IMA Productivity Management Implementation Plan:

IMA's Implementation of ABC/M

7 April 2003

Office of the Director, U.S. Army Installation Management Agency

Table of Contents

SECTION Page

Table of Contents i

I. Purpose 1
- A. Why a Productivity Management Focus? 1
- B. The Strategic Context 2
  - IMA Mission and Vision 3

II. Concept of Operations 5
- A. General 5

III. Applicability and Scope 7
- A. Applicability 7
- B. Scope 7

IV Principles 8
- A. IMA Productivity Management Vision 8
- B. Operating Principles 8

V Path to Implementation 10

VI Specific Milestones 12

APPENDICES 13

APPENDIX 1: References 1-1

APPENDIX 2: Services Included in Initial ABC Implementation 2-1
- A. Morale, Welfare, and Recreation 2-1
- B. Information Technology 2-1
- C. Logistics 2-1
- D. Engineering 2-1

APPENDIX 3: Baseline and Implementation Progress Reports 3-1
- A. Baseline Report 3-1

APPENDIX 4: Detailed Concept of Operations 4-1
- A. Staffing for Success 4-1
  - (A-1) Create a Plans and Programs Office in the garrison HQ 4-1
  - (A-2) Include productivity improvement in job performance standards 4-2
- B. Strategic Communications 4-3
  - (B-1) Incorporate productivity management into all installation management conferences 4-3
  - (B-2) Establish and maintain web-based technical support and a help desk 4-3
  - (B-3) Include a productivity hotlink in the IMA newsletter 4-3
- C. "Incentivize" implementation of productivity management 4-4
  - (C-1) Provide continual command emphasis on productivity management 4-4
  - (C-2) Garrisons retain savings generated 4-4
  - (C-3) Provide garrison commanders with authority to realign both spaces and dollars 4-4
  - (C-4) Reward successful programs and individuals 4-5
- D. Initial Implementation of productivity management 4-5

(D-1) IMA HQ develop sample Productivity Improvement Reviews 4-5
(D-2) Garrison commanders conduct Productivity Improvement Reviews beginning in FY 2003 4-6
(D-3) IMA HQ and IMA regions conduct quarterly reviews beginning in December 2003..4-6
E. Initial Deployment of ABC 4-7
(E-1) IMA HQ develop training and deployment plans to support ABC/M implementation 4-8
(E-2) IMA HQ develop starter ABC models 4-9
(E-3) IMA HQ create and garrisons implement tools to extract accounting data to be used in support of ABC at the garrison level 4-9
(E-4) Garrisons, regions, and IMA HQ develop and incorporate summary information from the directorate-level ABC models into their organization's activity model by September 2004 4-9
APPENDIX 5: Chronological Steps to Implementation 5-1
APPENDIX 6: Roles and Responsibilities 6-1
A. DASA-CE 6-1
B. ACSIM 6-1
C. Director, IMA 6-2
D. IMA Region Directors 6-3
E. Garrison Commanders 6-3
F. Directors of Garrison Plans and Programs Offices 6-3
G. Garrison Directors, Managers, and Supervisors 6-4
APPENDIX 7: Key Acronyms 7-1

I. Purpose

The purpose of this document is to provide the *Installation Management Agency (IMA) Productivity Management Implementation Plan: Implementing Activity Based Costing and Management (ABC/M) Throughout the IMA.*

A. Why a Productivity Management Focus?

The IMA's purpose for productivity management is to institutionalize a cost management (CM) culture using ABC/M that will drive continuous productivity improvement throughout the IMA.

The IMA has been charged to transform installation management within the Army. One of the principal goals of this transformation is to improve productivity[1] and reduce costs. The IMA will institutionalize a cost management (CM) culture, using ABC/M, to achieve this transformation and drive continuous productivity improvement. A garrison must preserve combat power by supporting its mission commander's requirements while managing costs carefully to ensure its success and survival in today's world.

ABC/M is a tool that can deliver effective CM and has strong support from Army leadership. As early as 1999, the Secretary of Defense issued a memorandum on implementation of activity based management (see Reference A in Appendix 1). That memorandum was followed by direction to implement ABC/M from the Secretary of the Army and the Vice Chief of Staff of the Army in 2001 (References B and C).

The implementation of ABC/M is one of several management initiatives being implemented by the IMA HQ. The intent of the IMA HQ is to bring professional-grade managerial tools, like ABC/M, to the entire IMA, including all seven region offices and all garrisons. Garrison commanders will be able to manage their organizations and establish a culture that (1) expects continuous improvement and (2) expands the roster of employees who have a true enterprise (garrison-wide) perspective in the accomplishment of their jobs. In implementing these management initiatives, the Director IMA will delegate to the garrison commander equal shares of authority and accountability.

This productivity management implementation plan sets forth processes to assist the garrison commander in conducting productivity reviews in the near term, using cost

[1] The term "productivity" is used in this plan to mean achieving success in executing the garrison's missions while efficiently managing costs.

and other performance information and tools he or she has today. In the longer term, the plan sets forth the process to mature and improve the productivity reviews using ABC analytical tools and software.

This IMA productivity management implementation plan will:

- Implement the directives of the Assistant Chief of Staff for Installation Management (ACSIM) in the *Base Support Cost Management/ABC Implementation Plan* (Reference D)
- Integrate ABC/M methodologies with other management requirements to create a productivity management culture
- Present a concept of operations describing the implementation actions
- Identify IMA roles and responsibilities for ABC/M implementation
- Provide key milestones and a timeline for implementation

B. The Strategic Context

The ACSIM published the *Base Support Cost Management/ABC Implementation Plan* on 12 May 2000. This IMA Productivity Management Implementation Plan implements the ACSIM's plan throughout the IMA. Up to now, ABC efforts in Base Support have been reserved for application at the installation level based upon MACOM and local command resources and emphasis. **This IMA implementation plan, consistent with ACSIM directives, mandates the use of ABC to provide information supporting CM and continuous improvement throughout the IMA in all functional areas.**

With the promulgation of this plan, the IMA is taking a consistent, directed approach to implementing productivity management using ABC/M. **This plan directs garrison commanders and region directors to use ABC to support CM** with an emphasis on the following functional areas, **by 30 September 2004**:

- Engineering
- Logistics
- Morale, Welfare, and Recreation
- Information Technology

See Appendix 2 for a list of the services included in the four functional areas. In this document where reference is made to the garrison directorates of public works (DPW), logistics (DOL), community activities (DCA), and information management (DOIM), the reference is to the respective functional areas listed above. Some garrisons have merged directorates or have directorates with different names that are responsible for these four functional areas. The goal is to initially focus on these

four functional areas since collectively they consume about 80 percent of a garrison's costs.

Further, each garrison is required to develop and maintain a garrison-wide ABC model that will support the collection of activity costs for all services provided and work performed. ABC models will help commanders and managers understand their costs and cost drivers. The garrison-level models should have a limited number of activities but be maintained with sufficient detail to provide the garrison directors with actionable cost information and aid managers in identifying activities (work processes) that warrant closer management attention using other process analysis tools to pursue productivity improvements.

ABC/M will be employed in conjunction with other Army and IMA programs. ABC models will evolve to provide more accurate cost information to support IMA's integrated performance information requirements and individual garrison's needs, including establishing or justifying reimbursable rates, linking with ISR/SBC services' costs and measures, and supporting objectives established in the garrison's strategic plan.

IMA Mission and Vision

The IMA mission is to:

Provide equitable, efficient, and effective management of Army installations worldwide to support mission readiness and execution; enable well-being of soldiers, civilians and family members; improve infrastructure; and preserve the environment.

Provide equitable, efficient, and effective management requires IMA commanders to measure **and** manage their garrison's productivity. "Efficient and effective" mandates benchmarking against their own garrison's performance to measure continuous improvement.

The IMA vision is to become:

The preeminent Department of Defense agency that produces highly effective, state-of-the-art installations worldwide, maximizing support to People, Readiness, and Transformation.

