# U.S. Army Audit Agency Strategic Plan FYs 17–21

*Providing Solutions for Army Challenges*

## *We at the Army Audit Agency Serve Proudly Because. . .*

*. . .defending the security of the United States and our Allies is central to protecting our way of life and our freedom.*

*. . .thousands of Soldiers have already sacrificed or are continuing to risk THEIR lives on battlefields like Iraq and Afghanistan and in dangerous training exercises to protect OUR lives and freedoms.*

*. . .Army Civilians—including our own Agency auditors—and contractors have also risked, and continue to risk, their lives by deploying to theaters of war to support our Warfighters.*

*. . .our efforts to make programs and policies more effective and efficient and to fight fraud and save funds benefit the Soldiers, Civilians, Families, and Army leaders we serve.*

*. . .every dollar of waste and fraud we help the Army avoid can be used to better train, equip, logistically support, and protect our Soldiers in combat, give them a technological edge on the battlefield, help keep them safe, and bring them home sooner.*

*. . .every efficiency we help the Army achieve helps provide our Soldiers' Families with the high-quality housing, healthcare, and other support they deserve while our Soldiers are deployed.*

*. . .our efforts protect the Army's reputation and credibility, enabling it to argue more effectively for needed resources.*

*. . .what we do for our Soldiers and Civilians, their Families, and our Army, we do for ourselves, our Families, and our Nation.*

## COMMITTED TO PROVIDING SOLUTIONS FOR ARMY CHALLENGES

We're proud to present the U.S. Army Audit Agency's FYs 17–21 Strategic Plan. This plan outlines our mission, vision, and core values. The strategic goals and objectives, and their related performance goals, will guide specific courses of action we'll take to deliver timely audit services that help the Army prevent, identify, and solve problems. This plan replaces our FYs 14–18 strategic plan, and it was developed through the efforts of your representatives—our deputy auditors general, program directors, and members of our professional support staff.

We're the Army's internal auditors. We audit what matters most to its leaders in support of the Army mission, as well as for Soldiers, Civilians, and Families. Along with providing solutions for Army priorities and needs, our plan focuses on increasing credibility and commitment to accountability and oversight for protecting Army resources. We'll continue to strengthen our audit development, organizational planning, and programming processes and plan audits of Army organizations, programs, systems, functions, and funds that have potential for the highest Armywide impact. In this time of significant budget constraints, we'll focus on finding ways to help the Army be even more efficient and effective and stewards of the financial, physical, and human capital resources entrusted to it. We'll strive to help prevent and detect fraud and support efforts to prosecute those responsible.

***We're the Army's internal auditors. We audit what matters most to its leaders in support of the Army mission, as well as for Soldiers, Civilians, and Families.***

Our success in providing valued services is contingent upon the talent and commitment of our professional workforce. We know our most important resource and investment is our people, and we'll continue to pay as much attention to them as we do our clients. We'll remain focused on workforce planning. We'll also continue recruiting, developing, retaining, and managing our amazing workforce, whose efforts have made our Agency a top five best place to work in the Federal Government for the last 7 consecutive years. To this end, we must sustain a workforce with the right skill sets, diversity, and leadership capable of achieving our operational goals and objectives. In this plan are our strategies for sourcing, developing, and engaging auditors and professional support staff for the levels of performance we envision will lead our Agency forward.

The Army is constantly evolving and so must we also evolve in pursuit of excellence and exceptional service. We'll continuously evaluate internal processes against government and industry best practices and proactively seek and embrace changes with the potential to increase our value to the Army. Over the next few years, we'll develop and use innovative execution and reporting strategies for providing audit results even more effectively and efficiently. We'll also strengthen, better utilize, and streamline our support services for achieving efficiencies.

As our presence within the Army community continues to grow, we must improve the quality and integration of our internal and external communications. We'll continue to practice total transparency and maintain open lines of communication. We'll project a distinctive, professional image and we'll deliberately and proactively deliver important messages throughout the Agency and across the Army. Providing synchronized, timely, accurate, and meaningful information to our workforce, clients and stakeholders, and other intended audiences in the Army and DoD will be key to building trust and credibility in the future. It is of paramount importance that we always be on the alert for needed strategic messages to our clients and to our workforce to keep them rapidly informed and on the same page with information they need that affects them – whether that be audit findings for our clients, or information for our workforce on events that may affect them professionally and/or personally. This plan includes our strategies for establishing an optimal framework for effectively communicating to and with both audiences.

This strategic plan is our roadmap as we strive to continue to be the model audit organization others want to emulate. As with any strategy, success relies on the support and commitment of every Agency employee. We ask each of you to adopt this plan and take responsibility for doing all you can to help us achieve our goals. We need you to do more than agree with our goals and objectives—we need you to become an advocate for them. We have accomplished many great things together and have much to be proud of, but there's always room for improvement. We must continue to try being a little better every day. We look forward to taking the next steps in this journey with each member of our workforce and with our clients.

