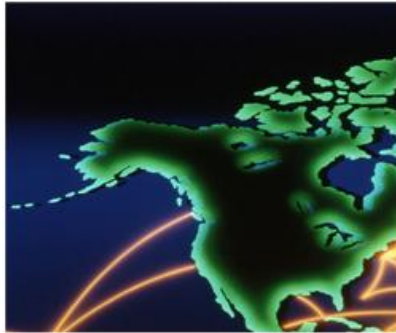




DEFENSE TRAVEL MANAGEMENT OFFICE



Defense Travel Management Office FY 2012 – FY 2016 Strategic Plan

December 2011

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1. Introduction

The Defense Travel Management Office (DTMO) consolidates, streamlines and centrally manages commercial travel and performs analysis and prescribes rates for station/housing allowances, providing a single focal point for the Department of Defense (DoD) and industry. This "single face" ensures consistency in the Department's focus, policy and execution, marking a new era in government travel. DTMO is focused on transforming the Defense Travel Enterprise by implementing innovative solutions and providing the best value for the travel community.

DTMO published its initial strategic plan in October 2007. After additional functions were integrated within the organization, DTMO reviewed and updated its strategic plan annually. To realize its vision for the future, DTMO has revised its strategic plan to increase its focus in the following areas:

- Consistently communicating, cascading, and executing strategy throughout the organization.
- Shifting focus from operational, output-focused performance measures to measures that are aligned to the stated strategic objectives.
- Increasing organizational readiness by developing a human capital strategy.
- Integrating performance and budget, so that resources are linked to strategy and execution.

This plan provides a framework for executing the strategies, programs, and projects related to managing the DoD Travel Enterprise.

2. DTMO Overview

2.1 Background

The Department established the DTMO in February 2006 to serve as the single focal point for commercial travel within DoD. Prior to the establishment of DTMO, several disparate, stove-piped programs governed travel policy, regulations and directives, yet no "single face" for commercial travel existed within the Department. Senior DoD leadership recognized the need to streamline and consolidate the various pieces of this multi-billion dollar travel enterprise. In response, the Deputy Secretary of the Defense directed the consolidation, reorganization, and central management of commercial travel for DoD under the Office of the Under Secretary of Defense for Personnel and Readiness (OUSD, P&R).

By consolidating functions under one organization, the Department is able to standardize management practices, leverage economies of scale, reduce administrative costs, and work towards a common set of goals.

The DTMO maintains central oversight for:

- Commercial Travel Management
- Travel Policy and Implementation
- Customer Support and Training
- DoD Travel Charge Card Program Management
- Functional Oversight for the Defense Travel System (DTS)
- Allowance and Entitlement Program Management

2.2 Organization

DTMO is organized within the OUSD, P&R as a component of the Defense Human Resources Activity (DHRA) and receives direct oversight from Military Personnel Policy (MPP). The USD, P&R is the principal staff assistant and advisor to the Secretary and Deputy Secretary of Defense for Total Force Management as it relates to readiness; National Guard and Reserve components; health affairs; training; and personnel requirements and management, including equal opportunity, morale, welfare, recreation, and quality of life matters. MPP ensures military personnel policies and programs support the Services and Unified Commands in accomplishing their assigned missions, contributing to the long-term well-being of the Armed Forces and their military members. The DTMO organization includes the Office of the Director, four divisions: Commercial Travel Division, Management Support Division, Travel Applications Division, and Strategic Planning and Policy Division, and the Transformation Cell.

The **Commercial Travel Division (CTD)** serves as the primary interface with the travel industry, acquires and manages Commercial Travel Office (CTO) services for DoD worldwide; manages the U.S. Government Rental Car and Truck Program, the Recruit Travel and Assistance Programs, and the Military Bus Program; serves as the DoD customer interface for GSA's City Pair Program; develops training resources, liaisons with Services and Agencies for travel assistance; and oversees the Travel Assistance Center (TAC) that provides 24/7 travel assistance to the DoD travel community.