The IMA vision drives home the necessity for all IMA organizations to vigorously implement productivity management. Without transforming Army installation management to a culture of continuous process improvement,

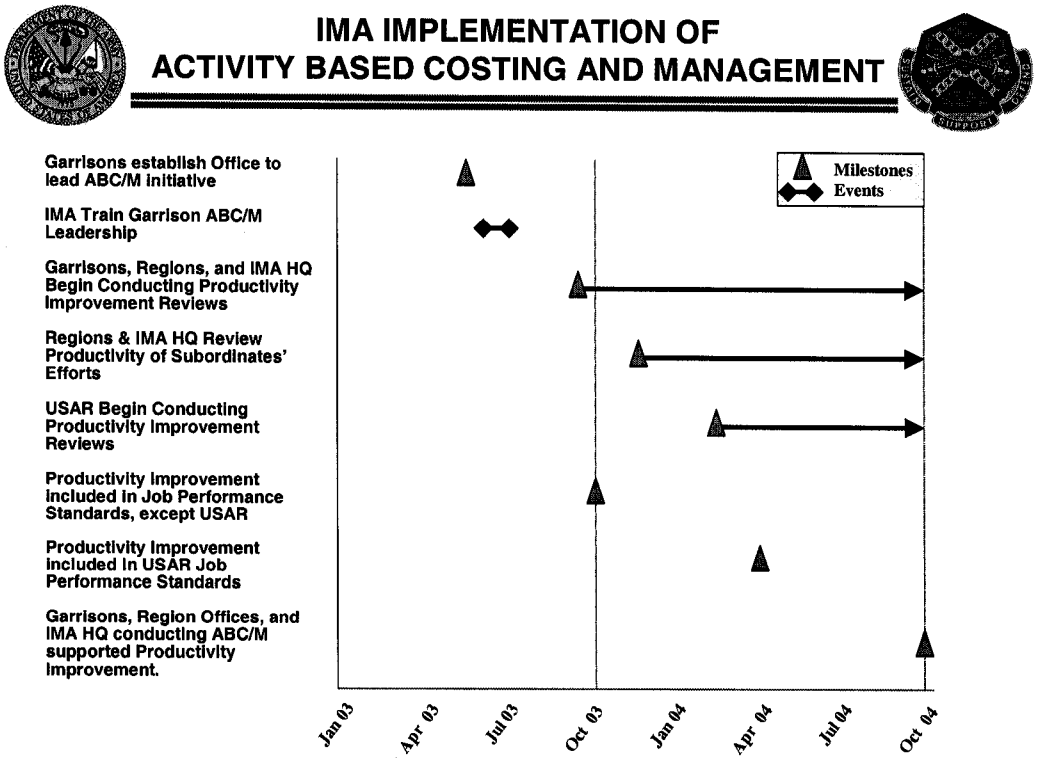
none of the attributes of the IMA vision are attainable. "Preeminent," "highly effective," "state-of-the-art," and "maximizing support" each demand that all IMA directors, commanders, and managers focus their attention on improving productivity and managing costs.

II. Concept of Operations

This section presents the concept of operations for implementing productivity management throughout the IMA. The focus is on results. This means IMA's first priority is on building a management culture that demands continuous improvements. The tools, such as ABC models, will follow the establishment of the management process. ABC models in themselves do not achieve or identify improvements; the models promote cost awareness and identify areas for further management attention. This makes the commanders' quarterly productivity improvement reviews critical. In May 2003, the IMA will conduct workshops with garrison commanders, which will show what is expected as outcomes of these reviews: what sort of questions garrison commanders should ask, what cost targets should be established, what performance goals should be set, what managers can get out of the process, and examples of success stories. The May workshops will provide training and tools to assist garrison commanders in establishing and conducting their first productivity improvement review.

A. General

Productivity management requires commanders, directors, managers, and supervisors to plan to achieve improvements in both performance and cost. This plan recognizes that garrison commanders operate in a resource-constrained environment and are required to balance support services' standards with tenants'



mission requirements. Implementation of performance management, including ABC/M, will enable commanders to make informed choices and to obtain savings to apply against their highest-priority, but unfunded requirements.

As shown in the figure above, the IMA will implement ABC/M in a two-step process:

- First, the IMA will introduce Productivity Improvement Reviews in all garrisons and region offices, as well as at the IMA Headquarters. These Reviews will be led by the garrison commander, region director, or the Director and initially may or may not utilize ABC models and software, depending on the organization's ABC implementation status. They will focus on directorates' success in improving productivity and managing costs. In their simplest form, the Productivity Improvement Reviews will be straightforward assessments utilizing existing information. The goal of this first step is to have all garrisons conducting Productivity Improvement Reviews on at least DPW, DOL, DCA and DOIM by 30 September 2003. However, garrison commanders are to incorporate Productivity Improvement Reviews in all directorates as soon as feasible but not later than 30 September 2004.
- Second, and overlapping the first step to a degree, the IMA will schedule the deployment of ABC/M software and associated training to all garrisons and regions plus the Headquarters as a tool enabling them to develop organization and directorate-level ABC models to support Productivity Improvement Reviews. The addition of the software tool will improve the quality and sophistication of the Reviews. Delayed introduction of the software after the garrison staff have been trained will likely lead to an atrophy of their technical skills. The goal of this step is to have all garrisons, regions, and the Headquarters conducting ABC-supported Productivity Improvement Reviews by 30 September 2004.

The result of these steps will be that ABC/M is integrated into overall IMA enterprise performance management and productivity improvement at the garrison, region and IMA HQ levels. This includes institutionalizing the Productivity Improvement Reviews in the Performance Management Review process.

Success in each of these steps will require:

- Command commitment
- Leadership to develop a cost management, productivity improvement culture throughout an 80,000 person workforce
- A small, dedicated staff at the garrison, region and IMA HQ echelons
- Continuing productivity reviews
- Training on productivity reviews
- Training on ABC model development and use

III. Applicability and Scope

A. Applicability

This plan applies to all active and U.S. Army Reserve (USAR) garrisons and will be adjusted as the USAR plan is developed and in response to the results from the special installations study.

USAR garrison commanders will initiate their productivity management programs upon the establishment of their garrisons and phase-in the implementation of ABC based on this plan as amended.

This plan does not apply to inactive installations and installations currently approved for closure by the Secretary of Defense.

The applicability to special installations (those primarily funded through non-OMA accounts) will be determined subsequent to the completion of the ongoing special installations study.

A list of active garrisons to which this plan applies is provided in Appendix 3.

The term "garrison" is used throughout the plan to refer to all installation management organizations responsible for the direct delivery of services to units and activities stationed on Army installations and to other authorized activities and individuals. This includes U.S. Army Garrisons (USAGs), Area Support Groups (ASGs), and Base Support Battalions (BSBs). Similarly, the term "garrison commander" will be used to refer to the commanders of all of these garrisons. A separate "garrison" is deemed to exist if the local directors and other garrison managers responsible for the delivery of services at a location or in an area are under the command and supervision of the local "garrison commander." For example, while Fort Hunter-Liggett is a sub-installation of Fort McCoy, it is a "garrison" distinct from the Fort McCoy garrison because a Fort Hunter-Liggett director's immediate supervisor is at Fort Hunter-Liggett. Fort Wainwright is not considered a "garrison" in this context because its local directors are supervised by the directors at Fort Richardson.

B. Scope

By 30 September 2003, garrison commanders, region directors, and the IMA HQ will be conducting Productivity Improvement Reviews for the all directorates, or their equivalents, at a minimum

By 30 September 2004, garrison commanders, region directors, and the IMA HQ will have implemented ABC models and be conducting Productivity Improvement Reviews for all directorates, or their equivalents, supported by cost information from ABC models.

IV Principles

A. IMA Productivity Management Vision

The IMA productivity management vision is:

Continuous productivity improvement throughout the IMA, for all functions, that meets or exceeds productivity improvement rates of the general economy.

