



DEPARTMENT OF THE ARMY
105 ARMY PENTAGON
WASHINGTON DC 20310

JUL 9 2003



MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Establishment of the Army Business Initiative Council (ABIC) Charter

The ABIC has been established to provide Departmental guidance and direction for business initiatives both inside the Department as well as at the Department of Defense. In this regard, activities of this office include identifying, evaluating, and implementing business initiatives. The focus will be on identifying processes and functions that can improve the effectiveness and efficiency of the Army's business operations.

The authority of the Director shall include issuing definitive guidance to ensure approved initiatives are integrated into the overall goals and strategies of the Department of the Army. This includes contracts that are ongoing or required in the future. Further, the ABIC will convene meetings to approve initiatives and resolve major issues, which have been referred for decision from the ABIC Board of Directors.

The approved "Department of the Army Business Initiative Council (ABIC) Charter" is enclosed. The Deputy Chief of Staff, G-8 is the Director, and the Assistant Deputy Chief of Staff, G-8 is the Executive Director.

R. L. Brownlee
Acting Secretary of the Army

Enclosure

SUBJECT: Establishment of the Army Business Initiative Council (ABIC)

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SUBJECT: Establishment of the Army Business Initiative Council (ABIC)

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DEPARTMENT OF THE ARMY BUSINESS INITIATIVE COUNCIL (ABIC) CHARTER

Background and Purpose

On July 3, 2001, the Under Secretary of Defense (Acquisition, Technology, and Logistics) issued a memorandum formally announcing the formation of the Business Initiative Council (BIC). Subsequent to this announcement, the Army established the Army Business Initiative Task Force (BITF) to serve as the Army's primary body for carrying out the BIC effort. In October 2001, the name of the BITF was changed to the Army Business Initiative Council (ABIC). This charter formalizes the structure, roles, and responsibilities of the ABIC and also assigns responsibilities for the Army's role in the BIC effort.¹

Structure and Responsibilities

The ABIC's mission is to improve the effectiveness and efficiency of the Army's business operations by identifying, evaluating, and implementing business initiatives that streamline Department of the Army business operations and create savings. The ABIC effort ensures approved initiatives are effectively integrated into the overall goals and strategies of the Department of the Army. ABIC initiatives may address any or all of the following objectives:

- Reducing the cost of Army business operations
- Adopting business practices focused on transforming the Army into a 21st Century fighting force
- Reducing cycle times and improving program stability
- Implementing near-term reforms while pursuing long-range opportunities
- Optimizing the opportunities already identified in on-going/completed studies, panels, and reviews to reform DoD-wide and service-unique processes
- Partnering with industry to implement best practices, apply advanced technologies, and jointly explore new ways of doing business
- Ensuring individual reforms are considered and implemented with the voice of the warfighter and other customers reflected in each and every outcome
- Support the BIC effort to improve business operations throughout the Department of Defense

When ABIC or BIC initiatives generate dollar savings, these savings will be retained within the HQDA/MACOM element implementing the initiative and, in accordance with applicable law, will be reallocated to other higher priority efforts (e.g., people, readiness, modernization, and transformation).²

¹ In this charter, BIC refers to the DoD Business Initiative Council, and ABIC refers to the Army Business Initiative Council.

² Some exceptions may apply. See ABIC Guidelines on BIC and ABIC Savings Policy, published as a supplement to this charter.

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Army Business Initiative Council (ABIC)

The ABIC membership comprises the following individuals at HQDA:

Secretary of the Army (chairman)	Deputy Chief of Staff, G-1
Deputy Under Secretary of the Army	Deputy Chief of Staff, G-2
Deputy Under Secretary of the Army (Operations Research)	Deputy Chief of Staff, G-3
Assistant Secretary of the Army (Manpower and Reserve Affairs)	Deputy Chief of Staff, G-4
Assistant Secretary of the Army (Financial Management and Comptroller)	Deputy Chief of Staff, G-8
Assistant Secretary of the Army (Installations and Environment)	Chief of Engineers
Assistant Secretary of the Army (Acquisition, Logistics, and Technology)	Director, Program Analysis and Evaluation
Special Assistant to the Secretary of the Army (Business Transformation)	Assistant Chief of Staff, Installation Management
General Counsel	Director, Army National Guard
CIO/G-6	Chief, US Army Reserve
The Surgeon General	

The ABIC serves as the senior review and decision body for approving Army business initiative proposals. As such, it will establish overall Army business objectives and strategic direction, champion the implementation of the BIC effort across the Army, and hold the participating organizations responsible and accountable for results and outcomes.