The **Management Support Division (MSD)** is responsible for managing DTMO resources. MSD coordinates budgeting and tracks budget execution; purchases goods and services; administers travel program and support services contracts; manages human resources; provides administrative services for the DTMO workforce; and provides physical security and property control.

The **Travel Applications Division (TAD)** is responsible for managing the lifecycle of applications, data integration and management, as well as the management and maintenance of the DTMO information technology (IT) infrastructure. The Division develops and executes the DTMO IT Strategy and ensures its alignment with the overall DTMO strategy, develops the IT architecture for DTMO IT applications, manages information assurance and privacy programs for the organization, develops requirements for Defense travel enterprise initiatives, integrates travel data, and manages the Government Travel Charge Card Program for the Department of Defense.

The **Strategic Planning and Policy Division (SPP)** is responsible for developing and executing strategy, performance management, providing strategic communications, setting, reviewing and updating travel policy, analyzing and setting allowances, managing enterprise customer solutions and crisis management, setting the strategic direction for travel transformation and liaising with the Transformation Cell to ensure its successful implementation.

The **Transformation Cell** consists of a Transformation Leadership Cell and multiple, initiative-focused Integrated Project Teams (IPTs). The Leadership Cell will provide direction and programmatic oversight, including coordination and integration of all transformational initiatives, while the IPTs will focus on developing and implementing initiatives aligned to specific functional areas requiring subject matter expertise. The Leadership Cell will have responsibility for coordinating all aspects of Defense Travel Transformation, including policy and regulation transformation, process reengineering, systems development, strategic communication, change management and training. In simple terms, the Leadership Cell serves as the coordinating hub and the IPTs are the operating spokes consisting of all staff involved in travel transformation.

2.3 Products and Services

To support its customers and manage the Defense Travel Enterprise, DTMO currently offers the following products and services:

DTMO Products and Services

DTMO centrally manages the following travel programs for DoD:

- **Commercial Travel Office Services**
- **Government Travel Charge Card**
- **US Government Rental Car/Truck Program**
- **Military Bus Program**
- **DoD Customer Interface for the Contract City Pair Program (Commercial Air Fares)**

Customer-focused products and services include:

- **Travel Assistance Center (24/7 Help Desk support)**
- **Recruit Travel and Assistance Programs**
- **DoD Travel Training**
- **Customer Outreach**

DTMO is engaged in the management, development, and maintenance of technology:

- **Functional Requirements Analysis and Management of the Defense Travel System (DTS)**
- **Websites and Web Applications**
- **Data Integration**

DTMO sets the strategic direction for travel management across DoD through:

- **Travel Policy & Regulations Implementation**
 - **Operations Research and Systems Analysis**
 - **Performance Reporting**
 - **DoD Allowance Rate Setting**
 - **Strategic Communications Products**
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2.4 Customers and Stakeholders

DTMO has a wide range of customers and stakeholders: DoD military and civilian travelers, those individuals supporting travelers, other Federal travelers, the travel industry, and special interest groups. The organization must remain cognizant of the diverse needs of the travel community and develop products, deliver services, and tailor messages according to these needs.



DTMO must consider the guidance provided by several governance bodies overseeing Defense travel and related entitlements and allowances issues:

- The Defense Travel Steering Committee (DTSC) is an O-8 or equivalent level body that sets strategic direction and provides oversight.
- The Defense Travel Improvement Board (DTIB) is an O-6/GS-15 level body with authority for managing changes to current and future travel requirements. Members articulate the view of their Service or Agency and bring forth issues that require cross-level support.
- The Per Diem Travel and Transportation Allowance Committee (PDTATAC) is composed of senior executive and flag officers from the three Military Departments, U.S. Coast Guard, Public Health Service, and the National Oceanic and Atmospheric Administration Corps (NOAA). Its permanent chair is the Deputy Assistant Secretary of Defense for Military Personnel Policy (DASD MPP).
- The Military Advisory Panel (MAP) includes representatives from the seven uniformed services and invited guests. It generates and evaluates issues pertaining to per diem, travel and transportation allowances, housing allowances, and cost of living allowances for uniformed service members.
- The Civilian Advisory Panel (CAP) includes representatives from the DoD Components, and invited guests. It generates and evaluates issues pertaining to per diem, travel and transportation allowances for DoD civilian employees.