Commanders and managers will have visibility of the full costs of performing work and providing services. They will be able to identify the expected impacts of resource reductions or increases, compare funding alternatives, and make informed trade-off decisions between explicit services and performance. In the envisioned future:

- Garrison commanders and their directors use ABC/M for internal benchmarking (continuous improvement), pricing services, and assisting other garrisons in improving their understanding of cost drivers and process improvements.
- Garrison commanders and region directors have the authority to realign resources (dollars and, within limits prescribed by IMA HQ, manpower spaces), within their organization, in the year of execution, to achieve productivity improvements.
- Region directors, garrison commanders, supervisors, and managers are evaluated based on their success in implementing productivity improvements.
- The garrison information used at higher headquarters in Service Based Costing (SBC), Installation Status Reports (ISRs), and Performance Management Reviews (PMRs) is derived from the same data used by local managers for decision making.
- Installation personnel collect and enter data once into a system (e.g., STANFINS, SOMARDS, IFS) or an application (e.g., ABC, ISR) with electronic data reuse in other systems and applications.

B. Operating Principles

Operating principles identify the primary rules an organization will adhere to in conducting its operations. These principles are intended to form a compact adhered to by the leaders at all levels of the IMA. The operating principles that emerge from productivity management are:

- **IMA HQ and Region staffs' principal role is to enable garrisons to provide equitable, effective, and efficient management of Army installations** – as part of an integrated team, the IMA staffs focus on supporting or enabling garrison commanders and their directors to more effectively obtain or deliver services.
- **Garrison commanders will have the authority to reallocate resources** including both dollars and spaces. Garrisons will retain dollar savings from productivity improvements, and, within limits established by IMA HQ, manpower spaces.
- **Savings resulting from IMA HQ or region directed actions will accrue to the enterprise.** This includes both cases where the origination of the savings initiative was the Headquarters or Region and cases where the origination of the savings initiative was some other garrison and the idea was directed for application to other garrisons.
- **IMA HQ and region directors and staffs will discipline their thirst for information from the garrisons** – the cost management information provided from garrisons will be limited to that required to meet the minimum essential information to fulfill their own oversight responsibilities and to respond to higher headquarters' requirements. Higher headquarters will focus on results achieved by garrisons versus internal data used by garrisons to achieve those results.
- **Garrisons will document improvements and their impacts** – this documentation will be available for review during command and staff visits.
- **Learning and growth are key outcomes from Productivity Improvement Reviews** – Productivity Improvement Reviews are designed to focus on increasing productivity but will also be used as a vehicle to develop managers and supervisors to become more effective productivity managers.

V Path to Implementation

This implementation is divided into four major phases:

1. Preparation for Implementation
2. Initial Implementation of Productivity Management
3. Initial Deployment of ABC
4. Full Implementation of Productivity Management and ABC

Just as in preparation of a battlefield for war, certain steps must be taken prior to initial implementation of ABC/M to ensure its success. These steps are:

- Establish the staffing required to ensure successful implementation IMA-wide
  - Establish a Plans and Programs Office at each garrison, which reports to the garrison commander and provides strategic planning and enterprise information management support to the commander and garrison directors
  - Include productivity improvement in job performance standards
- Establish the strategic communications necessary to inform and educate IMA personnel
  - Incorporate productivity management into all installation management conferences
  - Establish and maintain web-based technical support and a help desk
  - Include a productivity hotlink in the IMA newsletter
- Establish incentives to encourage initiating and sustaining productivity management
  - Provide continual command emphasis on productivity management
  - Garrisons retain savings generated
  - Provide garrison commanders with authority to realign both spaces and dollars
  - Beginning in FY05, an active productivity management program becomes a prerequisite for ACOE participation
  - Recognize and reward successful programs and individuals

Productivity management requires management of both costs and work performance. To begin, garrisons can use current sources of cost information such as budget execution tracking information to support productivity reviews and migrate to using ABC data as that becomes available. Garrison commanders will use Productivity Improvement Reviews as the formal mechanism for evaluating garrison productivity management. The steps to initially implement productivity management are:

- IMA HQ develops sample Productivity Improvement Reviews and trains garrison commanders, heads of Plans and Programs Offices, and Region staffs by 31 May 2003
- IMA trains garrison and region staff in use of Productivity Improvement Reviews prior to 30 September 2003
- Garrison commanders conduct Productivity Improvement Reviews not later than 30 September 2003
- IMA Regions and IMA HQ conduct quarterly reviews of their subordinates' programs beginning in December 2003 and January 2004, respectively

ABC is the primary cost methodology used to support productivity management by the IMA. ABC is a methodology that identifies costs associated with activities and can link those costs to products, services, customers, and other "cost objects" based on their consumption of those activities. To implement productivity management, garrisons should design their initial ABC model(s) to focus on controllable costs for process improvement. The steps to initial deployment of ABC are:

- IMA HQ develop training and software deployment plans to support ABC/M implementation by 30 April 2003
- IMA HQ develop starter ABC models by 30 April 2003
- IMA HQ create tools to extract accounting data to support ABC/M by 30 September 2003
- Garrisons, regions, and IMA HQ develop and incorporate summary information from the directorate-level ABC models into their organization's activity model by September 2004

Having models in place and used to support Productivity Improvement Reviews in the four targeted functional areas is only the initial step in implementing productivity management using ABC. Productivity management will be firmly established when all garrison commanders have been trained in productivity management and assume command with the expectation of being effectively engaged in productivity management.

The details for each of these steps are in Appendix 4, a chronological table of tasks is in Appendix 5, and the roles and responsibilities that correspond to these steps are in Appendix 6.

VI Specific Milestones

Specific milestones for this implementation plan include:

- Garrisons establish their Plans and Programs Office and designate an interim head of the office by 30 May 2003
- IMA HQ develops and begins execution of a detailed, training, and implementation plan by 30 April 2003
- IMA HQ identifies the information requirements to support Productivity Improvement Reviews by 30 April 2003
- IMA HQ provides training to the garrison commanders, the head of their Plans and Programs Office and region leadership in the conduct of Productivity Improvement Reviews in May 2003. Subsequently, IMA provides management-level training for garrison and region directorate heads in the conduct of Productivity Improvement Reviews and ABC/M.
- Productivity Improvement Reviews and the documenting of productivity improvements and cost savings are being accomplished:
  - At all Garrison by 30 September 2003
  - IMA Regions conduct quarterly reviews of their garrisons by 31 December 2003
  - IMA HQ conducts quarterly reviews of the regions by 31 January 2004
- Productivity improvement required in job performance standards for IMA HQ and region directors, garrison commanders, directors, managers, and supervisors by the end of 30 September 2003
- Productivity management staffing complete at IMA HQ, Regions, and garrisons by 31 December 2003
- Implementation training completed for Plans and Programs Office staffs by 31 July 2004
- All garrisons and regions as well as the IMA HQ will have incorporated summary information from the directorate-level ABC models into their organization's activity model by 30 September 2004

APPENDICES

1. References
2. Services Included in Initial ABC Implementation
3. Baseline and Implementation Progress Reports
4. Detailed Concept of Operations
5. Chronological Steps to Implementation
6. Roles and Responsibilities
7. Acronyms

APPENDIX 1: References

This plan is based on the following key references:

A. Under Secretary of Defense memorandum, *Defense-Wide Implementation of Activity Based Management*, 8 July 1999.

B. Secretary of the Army memorandum, *Army Implementation of Cost Management/Activity Based Costing*, 1 November 2001.

C. Vice Chief of Staff of the Army memorandum, *Cost Management/Activity Based Management (CM/ABC)*, 26 October 2001.

D. Assistant Chief of Staff for Installation Management, *Base Support Cost Management/ABC Implementation Plan*, 12 May 2000.

E. Assistant Secretary of the Army for Financial Management and Comptroller memorandum, *Cost Management and Activity Based Costing*, 25 February 2002.

F. Secretary of the Army, *Army Strategic Plan for Implementing Cost Management/Activity Based Costing*, 10 November 1999.

