

**Office of the
Under Secretary of
Defense
for Personnel and
Readiness**

Relevance

Effectiveness

Agility

Diversity

Integration

Whole of **N**ation

Efficiency

Selfless

Service

Solutions



**FISCAL YEAR 2012 - 2016
STRATEGIC PLAN**

February 2011



UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

FEB 24 2011

PERSONNEL AND
READINESS

This Strategic Plan sets a common understanding of our shared mission, vision, and guiding principles, both internally and to our stakeholders. It identifies our strategic goals to guide near-term imperatives and our long-term opportunities. It is intended to steer the allocation of our resources, the design of our organizational structures, and the direction of our strategic engagement. These ingredients are essential if we are going to uphold an integrated, agile, and ready Total Force.

We must all have a sense of urgency driving us in the execution of our mission. Everything we do involves people, so I ask that we all be attentive, responsive, and anticipate their needs. At the end of each day ask yourself: "What have I done for the Total Force today?" I look forward to our journey, and to enacting creative solutions together.

This Strategic Plan will help us to shape not only our organization and initiatives, but also our environment. It is a continuation of an ongoing process of deliberate planning and innovation to ensure our current and next generation Total Force is able to meet the warfighting needs of today and prepare for future military operations, while being responsible stewards of our Nation's resources.

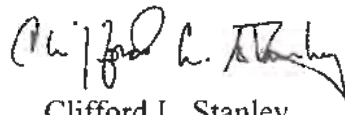

Clifford L. Stanley

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Strategic Context

The Office of the Under Secretary of Defense (OUSD) for Personnel and Readiness (P&R) Fiscal Year (FY) 2012 - 2016 Strategic Plan balances mission requirements, statutory and defense guidance, and fiscal constraints with a sense of urgency to promote the operational readiness of our Total Force. This plan incorporates guidance from the Administration, the U.S. Congress, and the Department to ensure our nation retains a ready and relevant Total Force. An overarching principle embraced in this plan and by the OUSD(P&R) is that all our actions should support combat readiness and ultimately the defense of our Nation. Moreover, P&R will undertake this mandate, while anticipating and being responsive to the needs of the stakeholders, thinking creatively, ensuring strong internal and external communications, and taking timely actions.¹

This five-year plan provides internal and external stakeholders with a strategic framework to inform the development and oversight of policies and programs within P&R's area of responsibility, promotes the development of DoD-wide strategic workforce plans, and provides an understanding of P&R's priorities and future vision.² With an end-state of answering the Nation's need for a ready force capable of performing the full range of military operations, the goals in this document align with our priority of providing DoD with executable and meaningful guidance to prepare the Total Force for war and other contingencies, in a resource-constrained and constantly changing environment. Actions noted in this plan concentrate on meeting the needs of the Warfighters, ensuring civilian employees are positioned to support vital missions, improving and strengthening family support, and providing resources for our Wounded Warriors. Accordingly, the goals and actions in this plan are structured around three fundamental focus areas – Total Force Readiness, Care for Our People, and creating and sustaining a Culture of Relevance, Effectiveness, and Efficiency.

To achieve the goals in each of these focus areas, P&R will implement a strategic Portfolio of Initiatives (POI), described in the addendum to this plan. The portfolio will allow OUSD(P&R)'s leadership to dynamically manage the strategy through FY2016 by actively governing the initiatives through a process that creates, accelerates, and aligns new initiatives while shifting our focus and eliminating lower value-added processes and services. In addition,

¹ Stakeholders in the context of this plan is an inclusive term that refers to the end-users, entities providing requirements, and the people or entities benefiting from the P&R's products –the U.S. Congress, the Department of Defense, the Services, Combatant Commands, Service members and their families, and DoD civilian employees and volunteers.