2.5 Customer & Stakeholder Values and Guiding Principles



Travel related costs represent a significant investment for DoD. DTMO customers and stakeholders expect a return on their investment that produces simple, reliable, user-friendly, and cost effective solutions that enable mission accomplishment. DTMO will ensure that travel policy and technology systems support the stated desire for increased transparency and accountability across the federal government.

DTMO organizational values serve as the foundation in every action taken and every decision made impacting the Defense Travel Enterprise. These values underlie our work, and help to determine which strategies we employ to fulfill our mission. The trust placed in travelers to accomplish their missions must be maintained throughout the travel lifecycle. Our business practices reflect confidence in the traveler’s and supervisor’s or leader’s ability to make responsible decisions and ensure that the traveler is well served.

These values serve as the foundation for every action taken and every decision made impacting the Defense Travel Enterprise.

3. DTMO Strategy

3.1 Mission, Vision, and Strategic Goals

The DTMO Strategic Plan is aligned with the Department’s Strategic Management Plan, the P&R Strategic Plan, and the Military Personnel Policy Strategic Focus.

The framework for the strategic plan provides a clear way ahead for the Defense Travel Enterprise and the road map for accomplishing DTMO’s mission and realizing its vision. The basic structure is an easy to follow hierarchical format that aligns DTMO business activities to the mission, vision and strategy, improves internal and external communications, and enables monitoring organization performance against strategic goals.



The mission specifies DTMO’s purpose and why the organization exists. It is grounded in the DoD Management Initiative Decision (MID) that resulted in the establishment of DTMO in February 2006. MID 921 directed the Department to provide an integrated travel management approach within DoD and authorized DTMO to serve as the “single face” to the travel industry for information exchanges with the government. It also includes missions that were added in subsequent years. As a result, the stated mission of DTMO is to:

Serve as the single focal point for commercial travel within the Department of Defense. Establish strategic direction, set policy, and centrally manage commercial travel programs and station/housing allowances.

The vision defines the desired future or end state. DTMO serves as the leader for sponsoring and executing change across the enterprise. Our charge is to rethink the way we do business, identify industry best practices, and develop innovative solutions to meet mission requirements. Transformation is an ongoing process; DTMO’s focus is on achieving measurable results so that value can be demonstrated. Therefore, the DTMO stated vision is:

A transformed Defense Travel Enterprise that incorporates government and industry best practices to meet the needs and exceed the expectations of our customers.

The DTMO strategic goals are high-level end outcomes necessary to achieve its vision. Each theme is aligned with one of the four Balanced Scorecard perspectives developed by Kaplan and Norton. To achieve its vision, DTMO strategic thinking will focus on the following:

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- *Improve Delivery of Travel Services – The Customer Perspective*
 - *Increase Cost Effectiveness Across the Defense Travel Enterprise – the Financial Perspective*
 - *Achieve Operational Excellence – the Internal Processes Perspective*
 - *Improve Organizational Readiness – the Learning & Growth Perspective*
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Strategic objectives are intermediate outcomes that are aligned to DTMO strategic goals. These strategic objectives become the building blocks of the strategy map.

Performance measures are used to evaluate progress towards DTMO's end and intermediate outcomes. They act as a driving force for continuous improvement.