APPENDIX 2: Services Included in Initial ABC Implementation

A. Morale, Welfare, and Recreation

Army Community Service
Fitness and Recreation
Child and Youth
Business Operations

B. Information Technology

Communication Systems and System Support
Document Management
Automation
Visual Information Systems
Information Systems Security
Information Technology Mgmt (IT Planning)

C. Logistics

Ammunition Supply Services
Central Issue Facility
Materiel Support Maintenance
Food Services/TISA
Retail Supply
Asset Management
Transportation Services
Laundry & Dry Cleaning Services

D. Engineering

Facilities Maintenance - Training & Operations
Facilities Maintenance - RDT&E
Facilities Maintenance – Administration
Facilities Maintenance – UPH
Facilities Maintenance - Medical/Hospital
Maintenance - Other than Improved Grounds
Maintenance - Surfaced Area
Water Services
Electrical Services
Maintenance – Railroad
Army Lodging Management
Facilities Engineering Services Management
Real Estate/Real Property Administration
Custodial Services
Outdoor Pest Control
Snow and Sand Removal
Real Property Demolition
Restoration Programs
Pollution Prevention Programs
Facilities Maintenance – Maintenance & Production
Facilities Maintenance – Supply
Facilities Maintenance – AFH
Facilities Maintenance – Community
Maintenance - Improved Grounds
Facilities Maintenance – Other
Heating/Cooling Services
Waste Water Services
Other Utility Services
Family Housing Management
UPH Management
Master Planning
Real Estate Leases
Indoor Pest Control
Refuse Removal
Minor Construction
Conservation Programs
Compliance Programs
Fire and Emergency Response Services

APPENDIX 3: Baseline and Implementation Progress Reports

The IMA has responsibility to monitor and report on progress in implementing ABC/M. This section contains the baseline from which the IMA will measure quarterly progress in implementing productivity management. The format for the quarterly progress report will be similar to the baseline.

A. Baseline Report

The baseline report is provided on the following pages. It identifies the garrisons within each region for which this implementation plan applies and which are required to conduct Productivity Improvement Reviews and maintain garrison ABC models. The baseline report records the following:

- Whether the commander has conducted a productivity evaluation (a session with directors and managers addressing both cost and performance improvements) since 1 May 2002
- Whether the garrison implemented any process improvements and/or achieved any cost savings as a result of ABC/M or productivity evaluations since 1 May 2002
- Whether ABC models have been created or updated for the listed directorates since 1 May 2002
- Whether ABC models have been created for the listed directorates

FINAL DRAFT

Baseline Report

Region	(Status not validated) Garrison/ASG/BSB	GC/ASG/BSB Prod Eval since 1 May 2002?[1]	ABC/M or productivity evaluation Process Changes Made since 1 May 2002?[2]	Models Created/Updated since 1 May 2002[3]					Models Built?[4]				
				DPW	DOL	DCA	DOIM	Others	DPW	DOL	DCA	DOIM	Others
Europe	6th ASG	No	No	No	No	No	No	No	No	Yes	No	No	No
Europe	22nd ASG	No	No	No	No	No	No	No	No	No	Yes	No	No
Europe	26th ASG	No	No	No	No	No	No	No	No	No	No	No	No
Europe	233rd BSB (26th ASG)	No	No	No	No	No	No	No	No	No	No	No	No
Europe	293rd BSB (26th ASG)	No	No	No	No	No	No	No	No	Yes	No	No	No
Europe	411th BSB (26th ASG)	Yes	No	No	No	No	No	No	No	Yes	Yes	No	No
Europe	415th BSB (26th ASG)	No	No	No	No	No	No	No	No	No	No	No	No
Europe	80th ASG	No	No	No	No	No	No	No	No	No	No	No	No
Europe	254th BSB (80th ASG)	No	No	No	No	No	No	No	No	No	No	No	No
Europe	98th ASG	No	No	No	No	No	No	No	No	No	No	No	No
Europe	235th BSB (98th ASG)	No	No	Yes	No	No	No	No	Yes	No	No	No	No
Europe	279th BSB (98th ASG)	No	No	No	No	No	No	No	No	No	No	No	No
Europe	280th BSB (98th ASG)	Yes	No	No	No	No	No	No	Yes	No	No	No	No
Europe	417th BSB (98th ASG)	No	No	No	No	No	No	No	Yes	No	No	No	No
Europe	100th ASG	No	No	No	No	No	No	No	No	No	No	No	No
Europe	282nd BSB (100th ASG)	Yes	No	No	No	No	No	No	No	Yes	No	No	No

FINAL DRAFT

Region	(Status not validated) Garrison/ASG/BSB	GC/ASG/BSB Prod Eval since 1 May 2002?[1]	ABC/M or productivity evaluation Process Changes Made since 1 May 2002?[2]	Models Created/Updated since 1 May 2002[3]					Models Built?[4]				
				DPW	DOL	DCA	DOIM	Others	DPW	DOL	DCA	DOIM	Others
Europe	409th BSB (100th ASG)	No	No	No	No	No	No	No	No	Yes	No	No	No
Europe	104th ASG	No	No	No	No	No	No	No	No	No	No	No	No
Europe	221st BSB (104th ASG)	No	No	No	No	No	No	No	No	No	Yes	No	No
Europe	222nd BSB (104th ASG)	No	No	No	No	No	No	No	No	No	Yes	No	No
Europe	284th BSB (104th ASG)	No	No	No	No	No	No	No	No	No	Yes	No	No
Europe	414th BSB (104th ASG)	No	No	No	No	No	No	No	No	No	Yes	No	No
Korea	Area I	No	No	No	No	No	No	No	No	No	No	No	No
Korea	Area II	No	No	No	Yes	No	No	No	No	Yes	No	No	No
Korea	Area III	No	No	No	No	No	No	No	No	No	No	No	No
Korea	Area IV	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Adelphi Laboratory Center	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Aberdeen Proving Ground	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Carlisle Barracks	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Charles E. Kelly Support Facility (Dix)	Yes	No	No	No	No	No	No	No	No	No	No	No
Northeast	Devens RFTA (Dix)	No	No	Yes	No	No	No	No	Yes	No	No	No	No
Northeast	Fort A. P. Hill	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Fort Belvoir	No	No	No	No	No	No	No	No	No	No	No	No

FINAL DRAFT

Region	(Status not validated) Garrison/ASG/BSB	GC/ASG/BSB Prod Eval since 1 May 2002?[1]	ABC/M or productivity evaluation Process Changes Made since 1 May 2002?[2]	Models Created/Updated since 1 May 2002[3]					Models Built?[4]				
				DPW	DOL	DCA	DOIM	Others	DPW	DOL	DCA	DOIM	Others
Northeast	Fort Detrick	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Northeast	Fort Dix	No	No	Yes	No	No	No	Yes	Yes	No	No	No	Yes
Northeast	Fort Drum	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Northeast	Fort Eustis	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Fort Hamilton	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Fort Lee	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Fort Meade	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Fort Monmouth	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Fort Monroe	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Fort Myer & Fort McNair	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Fort Story (Eustis)	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Natick Soldier Center	No	No	No	No	No	Yes	No	No	No	No	Yes	No
Northeast	Picatinny Arsenal	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	Walter Reed Medical Center	No	No	No	No	No	No	No	No	No	No	No	No
Northeast	West Point Military Reservation	No	No	No	No	No	No	No	No	No	No	No	No
Northwest	Detroit Arsenal	No	No	No	No	No	No	No	No	No	No	No	No
Northwest	Dugway Proving Ground	No	No	No	No	No	No	No	No	No	No	No	No

FINAL DRAFT

Region	(Status not validated) Garrison/ASG/BSB	GC/ASG/BSB Prod Eval since 1 May 2002?[1]	ABC/M or productivity evaluation Process Changes Made since 1 May 2002?[2]	Models Created/Updated since 1 May 2002[3]					Models Built?[4]				
				DPW	DOL	DCA	DOIM	Others	DPW	DOL	DCA	DOIM	Others
Northwest	Fort Carson	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Northwest	Fort Leavenworth	No	No	No	No	No	No	No	No	No	No	No	No
Northwest	Fort Leonard Wood	No	No	No	No	No	No	No	No	No	No	No	No
Northwest	Fort Lewis/Yakima	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Northwest	Fort McCoy	No	No	No	No	No	No	No	No	No	No	No	No
Northwest	Fort Riley	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Northwest	Rock Island Arsenal	No	No	No	No	No	No	No	No	No	No	No	No
Northwest	USAG Selfridge	No	No	No	No	No	No	No	No	No	No	No	No
Pacific	UASG Japan	No	No	No	No	No	No	No	Yes	No	No	No	No
Pacific	USAG Alaska	Yes	No	No	Yes	Yes	No	No	No	Yes	Yes	No	No
Pacific	USAG Hawaii	No	No	No	No	No	No	No	Yes	Yes	No	Yes	No
Southeast	Fort Benning & Dahlonega	No	No	No	No	No	No	No	No	No	No	No	No
Southeast	Fort Bragg	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Southeast	Fort Buchanan	No	No	No	No	No	No	No	No	No	No	No	No
Southeast	Fort Campbell	Yes	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Southeast	Fort Gordon	No	No	No	No	No	No	No	No	No	No	No	No
Southeast	Fort Jackson	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	No	No