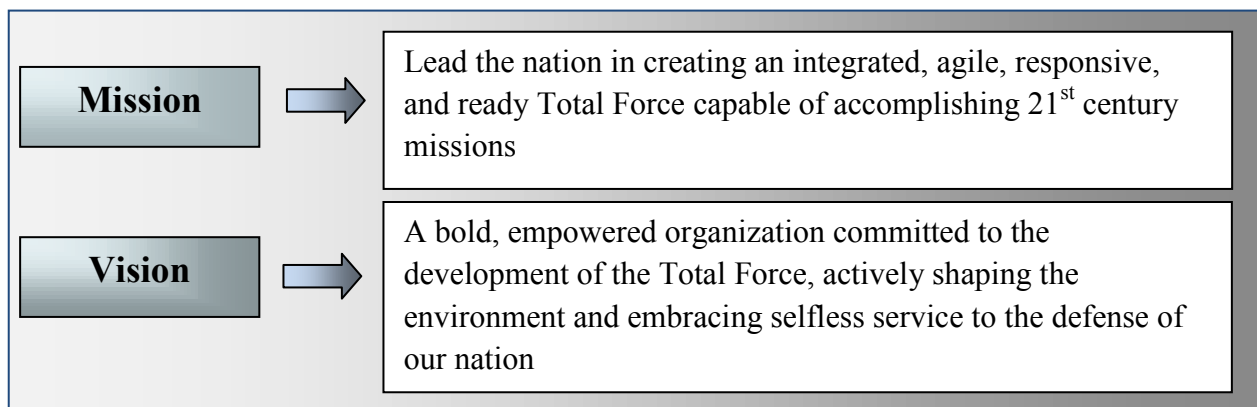
² Amplifying background information regarding the considerations that went into the development of this plan and long-term opportunities is provided in Appendix A. A glossary is provided in Appendix B.

the cascading effect of the POI throughout all of the OUSD(P&R) strategies will align all activities into one comprehensive and integrated effort.

Mission and Vision

The mission and vision represent the culmination of information provided by the defense strategies, internal and external stakeholder feedback, a synthesis of the projected future environment, and collaborative work of the OUSD(P&R) leadership.

Figure 1 – Mission and Vision Statements



The nexus for accomplishing the mission and vision provides three overarching focus areas – Total Force Readiness, Care for Our People, and Culture of Relevance, Effectiveness, and Efficiency. These crosscutting focus areas are encapsulated in all the strategic goals and will be evident in the initiatives put forth in the POI.

Total Force Readiness and assisting the Services in shaping their forces through their life cycles is one of P&R’s primary responsibilities.³ Our forces are expected to simultaneously and continuously provide homeland defense, humanitarian assistance, disaster relief, stabilization assistance in fragile states, and combat operations against all threats, including asymmetric. Our policies, programs, and oversight activities will support this ultimate goal. Components of this focus area include education, training, diversity, and medical readiness (i.e., leadership development, language, regional and culture capabilities, resiliency-building, and accident prevention).

³ Under Title 10, United States Code, Section 136, the Under Secretary of Defense for Personnel and Readiness is responsible for the monitoring of the operations tempo and personnel tempo of the armed forces and shall establish uniform reporting systems for tracking deployments.

Care for Our People embodies those policies and programs that promote wellbeing where our Service members, their families, and civilian personnel can thrive in their careers, social and community engagements, finances, and health.⁴ Issues within this focus area relate to educating and employing family members; leveraging technology throughout the Total Force; delivering competitive pay and benefits; fostering an open, flexible, and engaged work environment; providing ready access to resources for Wounded Warriors; promoting healthy behaviors; and improving access to quality healthcare at an affordable cost.

Culture of Relevance, Effectiveness and Efficiency provides the tools for Total Force Readiness and Care for Our People to attain success and to advance P&R's movement towards becoming a high-performing organization. We have an imperative to change the way we work, think, and communicate – this includes awareness of the changing environment, proactively adapting to anticipate and respond to the needs of our customers, capitalizing on our partnerships, and identifying and exploiting talent at all levels of the Department. Success will be reflected on a day-to-day basis in collaborative, customer-focused, and results-oriented operations.

Strategic Goals

OUSD(P&R) has developed five strategic goals to explicitly address the three focus areas. Strategic goals one through three address “what we do” and strategic goals four and five address “how we work.”