Initiatives translate strategy into operational terms, representing "how" the strategic objective will be accomplished. They are specific projects ensuring progress is made in accomplishing each strategic objective over a period of time. **Note: These initiatives are mapped to multiple strategic objectives.*

3.1.1 STRATEGIC GOAL : IMPROVE DELIVERY OF TRAVEL SERVICES

DTMO must pursue innovative ways to enhance the customer travel experience by providing user-friendly, value-added travel products and services to DoD travel customers and stakeholders.

Strategic Objective: Improve Technology Solutions

Initiative: *Develop a baseline of functional travel requirements for the Next Generation (NextGen) travel solution (Lead: TAD).*

Strategic Objective: Enable a Positive Customer Experience

Initiative: *Create a customer profile that identifies needs and reflects travel demand (Lead: Transformation, SPP, and CTD).*

Initiative: *Design and implement a simplified and consolidated customer support structure that supports the travel enterprise (Lead: Transformation, SPP, and CTD).*

Initiative: *Enhance outreach processes and methods to collect and measure customer satisfaction (Lead: SPP).*

3.1.2 STRATEGIC GOAL : INCREASE COST EFFECTIVENESS ACROSS THE DEFENSE TRAVEL ENTERPRISE

As the single focal point for commercial travel within DoD, DTMO will examine and track travel expenditures and program costs, and implement process efficiencies to achieve cost savings. The

consolidation of travel data provides the capability to develop and leverage the business intelligence required to produce greater efficiency and effectiveness across the Defense Travel Enterprise. Business intelligence is crucial for negotiating contracts with commercial travel vendors to ensure the greatest value for the Department and the taxpayers. In addition, DTMO will examine sourcing opportunities to acquire commodities and services more efficiently.

Strategic Objective: Leverage Use of Strategic Sourcing Best Practices to Expand Sourcing Opportunities.

Initiative: *Determine optimal sourcing strategies for NextGen travel programs (Lead: Transformation).*

Initiative: *Form a limited number of tiered supplier relationships based on identified sourcing strategies (Lead: Transformation, MSD, and CTD).*

Strategic Objective: Maximize Visibility into Travel Spend

Initiative: *Define the data architecture to meet the objectives of the NextGen business intelligence solution (Lead: TAD).*

Initiative: *Develop enterprise-wide dashboards to enable monitoring and management of travel spend (Lead: TAD and SPP).*

Strategic Objective: Reduce the Administrative and Transactional Costs of Travel

Initiative: *Identify and reengineer processes that provide the greatest opportunity for alignment with simplified policies and facilitate the use of new technologies (Lead: Transformation).**

Initiative: *Establish an enhanced supplier management program (Lead: MSD, CTD, and Transformation).*

3.1.3 STRATEGIC GOAL: ACHIEVE OPERATIONAL EXCELLENCE

DTMO must transform travel policy and reengineer processes to be simple, efficient, relevant, and flexible; reduce outlays for the Department, leverage travel industry capabilities, and increase mission flexibility for leaders. DTMO will develop a compliance framework that will enable the tracking of progress, facilitate corrective action, and help drive compliance by changing behavior at the point-of-sale. DTMO will attain an in-depth perspective of the travel industry and other Government agency travel initiatives to determine best practices and standards for DoD travel. We will establish clear, continuous, and open communication, and dialogue with travel partners to exchange ideas and develop mutually acceptable solutions.

Strategic Objective: Maximize Policy Understanding and Compliance

Initiative: *Simplify allowances and consolidate purposes of travel (Lead: Transformation).*

Initiative: *Assist with the Federal Travel Regulation (FTR) rewrite (Lead: Transformation).*

Initiative: *Draft core travel and expense policies in Department of Defense Instruction (DoDI) Volumes (Lead: SPP).*

Initiative: *Consolidate Joint Travel Regulations (JTR)/Joint Federal Travel Regulations (JFTR) (Lead: SPP).*

Initiative: *Develop an enhanced enterprise-wide program that monitors and enforces compliance (Lead: Transformation).*

Strategic Objective: Redefine the Defense Travel Enterprise Model and Reengineer Processes