FINAL DRAFT

Region	(Status not validated) Garrison/ASG/BSB	GC/ASG/BSB Prod Eval since 1 May 2002?[1]	ABC/M or productivity evaluation Process Changes Made since 1 May 2002?[2]	Models Created/Updated since 1 May 2002[3]					Models Built?[4]				
				DPW	DOL	DCA	DOIM	Others	DPW	DOL	DCA	DOIM	Others
Southeast	Fort Knox	No	No	No	No	No	No	No	No	No	No	No	No
Southeast	Fort McPherson and Fort Gillem	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Southeast	Fort Rucker	No	No	No	No	No	No	No	No	No	No	No	No
Southeast	Fort Stewart & Hunter Army Airfield	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Southeast	Redstone Arsenal	No	No	No	No	No	No	No	No	No	No	No	No
Southeast	USAG Miami	No	No	No	No	No	No	No	No	No	No	No	No
Southwest	Fort Bliss	No	No	No	No	No	No	No	No	No	No	No	No
Southwest	Fort Hood	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Southwest	Fort Huachuca	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Southwest	Fort Hunter-Liggett (McCoy)	No	No	No	No	No	No	No	No	No	No	No	No
Southwest	Fort Irwin	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Southwest	Fort Polk	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
Southwest	Fort Sam Houston & Camp Bullis	No	No	No	No	No	No	No	No	No	No	No	No
Southwest	Fort Sill	No	No	No	No	No	No	No	No	No	No	No	No
Southwest	Parks RFTA (McCoy)	No	No	No	No	No	No	No	No	No	No	No	No
Southwest	Presidio of Monterey	No	No	No	No	No	No	No	No	No	No	No	No

FINAL DRAFT

Region	(Status not validated) Garrison/ASG/BSB	GC/ASG/BSB Prod Eval since 1 May 2002?[1]	ABC/M or productivity evaluation Process Changes Made since 1 May 2002?[2]	Models Created/Updated since 1 May 2002[3]					Models Built?[4]				
				DPW	DOL	DCA	DOIM	Others	DPW	DOL	DCA	DOIM	Others
Southwest	White Sands Missile Range	No	No	No	No	No	No	No	No	No	No	No	No
Southwest	Yuma Proving Ground	No	No	No	No	No	No	No	No	No	No	No	No

Notes:

[1]Has the commander conducted a productivity evaluation (a session with directors and managers addressing both cost and performance improvements) since 1 May 2002?

[2]Has the garrison implemented any process improvements and/or achieved any cost savings as a result of ABC/M or productivity evaluations since 1 May 2002?

[3]Have ABC models been created or updated for the listed directorates since 1 May 2002?

[4]Have ABC models been created for the listed directorates?

APPENDIX 4: Detailed Concept of Operations

This Appendix provides extensive detail about the Concept of Operations outlined in the body of this Plan. It steps through the four phases of preparation, initial implementation of productivity management, initial deployment of ABC, and full implementation of productivity management and ABC.

A. Staffing for Success

Most past efforts at implementing ABC/M have faltered on two critical factors: lack of sustained leadership and lack of skilled professional staff support dedicated to enabling commanders and directors to effectively implement and sustain productivity management. The leadership aspect is being addressed through the chain of command. Consequently, the first major area this plan addresses is staffing for success. The ACSIM and the Director, IMA have made strong personal commitments to implementing productivity management using ABC/M. This commitment will be reflected in the support provided by all IMA staffs to assist garrisons.

(A-1) Create a Plans and Programs Office in the garrison HQ

The creation of the IMA is the mechanism the Army is using to transform installation management at the headquarters level. The establishment of a Plans and Programs Office reporting to the garrison commander is a key enabling action to provide garrison commanders with the means of transforming installation management at the garrison level. The garrison is to be operated as a single business unit with multiple production units or directorates responsible for providing or obtaining a set of services for support of tenant organizations and individuals. Consequently, the garrison commander requires an office dedicated to integrated planning, performance management and reporting, and planning and monitoring productivity throughout the garrison. Each office will vary in size from 1 to 5 persons dependent on the workload of the garrison. The skills required in this office include managerial accounting, operations research and systems analysis, proficiency and knowledge in automated systems and data, and strategic planning. Many garrisons have already established these or similar capabilities. This office would perform the follow functions:

- Strategic planning and integrated performance management for the garrison
- Supporting directors in productivity management and using information generated by ABC models
- Monitoring and documenting productivity improvements
- Training in productivity management
- Creating and sustaining ABC models

- Generating information supporting performance reporting to higher headquarters including program reviews, scorecard efforts, and strategic readiness

Not all Plans and Programs Offices will be equal. Some garrisons may have only one or two individuals performing the functions. Personnel in small offices may not possess all the requisite skills such as managerial accounting. These garrisons can receive assistance from full-size garrison offices that serve as the equivalent of a "Center of Excellence" because of the exceptional skills of their personnel and similar cells or offices created at Regions to provide support for enabling productivity management at garrisons. The director of this office will be the garrison commander's productivity management expert, an individual knowledgeable and skilled in ABC/M and productivity management. This position can be held by any person with one or more of the required skills and should have a grade equivalent to the garrison directors' grades.

It is important that the director of the Plans and Programs Office report directly to the garrison commander. This office must be independent of functional chains and view the garrison as a single business unit always striving for the most effective organizations, sources, and processes for delivering support services.

This office will operate as the garrison's business operations office. Therefore, it should be staffed with capable, dedicated analysts. Experience has shown that aggressive productivity improvement management can more than pay for the creation of this office within the first year.

The following actions are required to establish this office:

- Garrisons establish the Plans and Programs Office and name an acting director by 30 May 2003
- IMA HQ provides standard position descriptions for the Plans and Programs Office by 30 June 2003. Garrisons may use these position descriptions in establishing the organization.
- Train all Plans and Programs Office directors and garrison commanders in ABC/M and productivity management in May 2003
- Complete staffing of Plans and Programs Offices by 31 December 2003
- Train all Plans and Programs Office personnel in ABC/M and productivity management by 31 July 2004

(A-2) Include productivity improvement in job performance standards

Productivity improvement is an essential and significant requirement for every manager and supervisor in the IMA if the IMA is to fulfill its mission to provide equitable, effective, and efficient management of Army installations worldwide and to achieve its vision to become the preeminent Department of Defense agency that

produces highly effective, state-of-the-art installations worldwide, maximizing support to People, Readiness and Transformation. Consequently, productivity improvement will be included in the job performance standards for IMA HQ and region directors, garrison commanders, directors, managers, and supervisors by 30 September 2003.

The annual goal for each Plans and Programs Office will be for the garrison to achieve sufficient productivity improvements to cover the costs of its operation and the garrison productivity management effort.

B. Strategic Communications

This plan is about transforming garrison management. Therefore, communications will be critical to educating the IMA community on a continuing basis. The IMA will be better able to leverage garrison process improvements through communicating good ideas.

(B-1) Incorporate productivity management into all installation management conferences

Productivity management will be a key topic for all installation management conferences including public works, MWR, and environmental management conferences. The IMA staff and leadership will use conferences to keep productivity management in the forefront of installation management. Presentations at conferences will include training, implementation experiences, and workshops targeted to more effective uses of ABC/M and other methodologies.