Strategic Goal 1 - Provide the right policies coupled with state-of-the art practices and tools to attract, train, educate, shape, sustain, and retain diverse talent to anticipate and meet the requirements of the 21st Century Total Force. The major emphasis of this goal is determining the capacity of the Total Force (right numbers and mix of military, DoD civilians and contract services), plus supporting the Services' efforts to shape, recruit, train, educate, and retain a diverse workforce – civilian and military – to successfully execute current and future missions. While fully realizing this goal will represent a generational culture shift, actions to move towards success include developing policies to guide requirements determination, enhancing force-shaping tools, and engaging with educational institutions to shape the development of the pool of potential Total Force members. Although robust measures of effectiveness and performance will be developed in the POI, when P&R is successful with this goal, clearly defined policies will be in place resulting in the Services having enough of the right skills to meet mission requirements, with a focus on COCOM total readiness levels. When the

⁴ This concept is adopted from the Gallup Healthways Wellbeing Index essential elements of wellbeing – financial, career, physical, social, and community.

goal is fully attained, a talent management system that is based upon finding the right skill to fill validated requirements – regardless of personnel category or seniority – will be in place.

Strategic Goal 2 - Strengthen individual and mission readiness and family support, and promote wellbeing. This goal promotes the wellbeing of the Total Force, including individuals, their families, and communities by building resiliency and preparedness. Executing this goal requires actions to increase the customer-focus of services, optimize and leverage the full-spectrum of quality of life and family support programs, strengthen civilian personnel career pathways, and enhance support and care for Wounded Warriors. Success in this goal will be evident when Service members are confident that, when deployed, they will have the skills and support systems to overcome the stress of Warfighting and family separation, and that their families have the resources needed to meet their daily and future needs and overcome their deployment-related stressors.

Strategic Goal 3 – Deliver quality healthcare at an affordable cost while improving medical readiness. This goal emphasizes medical and dental readiness (Active and Reserve Components and the civilian expeditionary workforce), promoting physical and mental wellness of the Total Force, and delivering accessible, quality healthcare at a reasonable cost with a benefit that is portable. Successful attainment of this goal will be evident when the Active and Reserve Components are medically ready for deployment. Also, the Military Health System will provide an overall quality healthcare experience leading to reduced generators of ill health by encouraging healthy behaviors, thereby decreasing the likelihood of illness through focused prevention and the development of increased resiliency. Success in this goal will also be evident when the Military Health System per capita costs increase at a rate of one percent less than civilian health insurance increases.

Strategic Goal 4 - Strengthen the way that P&R works to create a high-performance culture and organization. P&R will achieve a mindset, structure, business discipline, and tools to shift towards a relevant, effective, and efficient organization. Attaining an overall end-state of a more collaborative, customer-focused, and results-driven way of thinking and working is central to P&R's long-term success. We must actively maintain awareness of the changing environment to produce relevant and timely responses to our customers' needs.⁵ Thus, P&R will continue to explore opportunities with internal and external partners to address cross-cutting and collaborative initiatives such as the Office of Management and Budget's high priority goals, which for P&R are currently Hiring Reform and the Virtual Lifetime Electronic Record. A balanced portfolio of initiatives (POI) that links to strategic objectives will be reviewed quarterly to provide the actionable information needed for P&R to respond quickly to rapidly evolving

⁵ In order to lay the ground work for this goal and to ensure that P&R is providing the right guidance to the U.S. Congress, the Secretary, the Services, and the COCOMs in the upcoming planning, programming, and budget cycle, a P&R Cost Assessment and Program Evaluation (CAPE) capability will be established immediately.

changes, create efficiencies, and maintain unity with our customer's needs. When P&R is successful with this goal, creative thinking, task organization, collaboration and continuous process improvement will permeate our high performance culture and organization.

Strategic Goal 5 – Communicate with “one-voice.” Consistent messaging across P&R entities, DoD, and with external stakeholders is critical to promote clarity and unity of effort. Achievement of this goal is a central component to P&R's ability to attain success in meeting its stated priorities, goals, values, and accomplishments. In addition to delivering a consistent message, P&R will develop a “feedback loop” to provide an ongoing conduit to exchange ideas and gain regular feedback from internal and external customers at all levels. Success will be evident when P&R employees and customers share a common understanding of P&R's mission, vision, values, and products, and when there are not multiple answers to the same questions.