Initiative: *Develop a Travel Enterprise Model and Matrix that identifies the components of the future enterprise, attributes of those components, and touch points across the various elements (Lead: SPP and Transformation).*

Initiative: *Identify and reengineer processes that provide the greatest opportunity for alignment with simplified policies and facilitate the use of new technologies (Lead: Transformation). **

Strategic Objective: Improve Program Management Quality Assurance

Initiative: *Establish an enhanced supplier management program (Lead: MSD, CTD, and Transformation). **

3.1.4 STRATEGIC GOAL: IMPROVE ORGANIZATIONAL READINESS

DTMO will implement human capital management practices that sustain and improve the quality and competence of the DTMO workforce. Workforce planning will enable the alignment of DTMO human capital with its strategy. DTMO will analyze the current workforce, determine workforce needs, identify gaps, and implement solutions to facilitate the accomplishment of its mission, strategic themes, and strategic objectives. Improved information capital planning will enable the development and implementation of the most cost effective technology and data architecture solutions to realize the DTMO transformation strategy. Improvements to DTMO internal budgeting processes will further align resources with strategy to increase performance results. Improving DTMO organizational readiness will compel operational excellence, drive cost effectiveness, and ultimately improve the delivery of travel services to our customers and stakeholders.

Strategic Objective: Align Human Capital Resources with Strategy

Initiative: *Develop a Human Capital Strategy (Lead: Transformation).*

Strategic Objective: Align Information Capital Resources with Strategy

Initiative: *Develop an IT Strategy for the NextGen travel solution (Lead: TAD).*

Initiative: *Design and build/acquire the NextGen Enterprise Architecture (Lead: TAD).*

Initiative: *Identify requirements and provide training products/knowledge management, communications, and change management for the future travel enterprise (Lead: SPP and CTD).*

Strategic Objective: Align Financial Capital Resources with Strategy

Initiative: *Develop a business case to quantify the expected costs and benefits of implementing the NextGen Travel Enterprise solution* (Lead: SPP and Transformation).

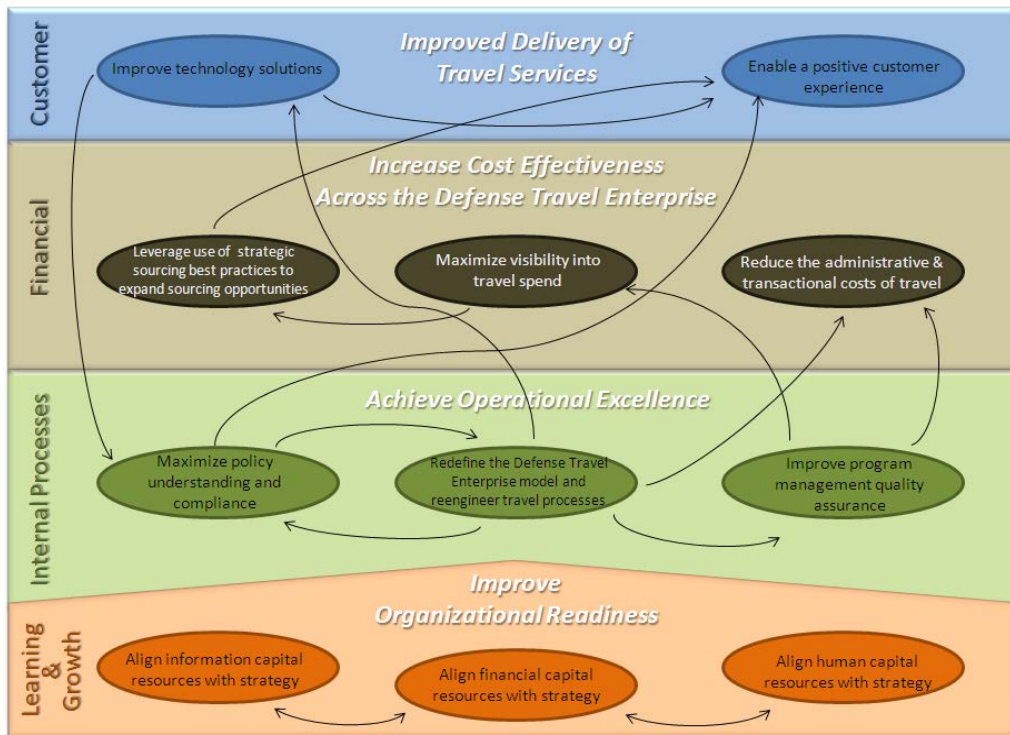
Initiative: *Develop a budgeting process that links funding to strategy* (Lead: MSD).