A key goal of both the ABIC and BIC is to move initiatives from inception to approval as quickly as is practical. Toward this end, the ABIC employs a two-tiered approach to its organizational structure and decision-making process. The first tier is the ABIC, which is the final decision authority for ABIC initiatives. The second tier is the ABIC Board of Directors (BOD), a body comprising the ABIC Executive Director (ED) and the Army Process Functional Board (PFB) Chairs. (The roles and responsibilities of the ABIC ED the PFB Chairs, and the BOD are described in the following sections.) This streamlined structure enables the ABIC to identify, evaluate, and approve proposed initiatives much more quickly than would be possible with normal staffing procedures. The ABIC organizational structure is prescribed in the following sections, and is depicted graphically in Attachment 1.

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ABIC Executive Director (ABIC ED)

The Executive Director is responsible for managing the ABIC effort and the Army's role in the BIC. The ED's responsibilities include:

- Briefing the ABIC on PFB-recommended initiatives
- Soliciting new initiatives from across the Army on a regular basis
- Ensuring proposed initiatives are sufficiently developed for staff coordination
- Ensuring all concerned MACOMs and HQDA agencies have the opportunity to participate in the review and decision-making process
- Monitoring approved initiatives for implementation and attainment of projected benefits
- Ensuring the Executive Office of the Headquarters is kept abreast of BIC issues as required
- Presiding over the ABIC Board of Directors meetings, and providing guidance to PFB Chairs

The Assistant Deputy Chief of Staff (ADCS), G-8 serves as the ABIC ED. The ABIC Support Staff supports and assists the ABIC ED in the day-to-day administration of the ABIC. The ABIC ED is hereby authorized to establish and implement policy and procedures as needed to ensure the effective and efficient operation of the ABIC.

Process Functional Board Chairs (PFBs)

For ABIC purposes, Army business operations are categorized in six functional areas. The functional areas, and the HQDA executives responsible for them, are:

- Acquisition Management (ASA(ALT))
- Information Technology (CIO/G-6)
- Installations and Logistics (ASA(I&E); DCS, G-4; ACSIM)
- Manpower and Personnel (ASA(M&RA); DCS, G-1)
- Resource Management (ASA(FM&C))
- Test and Evaluation (Director, TEMA)

Each of the responsible executives will designate a PFB chair. In cases where multiple executives are identified, the designees will be co-chairs, each with equivalent authority and responsibility.

In addition to serving as members of the ABIC BOD, PFB Chairs are responsible for all ABIC actions in their functional areas. Primary responsibilities include:

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- Evaluating and making recommendations on initiatives in their assigned functional areas
- Ensuring their staff principals are fully informed of ABIC initiatives and issues, and are prepared to participate in ABIC decision meetings
- Providing functional advice to other PFBs
- Ensuring the ABIC Executive Director and ABIC Support Staff are apprised of all issues emanating from or related to their respective functional areas
- Preparing, reviewing, and approving initiative documentation to include initiative submission charts and implementation plans

PFB membership will be comprised of selected functional experts based on the requirements of the PFB chair and/or co-chair.

ABIC Board of Directors (BOD)

The ABIC BOD is responsible for ensuring the ABIC is presented with thoroughly analyzed, clearly defined initiatives; and for ensuring ABIC decisions regarding proposed initiatives are carried out. Specific responsibilities include:

- Evaluating proposed ABIC initiatives and approving initiatives for presentation to the ABIC
- Reviewing and approving implementation plans for approved initiatives
- Monitoring the execution of approved implementation plans, and providing guidance and assistance to initiative proponents to ensure successful implementation
- Conducting additional analyses and evaluations as directed by the ABIC

The PFB chairs, PFB co-chairs, and the ABIC ED constitute the ABIC BOD. The ABIC ED serves as the chair.