Execution and Measuring Success

To execute and govern the strategy, we will leverage the Portfolio of Initiatives (POI) approach to create a more dynamic management system allowing OUSD(P&R) to evolve the initiatives over time. Internal P&R Principal strategies will adopt the POI approach into their strategies to assure alignment, coordinated execution and standardized monitoring of the success metrics. The POI concept considers the following factors:

- An organization is defined by what it does – leaders should prioritize their resources and select the initiatives that will provide them the most value and impact.
- Change is certain; using ongoing environmental scans and feedback from P&R's customers, the POI should be updated quarterly, while always ensuring that initiatives are anchored to the mission, vision, and strategic goals.
- Initiatives must be planned against a realistic time horizon; and should include a balance of short, medium, and long-term objectives.
- All initiatives will have quantifiable measures of success that link explicitly to the five strategic goals

Summary

This plan provides a road map to support P&R's journey of fully supporting those who make daily sacrifices to serve our country. As we move forward to execute this plan, we will embrace a customer-centric approach and actively reach out to our stakeholders to collaborate with them to ensure we meet their needs and provide added value to the execution of their mission. This will be evident in our creative thinking, active listening, and engagement to

anticipate stakeholder needs and provide solutions before they ask. All personnel within P&R must perpetuate the same sense of selfless service demonstrated by the Service members and their families. The focus on Total Force Readiness, Care for Our People, and a Culture of Relevance, Effectiveness, and Efficiency will guide us as we move ahead to make positive changes. With our Nation at war, P&R and its field activities have a moral imperative to attain success in all that we do and to be a good steward of the taxpayer's dollar.

Appendix A – Amplifying Information

This appendix provides additional information to clarify why the mission, vision, and goals were selected for the FY2012-2016 USD(P&R) Strategic Plan. Also provided in this appendix are some of P&R’s long-term opportunities to fully execute its mission and vision.

Customer Focus

The OUSD(P&R) will use a customer-centric approach – that anticipates, engages, and listens via a feedback loop – to provide leadership and guidance on matters pertaining to personnel and readiness. Accordingly, representatives from the Assistant Secretaries of the Services for Manpower and Reserve Affairs, the Deputy Chiefs for Personnel, Combatant Commanders (COCOMs), and the Joint Chiefs of Staff were interviewed and expressed a need for the following areas that align to P&R’s 5 strategic goals:

- Strategic goal 1
 - Develop a continuum of service with “on and off ramps.”
 - Achieve full integration of the Total Force, with an information management solution – to include a fully “operationalized” Reserve Component.
 - Develop enhanced career pathways and leadership development in the civilian workforce.
 - Increase emphasis on diversity as a factor of readiness.
- Strategic goal 2
 - Continue emphasis on care for our people – equitable pay and benefits across the force (including deployed personnel), care for Wounded Warriors, and family support.⁶
 - Review the military retirement system to ensure sustainability.
- Strategic goal 3
 - Increase medical readiness and enhance population health, and improve experience of care (to include access to care, affordability, and positive outcomes) – particularly within the Reserve Component.
- Strategic goal 4
 - Develop knowledge management solutions, including a “clearing house” of best practices that can be shared across DoD.

⁶ Equitable pay and benefits in this context refers to issues relating to civilian personnel (housing allowance, ability to manage talent regardless of geographic area, and relocation assistance) and compensation policies for military personnel serving in hazardous areas.

- Establish active stakeholder engagement capabilities designed to increase interaction and collaboration with the U.S. Congress, Services, and COCOMs.
- Strategic goal 5
 - Develop a P&R strategic communication capability, directly aligned and partnering with the Services and COCOMs.

Strategy Guidance

This strategy acts upon guidance from the 2010 Quadrennial Defense Review (QDR) Report, National Security Strategy, and other defense strategies. This plan and all actions to execute this plan support two central goals from these strategy documents. First, is the need to further rebalance the DoD to prevail in today’s wars, while building the capabilities needed to deal with future threats. Second is the need to advance the transformation of the Department’s institutions and processes to better support the urgent needs of the Warfighter and to ensure that taxpayer dollars are spent wisely and responsibly.

The National Defense Authorization Act (NDAA) FY2010, Section 1108, contains legislative requirements for DoD strategic workforce plans. However, as suggested in the 2010 Quadrennial Defense Review (QDR) Report and follow-on Departmental guidance, the need for strategic workforce plans is expanded to ensure that DoD has the right workforce size and mix (military, civilian, and contractor) with the right competencies.⁷ The assessments and resulting strategies must be enterprise-wide, enabling DoD to better recruit, retain, and employ personnel with high-demand skills.