(B-2) Establish and maintain web-based technical support and a help desk

IMA HQ will establish a section on its web site devoted to productivity management providing information on the technical aspects of implementing and sustaining ABC/M by 30 September 2003. This site will include up-to-date guidance and practices and allow IMA personnel to submit questions. Each region will establish a help desk to respond to garrison questions. This help desk can be a virtual help desk in which the expert users of ABC/M in a region are linked electronically.

(B-3) Include a productivity hotlink in the IMA newsletter

IMA HQ will provide information on current productivity management implementation and issues via a hotlink in the IMA newsletter. This will ensure that the positive impacts of the program, innovative practices, and the awards received are given IMA-wide exposure.

C. "Incentivize" implementation of productivity management

Incentives come in many forms. This plan has already established the requirement to include productivity improvement in job performance standards and to communicate program information in conferences, training, and media. The most effective communication occurs when successive generations of IMA leaders continue to demand and expect all organizations to strive for continual productivity improvement.

(C-1) Provide continual command emphasis on productivity management

The most important element of productivity management is the continuing emphasis on and demand for productivity improvement by the IMA chain of command. Every IMA HQ and region command and staff visit should examine the garrisons' and directorates' productivity management program to include the savings achieved. Only when succeeding generations of IMA leaders follow through on this emphasis will cultural transformation to continuous productivity improvement become reality.

(C-2) Garrisons retain savings generated

Allowing garrisons to retain any savings generated from productivity management is the next most effective incentive for implementing productivity management. Therefore, garrisons will be allowed to retain and reapply elsewhere savings they realize. This means IMA will not reduce funding levels in response to productivity improvements. IMA funding levels will fluctuate based on program and budget decisions made at HQDA and higher levels. As garrisons become more efficient, the reduction in the unit cost of providing a service will be reflected in the ISR/SBC data which, in turn, will be reflected in potentially reduced requirements (unit costs) in programming and budgeting for support services.

(C-3) Provide garrison commanders with authority to realign both spaces and dollars

Holding garrison commanders accountable for continuous process improvement is only one side of the equation for successful transformation. The other side of the equation is to provide them with the tools and authority enabling them to achieve the transformation. Garrison commanders already have the authority to implement process improvements within their garrisons. Additionally, garrison commanders will be given the authority to realign dollars and, within thresholds established by IMA HQ, spaces to improve their operations. This is the equivalent of allowing (and expecting) tactical commanders to task organize their forces in response to their tactical situation and mission. The caveat in this authority is that IMA HQ needs specification of the number of authorized positions for programming and budgeting.

(C-4) Reward successful programs and individuals

Public recognition is a strong motivator for most individuals and organizations. The IMA will implement a series of measures from IMA HQ to garrison to encourage and reward successful programs and individuals. Garrison commanders will establish their own award and recognition programs and will include contractors and inter-service agreement service providers. The IMA will implement the following specific measures:

- Beginning in FY 2005, the prerequisites for submission of Army Communities of Excellence (ACOE) applications will include an active productivity management program and active use of ABC/M in all their functional areas.
- Beginning with the 2nd Quarter, FY 2004, the IMA regions will each identify and recognize a quarterly winner for the best productivity improvement implemented in their region.
- From the IMA region winners, the IMA HQ will select an overall IMA winner for recognition.

D. Initial Implementation of productivity management

Productivity management requires the management of both costs and work performance. To begin, garrisons can use current sources of cost information such as budget execution tracking information to support productivity reviews and then migrate to using ABC data as that becomes available. Garrison commanders will use Productivity Improvement Reviews as the formal mechanism for evaluating garrison productivity management.

Productivity management and ABC/M will not be pursued in isolation from other improvement and measurement programs or systems. Evaluation of a garrison's productivity management efforts will be merged with the Army Performance Improvement Criteria (APIC), Total Army Quality (TAQ), and similar enterprise-wide management improvement programs. Business Initiatives Council (BIC) initiatives will also be incorporated into evaluations.

(D-1) IMA HQ develop sample Productivity Improvement Reviews

IMA HQ will work with functional experts to prepare sample Productivity Improvement Reviews in public works, logistics, community activities, and information management. These sample Productivity Improvement Reviews will illustrate the approach and the type of information garrison commanders, directors, and managers should be tracking and evaluating to achieve and monitor continuous process improvements. The sample evaluations will be completed by 30 April 2003.

(D-2) Garrison commanders conduct Productivity Improvement Reviews beginning in FY 2003

Productivity management can begin immediately at all garrisons. If ABC data is not yet available, garrison directors, division chiefs, and branch chiefs can project their costs based on known future workload (not their budgets), measure their actual budget execution against these cost projections, and evaluate the variances.

Garrison commanders should conduct Productivity Improvement Reviews with all major directorates on at least a quarterly basis. Garrison directors should also conduct their own Productivity Improvement Reviews in preparation for their meeting with the garrison commander and should consider conducting monthly Productivity Improvement Reviews. See Appendix 1 for a list of the functions/services included in these four areas. The purposes of the Productivity Improvement Reviews include reporting on costs, performance and progress, setting goals for the future, and making decisions on implementing performance improvements.

During FY 2003 and FY 2004, IMA HQ will also implement a more comprehensive measurement and evaluation system, an integrated approach to performance management. This will include requirements emerging from the Strategic Readiness System (SRS) under development at HQDA to provide the Chief of Staff of the Army (CSA) with an integrated, comprehensive view of Army readiness. It will also include a balanced scorecard system to manage the IMA Strategic Plan implementation and to support broader program management reviews. HQDA will also issue expanded ISR baseline measures in 2003. All of these measurement approaches can and will be incorporated into the Productivity Improvement Reviews to the extent they collect "actionable" information supporting productivity management.

(D-3) IMA HQ and IMA regions conduct quarterly reviews beginning in December 2003

Following the garrisons' quarterly Productivity Improvement Reviews for the end of FY 2003, the IMA region directors will begin to conduct quarterly reviews of all their garrisons' productivity and performance management programs. These quarterly reviews will be the equivalent of the garrisons' Productivity Improvement Reviews stressing the impact of each garrison's productivity management on its effectiveness and efficiency in delivering support services. Region directors should look across garrisons to assess and understand differences. Following the quarterly reviews, the region directors will select and recognize the best productivity improvement in their region as required in D-4 above. These reviews will begin not later than 31 December 2003. The purpose of these sessions is to review costs, performance and progress and to set goals for the future.

The Director, IMA will hold a quarterly productivity review with the region directors to monitor progress in implementing productivity management programs. The Director, IMA will select and recognize the best overall productivity improvement in the IMA as

required in D-4 above. The first review will be conducted not later than 31 January 2004.

E. Initial Deployment of ABC

ABC is the primary cost methodology used to support productivity management within the IMA. ABC is a methodology that identifies costs associated with activities and can link those costs to products, services, customers, and other "cost objects" based on their consumption of those activities. To implement productivity management fully, garrisons should design their initial ABC model(s) to focus on controllable costs for process improvement.

The basic information provided by ABC is the unit cost for performing work and for providing a service. Garrisons can initially use ABC to[2]:

- Identify potential processes for improvements
- Understand total costs to make better business decisions
- Measure improvement

ABC models have been developed at many garrisons but are only actively sustained at relatively few garrisons. See Appendix 3 for the current (baseline) status for garrisons' use of ABC.

At this time, the IMA is not imposing a common structure on garrison ABC models. A garrison's model structure will be dependent on what the garrison commander and directors want to do with the information from the model. The garrison's Plans and Programs Office is responsible for working with the directorates to build and sustain a garrison model and the directorates' models. Initial modeling should be simple and not software driven. HQ, IMA will provide starter models to assist garrisons in model design, but garrison models can be maintained using SAS's Oros software or other comparable ABC software. The Deputy Assistant Secretary of the Army for Cost and Economics (DASA-CE) purchases and sustains licenses for Oros for Army users. Individual directorates may use other functional software/systems such as the Integrated Facility System (IFS) if that software/system has been adapted to capture directorate resources consumed, can assign resources to activities based on cause and effect relationships, can assign indirect activity costs to direct activities or cost objects, and can assign activity costs to cost objects. Such systems must also be able to download consolidated activity and cost object costs for electronic import into the garrison models.