ABIC Support Staff

The ABIC Support Staff is a full-time staff resourced by the ASA(FM&C) and the DCS, G-8. This staff assists the ABIC ED and BOD in managing all aspects of the ABIC process. The Support Staff will be organized to ensure it can execute the following responsibilities:

- Keeping the ABIC ED and the BOD apprised of ABIC actions and issues
- Managing the solicitation, receipt, and initial evaluation of proposed initiatives, and ensuring all tasks are completed on schedule
- Ensuring MACOM commanders and principal officials of HQDA are given the opportunity to comment on proposed initiatives

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- Preparing and coordinating ABIC briefings and other documents, and managing the resourcing and outreach functions of the ABIC
- Overseeing the implementation of approved initiatives
- Facilitating the resolution of issues arising among PFBs or HQDA staff agencies as a result of a planned or approved initiative
- Reviewing and evaluating the financial/economic costs and benefits of proposed initiatives
- Providing IT-based tools to support the submission and evaluation of initiatives and the dissemination of ABIC information
- Obtaining adequate resources (manpower and dollars) to support the Army's BIC mission
- Providing oversight and management of all funding and contracts
- Managing the review and coordination of initiatives requiring congressional action, as well as the overall ABIC legislative strategy, in coordination with SAFM-BUL and OCLL
- Providing public affairs and outreach capabilities to promote and support current and future initiatives throughout the Army

The ABIC Support Staff will provide staff assistance to the PFBs, if required, to complete an initiative or implementation plan.

MACOM Commanders and HQDA Executives

All principal officials of HQDA and MACOM commanders will review and comment on proposed initiatives that affect their areas of responsibility. When tasked to do so, these individuals are also responsible for suggesting new ABIC initiatives and for implementing approved initiatives.

Army Role in DoD BIC Effort

The following individuals and organizations are hereby assigned responsibility for DoD BIC requirements:

DoD BIC Charter Requirement	Responsible Army Individual or Organization
Member, BIC Principals	SECARMY
Member, Executive Steering Committee *	DCS, G-8
Member, Executive Directors *	ADCS, G-8
Member, each Process/Functional Board *	Designated PFB Chairs
Member, Joint Integration and Support Team *	ABIC Support Staff

* For these positions, the responsibility includes serving as the chairman or leader of the DoD BIC element when the Army is the Lead Department.

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The ABIC ED is responsible for managing the Army's role in the DoD BIC and is hereby authorized to establish and implement policies and procedures as needed to ensure the effective execution of the Army's BIC responsibilities.

Army PFB chairs will serve as Army representatives to the DoD PFBs. In cases where there are multiple Army PFB chairs for a given function, the responsible executives will designate one of the PFB chairs to represent the Army on the DoD PFB. Designated PFB chairs are responsible for carrying out all tasks assigned to the Army in their functional areas. When the Army has the DoD BIC lead, these tasks include leading the DoD PFBs.

For a detailed discussion of these responsibilities, refer to the DoD BIC Charter.

Conflict of Interest

There is an affirmative duty on the part of all ABIC personnel, including, but not limited to ABIC Board of Directors, Process Functional Board Chairs, Executive Staff and ABIC Support Staff, whether contractor or DoD employees, to act in accordance with applicable conflict of interest laws, regulations, and policies as set forth in the Joint Ethics Regulations and other applicable statutes, codes, and policies. All potential conflicts shall be reported to the Army General Counsel for review. The Army General Counsel shall take appropriate action, to include recusal, upon receipt of any report of violation of this provision.

Deliverables

The following deliverables are products of the ABIC Team's execution of the Army BIC program:

- Recommendations of near-term and long-term business initiatives, including:
 - Determination of the best method to implement actions in light of required workload (e.g., outsource, in-house effort, single staff action, etc.)
 - Assessments of barriers, enablers, and techniques to manage them
 - Estimates of the resources required for implementation
 - A comprehensive set of metrics to assess reform effectiveness
- Implementation plans for ABIC-approved initiatives
- Input to transformation programs (Strategic Readiness System, Special Assistant to the Secretary of the Army for Business Transformation, etc.)
- In-progress reviews on initiative status
- Execution of ABIC-approved initiatives led by responsible organizations

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Implementation and Duration

ABIC activities will be conducted in accordance with the guidance contained in this charter. For matters related to the DoD BIC, the charter will remain in effect until the overall effort is deemed complete by the BIC principals. For matters related to the Army BIC, the charter will remain in effect until terminated by my order. In executing the tasks described in this charter, the ABIC, ABIC ED, ABIC BOD, and ABIC Support Staff have the authority to contact other members of OSD, the Joint Staff, and the Military Departments to acquire information useful to the conduct of the ABIC.



ABIC Organization and Structure