The Administration’s guiding principles for national defense present an unambiguous commitment to “investing in a strong, agile, well-trained, and well-equipped U.S. military that can fight and win the nation’s wars.” Additionally, the guidance requires DoD “...to ensure that our troops have the training, equipment and support that they need when they are deployed, and the care that they and their families need and deserve.”⁸

As stated in the National Security Strategy and reiterated in all other defense guidance, “...our ability to achieve long-term goals depends upon our fiscal responsibility.”⁹ There is clear and consistent guidance that DoD must identify efficiencies such as creating an environment that facilitates increased worker productivity, leveraging partners to share resources, technology solutions, and reduced overhead. A summary of the strategic documents reveals the following essential P&R activities and align to the five strategic goals:

⁷ Quadrennial Defense Review Report of February 2010, page 55 and Deputy Secretary of Defense memo “Implementation of Section 1108 of the National Defense Authorization Act (NDAA) Fiscal Year (FY) 10 Requirement for DoD Strategic Workforce Plans of July 30, 2010.

⁸ White House, Defense website <http://www.whitehouse.gov/issues/defense> accessed November 18, 2010.

⁹ National Security Strategy, May 2010, p. 34

- Strategic goal 1:
 - Continue to define and restructure the Total Force to become more adaptive in support of 21st Century missions;
 - Establish the Total Force with sufficient competencies (numbers and mix of military, DoD civilians and contract services) to achieve the Department’s strategic objectives;
 - Enhance the ability to use the Reserve Component as an operational element.
 - Strengthen our civilian expeditionary workforce.
 - Identify leading defense concerns to inform policy evolution of operational strategies and customer service based forums.
- Strategic goal 2 and 3:
 - Emphasize care for and strengthening of our people and their families – to improve medical readiness, advance wellbeing, and offer competitive pay and benefits.
- Implement technology solutions for training to improve resilience and competencies – includes language, culture, and mitigating strategies to improve safety. Strategic goal 4:
 - Develop meaningful and actionable measures of effectiveness and performance, with a focus on readiness.
 - Strengthen a Whole of Government approach to improve strategic alignments.
 - Improve business performance and promote fiscal responsibility – including strengthened technology solutions.
- Strategic goal 5:
 - Communicate and collaborate with all stakeholders - internal and external to the Department.

Forecasts on the future workforce and workplace identified four trends driving a need for increased emphasis on agility, flexible force structures, responsive force-shaping policies, and integrated personnel management processes. There is and will continue to be global competition for educated, skilled, and experienced employees. Leveraging diversity will be a critical competency for leaders and employees. There will be an increased emphasis on language skills and cultural training to build the 21st century Total Force. Preparing the force to manage risks, preserve assets and meet the challenges of a dynamic operational environment is vital to success. Finally, the revolution in the workplace and a multi-generational workforce are driving a need for flexible and responsive human capital policies and information technology solutions.

Strategic Construct

The USD(P&R) priorities below reflect the needs of the people we serve – the Total Force (Active and Reserve Components and the civilian workforce) and their family members, with an emphasis on the Warfighter, Wounded Warriors, and the Services who lead and manage their forces. The priorities are:

- Sustain the Total Force and employ it in the most cost-effective manner possible.
- Develop and manage the force – military and civilian.
- Take care of our Wounded Warriors.
- Provide the best possible quality of life for families, through fiscal responsibility.
- Validate and defend resource requirements.
- Address rising military healthcare and Total Force personnel costs through re-invention of systems, processes, and policies.
- Develop tomorrow’s leaders.

To underscore the desire to emphasize the importance of achieving Total Force Readiness as a key outcome, “Readiness” is our guiding principle and our values are reflected in the mnemonic: **R**elevance, **E**ffectiveness, **A**gility, **D**iversity, **I**ntegration, **[W**hole of] **N**ation, **E**fficiency, **S**elfless Service, and **S**olutions. Readiness means more than simply being able to complete a mission. It is a mental, physical, emotional and spiritual state of preparation and resiliency. Readiness has neither a beginning nor an end - it requires continuous improvement. In that sense, OUSD(P&R) will take immediate action on this plan, to monitor effectiveness and performance frequently, and to adapt when the situation requires realignment of resources and action to better serve those who serve.