The business rules to be followed in building initial garrison (and directorate) models include[3]:

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[2] As garrisons mature in their use of ABC information and modeling, ABC models can be designed to establish and justify reimbursable rates, differentiate between customers, and link with ISR/SBC, strategic goals and objectives, and scorecards.

- The initial models built by a garrison will be a "proof of concept" with the principal outcome being learning and growth.
  - Initial models are normally built at a "strategic" level for the garrison commander, directors, and division chiefs.
  - When needed, models can grow in complexity over time and should focus on processes that require further analysis.
- In directorate models, work toward creating a cost center for each first line supervisor.
- Capture all cost centers and all resources for a directorate even though some costs remain in macro/pass-thru centers.
- Rather than trying to make the garrison model, which must be updated monthly or quarterly, answer all questions, develop customized models as required to respond to non-recurring or annual analyses and tasks.

(E-1) IMA HQ develop training and deployment plans to support ABC/M implementation

Since June 2000, the DASA-CE has provided cost management and ABC training for garrisons. This training has consisted of a 2-day course for managers implementing ABC/M providing guidance on how to initiate an ABC/M effort and a 5-day course for implementation teams and model sustainers that included the material from the 2-day course and added 3 days of training on the Oros software. About 450 garrison and base support MACOM staff have received the Oros training and over 900 garrison and base support MACOM staff have attended the 2-day course. In addition, some MACOMs and garrisons have resourced additional training in ABC/M and the use of Oros. Consequently, many garrisons have personnel who have received ABC/M training.

This implementation will systematically extend the base of trained personnel throughout the IMA. The IMA HQ, with the regions, will develop a training strategy that accounts for training and deployment. The strategy will be site specific and will apply the appropriate tools to each garrison for technical and managerial training. The IMA will work with the DASA-CE to provide this training. This training will continue to focus on two major groups: the people building and sustaining models

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[3] As garrisons mature in their use of ABC information and modeling, ABC models can be designed to support "full costing" and strategic planning and measurement. The following additional business rules will apply:

- Map indirect support activities to other activities/cost objects using cause and effect drivers.
- Map indirect sustaining (general support) activities to activities/cost objects using allocation techniques.
- Link activities or cost objects to SBC services, but not as a feeder system.
- Link activities with SBC/ISR measures, as appropriate.
- Link activities with productivity evaluation/scorecard objectives.

(Plans and Programs Office) for four days of ABC modeling and software training and the managers responsible for using the information from the ABC models for identifying productivity improvements for one to two days of training. This training, in particular the 4-day training, needs to be provided just before the garrison implements ABC/M or the software skills will be lost before they can be used. Therefore, personnel scheduled for this training will be linked to the deployment/ implementation schedule for ABC. The IMA HQ will work with the regions to develop this schedule. Priority for implementation will go to those garrisons with commanders eager to implement productivity management and able to quickly establish their Plans and Programs Office and to those with relatively new but active programs. The initial schedules should be available by 30 April 2003.

(E-2) IMA HQ develop starter ABC models

IMA HQ will work with functional experts to develop a garrison starter model that includes public works, logistics, community activities, and information management. The starter model can be used by garrisons to quickly create a model for the directors and division chiefs to use to identify potential areas within their organizations for further examination. The models developed to support the directorates do not have to conform to this starter model structure but should have sufficient detail to provide garrison directors with actionable activity cost information. The starter models will be developed by 30 April 2003.

(E-3) IMA HQ create and garrisons implement tools to extract accounting data to be used in support of ABC at the garrison level

By 30 September 2003, HQ IMA will provide the necessary methodology and tools for garrisons to extract data from existing accounting systems to accommodate model development at the line supervisor level of detail.

The first step in cost management is cost awareness. By creating a work center and recording budget execution for each line supervisor and the personnel working under that supervisor, the financial resources used by the supervisor and his/her personnel will be visible in the accounting system. Nearly all supervisors will have visibility of most of the resources for which they are responsible. The costs for a line supervisor can be assigned to one or more activities in the starter model to create a relatively simple activity model that can be maintained in a spreadsheet. As personnel in the Plans and Programs Office gain experience in ABC modeling and the use of ABC software, they can grow the model(s), or portions of the model(s), in complexity if the garrison commander or directors require more detail.

(E-4) Garrisons, regions, and IMA HQ develop and incorporate summary information from the directorate-level ABC models into their organization's activity model by September 2004

The functional areas of engineering, logistics, morale, welfare, and recreation, and information management consume 80% of the garrison resources. Consequently,

garrisons will focus their initial ABC modeling efforts on these functions. At a minimum, by 30 September 2004, garrisons will incorporate summary data from directorate-level models into a garrison-level activity model.

As mentioned in E-2 above, getting started with ABC does not necessarily require the use of sophisticated ABC software. Plans and Programs Offices will be staffed and trained to develop and sustain ABC models for the garrison commander and directors. This office will maintain any licenses for ABC software for the garrison. DASA-CE will normally provide each garrison with one Oros site license and an appropriate number of seats if requested and required to sustain the garrison's ABC model(s).

In FY 2004, IMA HQ and region directors will begin conducting Productivity Improvement Reviews with their staffs and their staffs will begin building ABC models to evaluate and manage their own internal operations. By September 2004, these organizations will have developed and will be sustaining an ABC model incorporating all work performed and all resources used internally by their staffs.

APPENDIX 5: Chronological Steps to Implementation

The following table compiles in chronological order the action items assigned in the text of this plan.

TASK	REFERENCE	OPR	DUE
Provide continual command emphasis on productivity management	Page 4-4, (C-1)	IMA HQ	Ongoing
Incorporate productivity management into all installation management conferences	Page 4-3, (B-1)	IMA HQ	Ongoing
Include a productivity link in the IMA newsletter	Page 4-3, (B-3)	IMA HQ	Complete
Direct that garrisons may retain any savings generated from productivity management	Page 4-4, (C-2)	IMA HQ	31 March 2003
Develop sample Periodic Evaluations of Productivity (Productivity Improvement Reviews)	Page 11, Section V; Page 12, Section VI; Page 4-5, (D-1)	IMA HQ	30 April 2003
Develop training and deployment plans to support ABC/M implementation	Page 11, Section V; Page 12, Section VI; Page 4-8, (E-1)	IMA HQ	30 April 2003
Develop starter ABC models	Page 11, Section V; Page 4-9, (E-2)	IMA HQ	30 April 2003
Establish Garrison Plans and Programs Office	Page 4-2, (A-1)	Garrison	30 May 2003
Identify interim head of Garrison Plans and Programs Office	Page 4-2, (A-1)	Garrisons	30 May 2003

TASK	REFERENCE	OPR	DUE
Train all heads of Garrison Plans and Programs Offices	Page 5, Section II	IMA HQ	31 May 2003
Provide garrison commanders with reallocation authority for both spaces and dollars	Page 4-4, (C-3)	IMA HQ	30 June 2003
Train Garrison, Region Office, and IMA HQ Directorate leadership in use of Productivity Improvement Reviews	Page 12, VI	IMA HQ	20 September 2003
Establish and maintain web-based technical support and a help desk	Page 4-3, (B-2)	IMA HQ	30 September 2003
Conduct Productivity Improvement Reviews and document productivity improvements and cost savings	Page 6, Section II, A: Page 6, Section III, B; Page 12, section VI; Page 4-6, (D-2)	Garrisons, Region Offices; IMA HQ	30 September 2003
IMA HQ create tools necessary to extract accounting data to populate models	Page 11, Section V; Page 4-9, (E-3)	IMA HQ	30 September 2003
Include productivity improvement in job performance standards for region directors, garrison commanders, directors, managers, and supervisors	Page 10, Section V; Page 4-2, (A-2)	IMA HQ; Region Offices; Garrisons	1 October 2003

