



SECRETARY OF THE ARMY
WASHINGTON

APR 16 2003



MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Army Business Initiative Council (BIC)

We have just concluded our fourth review of BIC initiatives and the first year of a highly successful Army business process improvement endeavor. You have responded to our four data calls with over one hundred thoughtful submissions on how we could free up limited resources and continue our process improvements. Your innovative suggestions addressed all aspects of Army operations, administration, resource management, manpower, and logistics, and clearly reflect that there's no limit to the number of high quality ideas available from an involved, committed workforce

On March 13, I reviewed 24 initiatives you submitted in response to my most recent request. I approved 13 of these initiatives — six for implementation within the Army and seven for submission to the DoD BIC as Defense-wide initiatives. I decided to defer action on six initiatives that need further study. The remaining five initiatives are already being worked by emerging processes and web based technologies.

The approved initiatives, described in the enclosure, include actions enabling us to improve barracks standards, enable Research, Development and Engineering Center facilities and research institutions to enter into partnerships, consolidate automation hardware purchases, standardize obligations procedures, and reduce workers' compensation costs.

I have tasked the Secretariat and Army Staff to begin developing implementation plans for the approved initiatives, and I ask for your continued support in putting the initiatives into action as soon as possible. I look forward to receiving the next set of candidate initiatives, which are due by April 30, 2003.

Our need for further efficient and more effective business processes has never been more critical. The sustained attention you are giving the BIC program ensures that ongoing innovation is encouraged. I thank each of you for helping provide leadership and direction for the program, and I ask that you extend my appreciation to the individuals in your organizations who have devoted time and effort to develop, submit, and evaluate proposed initiatives.

Thomas E. White

Enclosure

SUBJECT: Army Business Initiative Council (BIC)

DISTRIBUTION:

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Initiative Summaries, Cycle 4 13 March 2003

Recommended for Army Implementation

Barracks Area Standards: This initiative proposes to revise the metric for funding new barracks by eliminating the square footage limitation on housing size, and instead use a standard of total dollars per soldier, using the current funding amount. By combining this proposal with a greater use of industry construction standards, the Army can provide single soldier quarters with more space and amenities without increasing the average cost per soldier to construct new barracks.

Forms Content Management Program: The Army Publishing Directorate proposes transforming Army forms management by managing the content of the form, instead of the form itself. This would include standardizing form/data requirements across the Army. Currently, the Army has over 100,000 forms, 95% of which are for local use and are duplicative of what could be a standardized process, such as the information required to register a vehicle on post. The USAF has already begun this transformational process and reduced their forms load by 50% with associated savings in management costs. The initiative calls for three specific actions: (1) Conduct an analysis of Army-specific requirements, coordinating with MACOMs and functionals; (2) Develop a prototype/proof of concept using the Officer Evaluation Report (OER) and the NCOER; and (3) Develop an electronic framework to support automation of business processes, that ultimately incorporates Digital Signature Authority (an approved ABIC initiative).

Designated Source for Commercial Information Technology: The Army Small Computer Program (ASCP) has established fully competed contracts for IT volume buying and discounted prices. The use of ASCP is currently optional. This initiative seeks to increase ASCP use, with the goal of making purchasing more efficient, resulting in Army-wide cost avoidances when purchasing computer hardware.

Improved Multinational Acquisition and Cross Servicing Agreements Accountability: USAREUR has developed an automated system that makes it easier to track the financial status of multinational logistics transactions, preventing late payments; which in turn, lead to financial penalties. This initiative recommends the system be deployed to other MACOMs, and a link be established between the system and the Defense Financial Accounting Service (DFAS) to facilitate reconciliation with STANFINS data.

Automated Funds Control Process: The proposal calls for establishing a single, consistent Army policy on obligating funds for requisitions placed on the working capital fund, and implementing the policy in supporting automated systems. This will improve Army compliance with the Chief Financial Officers Act and better enable it to conduct reconciliations between financial and supply systems.

Conveyance of RDEC Facilities to Research Institutions: This initiative would expand the ability of Research, Development, and Engineering Centers (RDECs) to convey underutilized laboratory infrastructure (facilities) to research institutions to incentivize collaborative on-site

development of highly specialized technologies of importance to DoD, enabling leveraging of government and academic resources.

Recommended for DoD Implementation

Revise DoD Methodology for Calculating Small Business Targets: The current methodology for setting small business contracting goals can produce unrealistic targets, due in part to differing conditions between buying activities and the scarcity of small businesses in some markets. This initiative proposes that a new DoD policy be developed to reform the methodology to make these targets more realistic and achievable.

Closeout of Physically Completed Contracts: Oftentimes, when the government and a contractor have rendered a contract complete in both their accounting and contracting systems, the contract will remain open in the DFAS Mechanization of Contract Administration Services (MOCAS). This initiative proposes an examination of new approaches to contract closeout in MOCAS.

Streamline FYDP POM Submission Process: OSD Program Analysis and Evaluation (PA&E) has made steady progress in requiring all Program Objective Memorandum (POM) exhibits and displays be produced by extracting data directly from the Five Year Defense Plan (FYDP) database. The SNaP software currently used is not effective and requires considerable effort each year to work around the problems and debug the software. The initiative proposes OSD develop an effective software interface that will extract information from the databases provided by the Services' to support its POM information needs.

Convert Employees from "Permanent" Injury Compensation: This initiative seeks legislative and regulatory changes allowing the Office of Personnel Management (OPM) to place a civilian government employee receiving injury compensation on either permanent disability retirement or regular service retirement within a specified time period from the injury. This initiative would only apply to those civilians who have no prospects of returning to their job or a similar job in the foreseeable future.

Improving Army Worker's Compensation Program: This initiative would establish regional Worker's Compensation Program Managers at selected Army installations to reduce civilian accidents, injuries, lost work time, and costs by integrating program and medical case management. Program managers would coordinate medical care and manage early return to work efforts and perform periodic reassessments of workers on long-term disability to reduce long-term costs.

DoD Incentive Awards Program: This proposal would increase the maximum individual monetary awards available for DoD personnel from \$25,000 to \$100,000. Savings generated from implementing the approved initiative or suggestion would fund any amount over \$25,000.

Test and Training Evaluation Architecture: This initiative will require all Services to use a common tri-Service architecture, the Test and Enabling Architecture (TENA), for Test and Evaluation equipment, networks, facilities, and ranges. TENA is currently in the latter stages of development, and when completed, will allow a distributed test event to be conducted using any

set of DoD test facilities. When TENA is fully developed, DoD directives should be put in place, requiring all T&E systems, ranges, facilities, and networks to be designed using the TENA architecture.