Some or all of these values and guiding principles will be evident in our objectives and initiatives put forth in the POI. Attainment of the POI actions and measures and effectiveness and performance will be reported quarterly to allow for recalibration of the strategy as mandated by events and progress. The POI will be a “living” document to allow proactive management of P&R’s strategy and ensures timely, appropriate, and fully resourced actions. One of the primary obstacles that the public sector must overcome is the tendency for the budget to direct the strategy. To overcome that hurdle, the POI will be developed in concert with the planning, programming, and budgeting cycle. This should ensure that objectives and initiatives are fully resourced and align with Department-wide priorities – and that the strategy drives the budget. In addition, the POI will serve to apply the direction the Office of Management and Budget to transition from a planning and reporting approach toward three performance improvement strategies that place emphasis on:

- Using performance information to lead, learn, and improve outcomes.
- Communicating performance coherently and concisely for better results and transparency.
- Strengthening problem-solving networks, inside and outside government, to improve outcomes and performance management practices.¹⁰

¹⁰ OMB Circular No. A-11 (2010), Section 200 – Overview of Strategic Plans, Performance Budgets/Annual Plans, and Performance Reports, Section 200-2.

Appendix B - Glossary

Definitions in this annex are provided as reference points and to provide a common lexicon for terms used within the OUSD(P&R).

Civilian Expeditionary Workforce. A subset of the DoD civilian force, who, because of their unique skill sets, are needed to meet complex DoD missions, such as stability, security, transition and reconstruction operations, humanitarian assistance efforts, crisis interventions, or contingency operations. The civilian expeditionary workforce can be deployed anywhere around the world to address these operations. They may occupy pre-designated positions based on documented requirements, or possess special capabilities, not necessarily related to their positions of record, which may be needed to address these operations. Such personnel are ready, trained, and cleared for immediate or subsequent deployment to meet global national defense missions. [DoDI 1400.25-V250, November 18, 2008]

Civilian Strategic Human Capital Plan. Provides the overarching, mission-based strategic goals, objectives, and measures for managing the DoD civilian workforce to successfully execute current and future missions.

Civilian Strategic Workforce Plan. A structured, systematic approach to identify current and future civilian workforce requirements as part of total force, competency-based planning to ensure the readiness of the civilian workforce to successfully meet those requirements. The Civilian Strategic Workforce Plan provides the framework for executing goals and objectives and measuring progress in the Civilian Strategic Human Capital Plan, and should include at a minimum:

- Identification of current and projected civilian manpower requirements, including expeditionary force needs;
- Identification and assessment of current and future competencies required to meet manpower and mission requirements;
- Assessment of current and future competencies existing in the workforce;
- Identification of strategies to close workforce competency gaps and improve recruitment, hiring, development, and retention of employees with needed competencies, particularly in mission-critical occupations, and;
- Result-based performance measures for tracking progress towards goals and objectives.

Competency. An observable, measurable pattern of knowledge, skills, abilities, behaviors, and other characteristics that an individual needs to perform work roles or occupational functions successfully. [DoDI 1430.16, November 19, 2009]

Competency-based Management. A systematic approach to evaluating and effectively aligning employee competencies with mission and job requirements throughout the human capital life cycle. [DoDI 1400.25-V250, November 18, 2008]

Constituent. A member of a group, whose interests are represented by another entity (i.e., U.S. Congress, DoD,)

Continuum of Service. A seamless movement of personnel between active and reserve status that allows the DoD to respond to changing requirements. (Derived from the Commission on the National Guard and Reserves, which stated in their final report, "Separate regular and reserve commissions create an unnecessary distinction between officers who today frequently serve side by side, accomplishing the same mission. Different types of commissions can also create unnecessary delays in transitioning from one component to another, thereby impeding a continuum of service between active and reserve status." Full realization of a continuum of service and total integration of active and reserve forces requires that barriers and impediments to movement along the continuum be eliminated. This will take time and involve a cultural change.)

Cross-cutting. Across organizational (such as agency) boundaries – can be internal to the OUSD(P&R), DoD, or external across agencies.

Customer. Entity receiving and/or using the products produced by P&R. Customers are a subset of stakeholders and include, but are not limited to the Administration, the U.S. Congress, the Fourth Estate, the Services, Combatant Commands, Service members and their families, and DoD civilian employees and volunteers.

Customer-centric. An approach to day-to-day operations and how P&R works that focuses on creating a positive interactive consumer experience – operating from the customer's point of view.