Initiative: *Develop IT acquisition strategy and procure IT solution(s)* (Lead: MSD and TAD).

Initiative: *Implement a Balanced Scorecard to cascade, manage, and track performance* (Lead: SPP and TAD).

3.1.5 DTMO STRATEGY MAP

The DTMO Strategy Map is shown below. It provides a graphical representation of the organization’s strategic framework and the cause and effect relationship of its elements. It is a concise, easily understood presentation mapping of DTMO strategic objectives to Kaplan and Norton’s four Balanced Scorecard perspectives.



Viewed from the bottom to the top, the DTMO Strategy Map captures the drivers and demonstrates the linkages that will transform the Defense Travel Enterprise. The learning and growth perspective is the foundation of the DTMO Strategy Map. Through more effective alignment of human, financial, and information resources, DTMO will improve its organizational readiness. Improved readiness will drive the achievement of operational excellence with the focus on internal processes; increase cost

effectiveness by focusing on the financial aspects of the enterprise; and ultimately improve the delivery of travel services for DTMO customers and stakeholders—the customer perspective.

The DTMO Strategy Map will enable leadership to effectively and succinctly communicate its strategy to stakeholders, middle managers, and staff. It provides a roadmap for strategy execution and vision achievement that will focus business operations on activities that drive customer value.

4. Measuring Performance

DTMO uses a performance-based management approach to measure the efficiency and effectiveness of the enterprise and to act as a driving force for continuous improvement. To enable cascading, management, and tracking of progress against the transformation strategy, DTMO will incorporate an overarching Balanced Scorecard (BSC) and eventually develop scorecards down to the individual. The BSC helps to impart the message that strategy execution is everyone’s responsibility—not just a matter for leadership.

This systematic approach is an ongoing process of establishing strategic objectives, measuring performance, collecting, analyzing, reviewing and reporting performance data and using that data to drive performance improvement. This approach allows DTMO to:

- Achieve strategic performance objectives through a disciplined, structured approach
- Provide credible, decision-ready business intelligence to leadership
- Provide an analytic mechanism for linking performance and resource allocations
- Provide a mechanism for accurately reporting performance to senior leadership and stakeholders
- Provide an excellent framework for accountability

Successful cascading of strategy educates staff and instills organization-wide understanding, while producing the necessary buy-in and support that results in a synergy where “the whole is greater than the sum of the parts.”

Information is vital to the management of the Defense Travel Enterprise. Multiple sources of travel data exist across the Department. DTMO’s Commercial Travel Information Management (CTIM) tool is integral to the performance management system. CTIM integrates performance data and optimizes performance reporting. It enhances DTMO’s analytic capabilities, enabling a more comprehensive understanding of DoD travel processes and the development of business intelligence to reduce overall travel costs.

No picture of what the government is accomplishing with the taxpayers’ money can be complete without adequate program cost and performance information. DTMO will present its stakeholders with the most salient information that reports the health of the enterprise.

5. Summary

The DTMO will review this plan annually. Through the use of regular status checks and bi-monthly leadership program reviews, DTMO will be able to assess progress against the plan. By outlining the strategy for managing the travel enterprise and developing a framework for measuring our success, DTMO is positioned to transform the travel enterprise over the next few years.