TASK	REFERENCE	OPR	DUE
Advocate establishment of active productivity management program and active use of ABC/M as prerequisites for submission of Army Communities of Excellence (ACOE) applications beginning in FY05	Page 4-5, (C-4)	IMA HQ	31 October 2003
Conduct quarterly reviews	Page 11, Section V; Page 12, Section VI; Page 4-6, (D-3)	Region Offices	31 December 2003
Conduct quarterly reviews	Page 11, Section V; Page 12, Section VI; Page 4-6, (D-3)	IMA HQ	31 January 2004
Establish Productivity Improvement Recognition Award in each Region	Page 4-5, (C-4)	Region Offices	30 June 2004
Establish IMA HQ-level Productivity Improvement Recognition Award	Page 4-5, (C-4)	IMA HQ	30 June 2004
Train all Plans and Programs Office personnel in ABC/M and productivity management	Page 10, Section V; Page 4-2, (A-1)	IMA HQ	31 July 2004
Incorporate directorate-level ABC models for into organization activity model	Page 11, Section V; Page 12, Section VI; Page 4-9, (E-4)	Garrisons, Region Offices, IMA HQ	30 September 2004
IMA HQ and Regions develop internal ABC models and conduct internal Productivity Improvement Reviews	Page 4-10, (E-4)	IMA HQ and Region Offices	30 September 2004

TASK	REFERENCE	OPR	DUE
Use ABC/M to support CM	Page 2, Section I,B	Garrisons, Region Offices, IMA HQ	30 September 2004

APPENDIX 6: Roles and Responsibilities

Staff and managers at all levels in the IMA will actively manage productivity and support and use ABC/M. IMA HQ and region staffs' principal role is to enable garrisons to provide equitable, effective, and efficient management of Army installations. As part of an integrated team, the IMA staffs focus on supporting or enabling garrison commanders and directors to more effectively obtain or deliver services.

A. DASA-CE

Champion cost management and embed it as the principal resource management approach in the Army.

Promulgate Army-wide CM/ABC policy.

Centrally fund common software and training.

Evaluate CM/ABC implementation progress and compliance with CM/ABC guidance.

With ACSIM and the IMA, evolve ACSIM-sponsored systems and applications to adapt ISR/SBC, including associated performance measures, to support establishing program and budget requirements and uniform levels of support.

B. ACSIM

Develop and maintain the CM/ABC strategic implementation plan for the Base Support business area.

With DASA-CE, evolve ACSIM-sponsored systems and applications to adapt ISR/SBC, including associated performance measures, to support establishing program and budget requirements and setting service standards.

Incorporate CM/ABC training into Army curriculum in the General Officer Installation Commanders Course (GOIC), the Garrison Pre-command Course (GPC), and the Garrison Sergeants Major Course (GSGMC).

For the Base Support business area, consolidate data on ABC/M implementation for quarterly report to the VCSA.

Coordinate and support policy and other changes at HQDA to enable the IMA to execute implementing actions.

Ensure APIC and ACOE evaluations emphasize successful productivity management.

C. Director, IMA

Develop and execute an ABC/M implementation plan in accordance with the ACSIM's guidance and the Base Support implementation plan.

Implement productivity management and ABC/M within the IMA HQ.

Through the ACSIM, coordinate with other HQDA functional sponsors for support required to implement the Productivity Management Program.

Advise and assist installations in developing and attributing ABC/M models and ensuring compatibility with SBC and ISR inputs and other performance measurement programs.

Review financial management regulations and systems to identify methods and changes to support implementing ABC.

Develop methods for electronically capturing cost and performance information from financial and functional systems for use in ABC models.

Develop deployment and training plans for implementing productivity management based on input from the Regions.

Consolidate data from the Regions on ABC/M implementation for quarterly report to the VCSA.

Program and budget for support for implementing productivity management supplementing the training resources provided by the DASA-CE.

Write position descriptions and review all garrison TDAs and revise as appropriate to establish a Plans and Programs Office to support each garrison commander.

Develop sample Productivity Improvement Reviews and starter ABC models as aids for garrisons' use.

In cooperation with DASA-CE, provide training for implementing productivity management and ABC/M including participation in installation management conferences.

Establish and maintain web-based technical support for productivity management and ABC/M.

Publish a productivity management section in the IMA newsletter.

Include productivity management reviews in command and staff visits.

Conduct quarterly productivity and program performance reviews of IMA Regions.

Establish a quarterly productivity improvement award.

D. IMA Region Directors

Continuously improve productivity

Execute the IMA's productivity management implementation plan and assist garrisons in their implementation.

Implement productivity management and ABC/M within the region staff.

Assist IMA HQ to develop deployment and training plans for implementing productivity management.

Advise and assist installations in developing and attributing ABC/M models and ensuring compatibility with SBC and ISR inputs and other performance measurement programs.

Consolidate data from garrisons on ABC/M implementation for quarterly report to the VCSA.

Establish and maintain a help desk for ABC/M implementation.

Include productivity management reviews in command and staff visits.

Conduct quarterly productivity and program performance reviews of garrisons' programs.

Establish a quarterly productivity improvement award.

E. Garrison Commanders

Continuously improve productivity

Execute the IMA's productivity management implementation plan and actively lead the garrison's implementation.

Set cost and performance goals, conduct Productivity Improvement Reviews, and require directors to identify and implement productivity improvements.

Hold garrison directors, managers, and supervisors accountable for progress in identifying and implementing process improvements that drive their activity towards assigned cost and performance management objectives.

Reward success.

F. Directors of Garrison Plans and Programs Offices

Continuously improve productivity

Perform strategic planning and integrated performance management for the garrison.

Create and sustain ABC models for the garrison and directorates and

provide information reports from models useful to garrison directors, managers, and supervisors.

Support directors in productivity management and using ABC information.

Maintain documentation on productivity improvements including savings achieved.

Develop and use electronic methods for sustaining models and collecting data from directorates.

Ensure ABC/M training is provided for garrison managers and staff.

Organize and support Productivity Improvement Reviews for the garrison commander and support directorate reviews.

Integrate productivity management and ABC/M with other cost and performance reporting requirements and programs.

Consolidate information for performance reporting to higher headquarters including data on ABC/M implementation for quarterly report to the VCSA.

Ensure productivity improvement is included in the job performance standards of all managers and supervisors.

G. Garrison Directors, Managers, and Supervisors

Continuously improve productivity

Create a work environment conducive to productivity management and continuous process improvement.

Use available ABC/M systems and information to benchmark, identify, and implement process improvements.

Ensure data and information provided to and used in ABC/M models and other performance reports are accurate.

Ensure productivity improvement is included in the job performance standards of all managers and supervisors.

Reward success.

APPENDIX 7: Key Acronyms

Acronym	Definition
ABC	Activity Based Costing
ABM	Activity Based Management
ACOE	Army Communities of Excellence
ACSIM	Assistant Chief of Staff for Installation Management
AMSCO	Army Management Structure Code
APC	Account Processing Code
APIC	Army Performance Improvement Criteria
AR	Army Reserve
ASG	Area Support Group
ASN	Allotment Serial Number
BIC	Business Initiatives Council
BSB	Base Support Battalion
CM	Cost Management
CSA	Chief of Staff of the Army
DASA-CE	Deputy Assistant Secretary of the Army for Cost and Economics
DCA	Director(ate) of Community Activities
DOC	Director(ate) of Contracting
DOIM	Director(ate) of Information Management
DOL	Director(ate) of Logistics
DPW	Director(ate) of Public Works
GC	Garrison Commander

GOICC	General Officer Installation Commanders Course
GPC	Garrison Pre-Command Course
GS	General Schedule
GSGMC	Garrison Sergeants Major Course
HQ	Headquarters
HQDA	Headquarters, Department of the Army
IC	Installation Commander
IFS	Integrated Facilities System
IMA	Installation Management Agency
ISR	Installation Status Report
MACOM	Major Command
MWR	Morale, Welfare, and Recreation
NAF	Non-Appropriated Funds
PPBES	Planning, Programming, Budgeting, and Execution System
RD	Region Director
SBC	Service Based Costing
SMC	Senior Mission Commander
SOMARDS	Standard Operations and Maintenance Army Research and Development System
SRS	Strategic Readiness System
SSC	Standard Service Costing
STANFINS	Standard Finance System
TAQ	Total Army Quality
TDA	Table of Distribution and Allowances

TIM	Transformation of Installation Management
USAG	U.S. Army Garrison
USAR	U.S. Army Reserve
VCSA	Vice Chief of Staff of the Army