Customer Service Measure. An assessment of service delivery to a customer, client, citizen, or other recipient, which can include an assessment of quality, timeliness, and satisfaction among other factors.

Diversity. The working definition within this plan for this word includes diversity of thought and individuals' nurture elements as well as the official definition. The different characteristics and attributes of individuals. [DoDD 1020.02, Feb 5, 2010]

Efficiency Measure. A ratio of a program activities' inputs (such as costs or hours worked by employees) to its outputs (amount of products or services delivered) or outcomes (the desired results of a program).

Human Capital. An inventory of skills, experience, knowledge, and capabilities that drives productive labor within an organization's workforce. [DoDI 1400.25-V250, November 18, 2008]

Measure of Effectiveness (MOE). MOEs answers the question, "Are we doing the right thing or are additional or alternate actions required?" MOEs measure changes in system behavior, capability, or operational environment that are tied to measuring the attainment of an end state, achievement of an objective, or creation of an effect, and whether they are conforming to the commander's intent. A meaningful MOE must be quantifiable and a measure to what degree the real objective is achieved

Measure of Performance (MOP). MOPs confirm or deny that we have "done things right." answering the questions: "Was the task or action performed as the commander intended?" MOPs focus on task accomplishment. Indicators, statistics, or metrics used to gauge program performance.

Milestone. Scheduled event signifying the completion of a major deliverable, a set of related deliverables, or a phase of work.

Outcome Measure. An assessment of the results of a program activity compared to its intended purpose.

Output Measure. The tabulation, calculation, or recording of activity or effort that can be expressed in a quantitative or qualitative manner.

Performance Goal. A target level of performance expressed as a tangible, measurable objective, against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate.

Performance Indicator. A particular value or characteristic used to measure output or outcome.

Program Evaluation. An assessment, through objective measurement and systematic analysis, of the manner and extent to which Federal programs achieve intended objectives.

Reserve Components. Refers collectively to the Army National Guard of the United States, the Army Reserve, the Navy Reserve, the Marine Corps Reserve, the Air National Guard of the United States, the Air Force Reserve, and the Coast Guard Reserve, when the Coast Guard is operating as a Service of the Department of the Navy.

Resiliency. The ability to “bounce back” and adapt successfully to stressful or adverse events. Personal, relational and family resiliency includes physical, mental, emotional, spiritual well-being as a component of resiliency. Resiliency also includes, among other things, readiness to deploy, successfully accomplish mission in garrison or deployed, and the family's ability to thrive in the member's absence.

Stakeholder. This is an inclusive term that refers to the end-users, entities providing requirements, and the people or entities benefiting from the P&R’s products – the Administration, the U.S. Congress, the Department of Defense, the Services, Combatant Commands, Service members and their families, and DoD civilian employees and volunteers. All stakeholders are customers.

Strategic Goal or Strategic Objective. A strategic goal or strategic objective is a statement of aim or purpose included in a strategic plan. In a performance budget/annual performance plan, strategic goals should be used to group multiple program outcome goals. Each program outcome goal should relate to the strategic goals or objectives and their performance measures. [OMB Circular No. A-11 (2010)]

Strategic Human Capital Management. Day-to-day operations and execution of strategies identified in strategic workforce plans to manage the life-cycle of employees from accession through separation.”

Talent Management System. A set of processes that promotes having quality people with appropriate competencies performing mission-critical activities such as leadership. [DoDI 1430.16, November 19, 2009]

Total Force. The organizations, units, and individuals that comprise the DoD resources for implementing the National Security Strategy. It includes DoD Active and Reserve Component military personnel, military retired members, DoD civilian personnel (including foreign national direct- and indirect-hire, as well as non-appropriated fund employees), contractors, and host-nation support personnel. [DoDD 5124.02, June 23, 2008; Under Secretary of Defense for Personnel and Readiness]

Appendix C – Portfolio of Initiatives Construct

Maintaining fidelity between strategic plans and the tactical actions required to attain an organization’s mission, vision, and goals is difficult even in times of certainty. The rapidly evolving nature of DoD’s mission requires a flexible strategy implementation approach to ensure the right outcomes are achieved, regardless of a changing context. In particular, initiative progress should be measured frequently and managed pro-actively to allow for course corrections if they are not moving the organization towards the desired end-state. The Portfolio of Initiatives (POI) framework, presented in Figure 2, enables this kind of dynamic management of actions (initiatives) and will involve stakeholder collaboration. The POI takes into account perceived levels of risk, based on familiarity with the initiative and level of certainty regarding the outcomes, level of potential impact, and time to completion. In this manner, a balanced and flexible strategy implementation plan can be developed and then continually refined within a consistent construct. Benefits of this approach include the following:

