3rd quarter</i>	80%	70%	<70%
Monetary Benefits			
◆ <i>Percentage of reports issued that identified monetary benefits</i>	20%	10%	<10%
◆ <i>Return on Investment (ROI)</i>	\$20:1 ROI	\$10:1 ROI	<\$10:1 ROI
Followup/Recommendations Implemented			
◆ <i>Percentage of past recommendations implemented within 2 years of the fiscal year in which report was issued</i>	80%	70%	<70%
◆ <i>Percentage of formal monetary benefits realized</i>	75% monetary benefits realized	65% monetary benefits realized	<65% monetary benefits realized
Client Satisfaction			
<i>Scores/Assessments of:</i>			
◆ <i>General Officer/Senior Executive Service surveys</i>	80% overall	70% overall	<70% overall
◆ <i>Client satisfaction surveys</i>	80% overall	70% overall	<70% overall
Enterprise Integration			
<i>Cumulative time invested in actively participating in Army task forces, working groups, and committees as well as attending ceremonies and events</i>	3,000 hours	2,500 hours	<2,500 hours

Measure	Performance Levels		
	Level I	Level II	Level III
Audit Delivery Time			
◆ <i>Percentage of audits with draft report delivered within 300 elapsed days</i>	70%	60%	<60%
◆ <i>Overall percentage reduction in audit delivery time of final reports compared to prior year</i>	4%	2%	<2%
Direct Time			
<i>Percentage of total Agency time directly charged to audits</i>	80%	70%	<70%
Leadership			
<i>Composite score from workforce survey questions related to qualities and performance of leaders and managers</i>	80%	70%	<70%
Diversity			
<i>Composite score from workforce survey questions that affect diversity</i>	80%	70%	<70%
Workforce Engagement			
<i>Composite score from workforce survey questions associated with work environment and overall job satisfaction</i>	80%	70%	<70%
Support Functions			
<i>Composite score from workforce survey questions related to how well internal support functions help employees get the job done</i>	80%	70%	<70%
Talent Management			
◆ <i>Composite score of ratings from workforce survey questions related to training and development</i>	80%	70%	<70%
◆ <i>Percentage of workforce with advanced degrees/professional certifications/membership in professional organizations</i>	25%/35%/45%	20%/30%/40%	<20%/30%/40%

*Providing Solutions
for
Army Challenges*



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