- Informs resourcing decisions by highlighting two dimensions of opportunity – the risk-return profile and the return time horizon – providing transparency and flexibility in allocating scarce resources
- Reinforces the need for innovation in opportunity creation and management, while preserving and evolving culture and values in a consistent way
- Can quickly integrate current insights on initiative strengths, weaknesses, opportunities, and threats (SWOT) as they evolve – provides adaptability to continually changing external social and contexts
- Portfolio can be created (and linked) at varying levels in the organization to ensure best use of leadership time – i.e., Under Secretary, Deputy, or Director
- Stakeholder and partners’ can compare portfolios and reduce potential for redundancy or to identify areas of mutual support – improves efficiency and coordination across agencies

Included within the POI will be the strategic objectives (measurements of success) for the strategic goals identified in the body of this document. The initiatives will be created to positively and tangibly impact the strategic objectives. Using the classic strategic planning construct, these objectives will be specific, measurable, achievable, realistic, and time-bound (SMART). During the quarterly POI reviews, leadership will be provided with information related to measures and progress towards completing initiatives. As presented in Figures 3, leadership will have options to rebalance the portfolio to respond to changes in the environment, shifts in priorities, or to better balance the use of resources.

Figure 2 – Portfolio of Initiatives Construct

INITIATIVES SHOULD BE BROADLY DISTRIBUTED ACROSS LEVELS OF FAMILIARITY AND TIMING

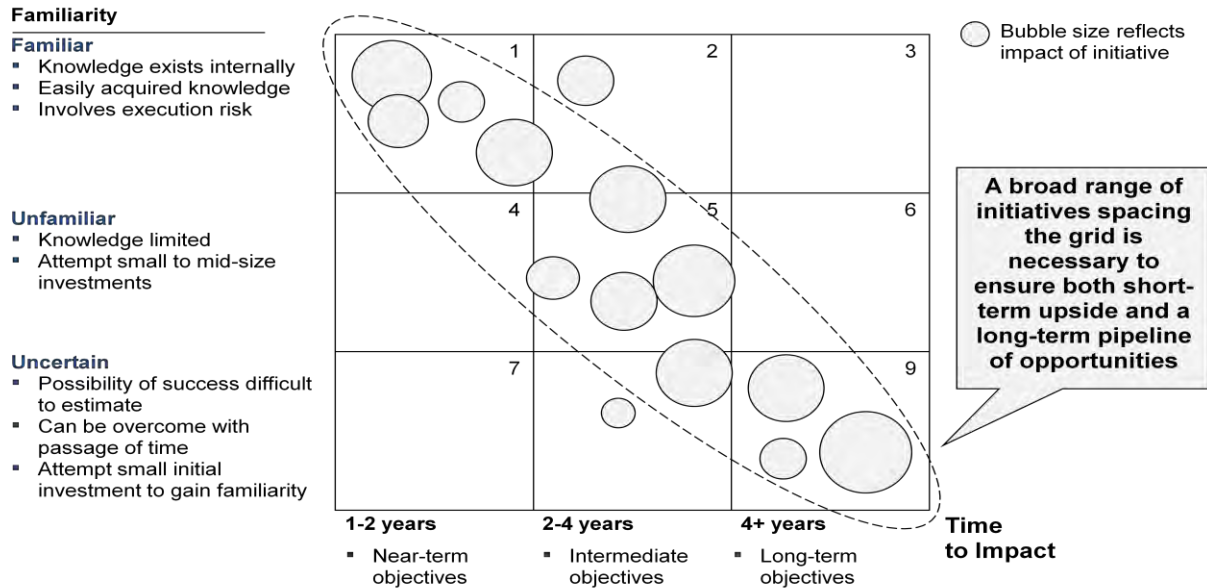


Figure 3 – Assessing the Portfolio of Initiatives

PORTFOLIO SHOULD BE CONTINUOUSLY ASSESSED AND MANAGED, PROVIDING A DYNAMIC REPRESENTATION OF STRATEGY