**Kathleen E. Nelson**
Deputy Auditor General,
Acquisition, Logistics
& Technology Audits

**William E. Jenkins**
Deputy Auditor General,
Installations, Energy
& Environment Audits

**Elizabeth L. Casciaro**
Deputy Auditor General,
Financial Management
& Comptroller Audits

**Felix R. Strelsky**
Deputy Auditor General,
Manpower & Reserve
Affairs Audits

**Joseph P. Bentz**
Principal Deputy Auditor General

**Randall L. Exley**
The Auditor General

# U.S. Army Audit Agency
# Strategic Plan
# FYs 17–21

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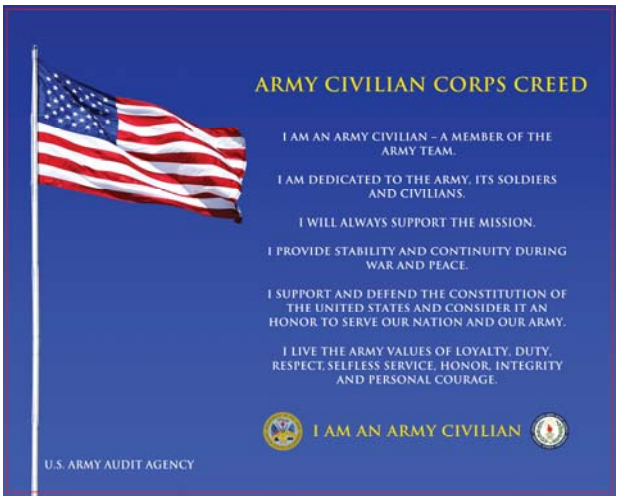
# ABOUT THE U.S. ARMY AUDIT AGENCY

## OUR MISSION

To serve the Army's evolving needs by helping senior leaders assess and mitigate risk and by providing solutions through independent internal auditing services, for the benefit of Army Soldiers, Civilians, and Families.




## OUR VISION

To be a world-class audit organization of respected professionals who anticipate change and exceed client expectations. As an integral part of the Army team, we will improve the Army by providing timely, value-added services and by fostering employee growth, innovation, integrity, and accountability.

## OUR VALUES

***Service.*** We provide high-quality, client-focused service that is timely and relevant. We accomplish this with a highly diverse workforce that communicates openly while working as a team and commits to professional development through education and experience.

***Ethics.*** We demonstrate integrity, credibility, and commitment to accountability and maintain the independence to perform our mission in keeping with professional standards. In all aspects of our internal operations, we hold ourselves to the same standards that we apply to those we audit.

***Progress.*** We anticipate and adapt quickly to change and institute innovative approaches and techniques. We facilitate this by focusing our efforts on meaningful work and by maintaining a culture that supports empowerment and promotes quality of life.

## OUR ROLE

The Agency was created after World War II to help the Army meet its global strategic challenges through independent, value-added auditing services. The Agency helps Army leaders and Soldiers resolve issues by providing high-quality solutions that enable them to meet their goals more effectively and efficiently.

At the request of the Under Secretary of War, the Agency was established on 12 November 1946, when General Dwight D. Eisenhower issued General Order No. 135. Placed under the jurisdiction of the Chief of Finance, the Agency was tasked with maintaining appropriation and fund accounting, maintaining military property accountability, and auditing the accounts of the American Red Cross. The DoD Reorganization Act of 1986 placed the Agency under the sole jurisdiction of the Secretary of the Army. Subsequent general orders made The Auditor General responsible for internal audit services throughout the Army, including audit policy, training, followup, and liaison with external audit organizations.

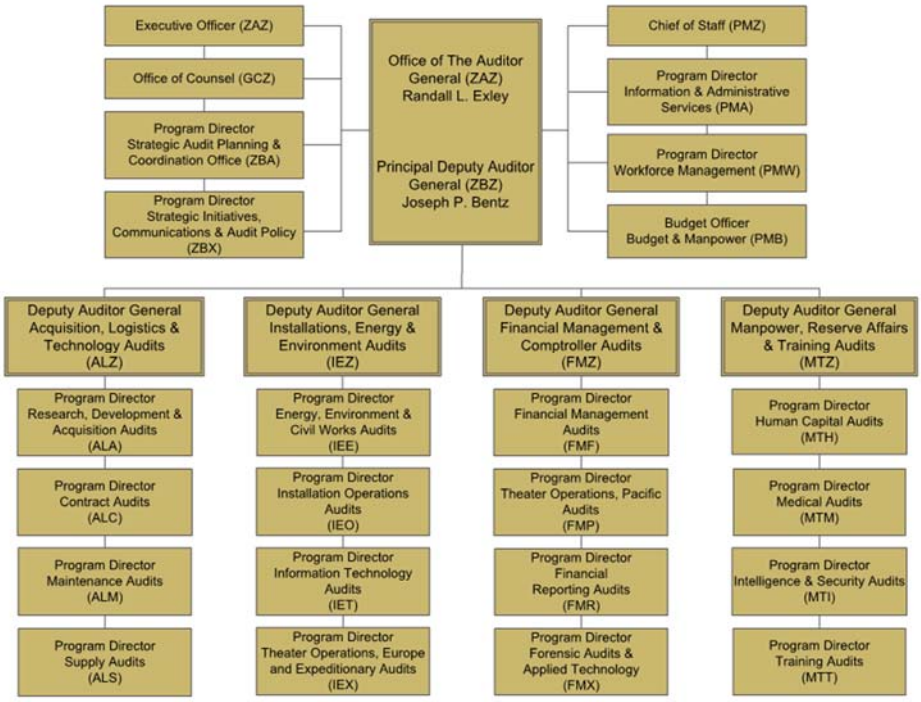
Today, we examine the full spectrum of the Army's operations and programs. Our goal is to be recognized as a model organization with an engaged workforce of respected professionals, guided by innovation and integrity, helping the Army overcome challenges in high-risk areas.

## OUR ORGANIZATIONAL STRUCTURE

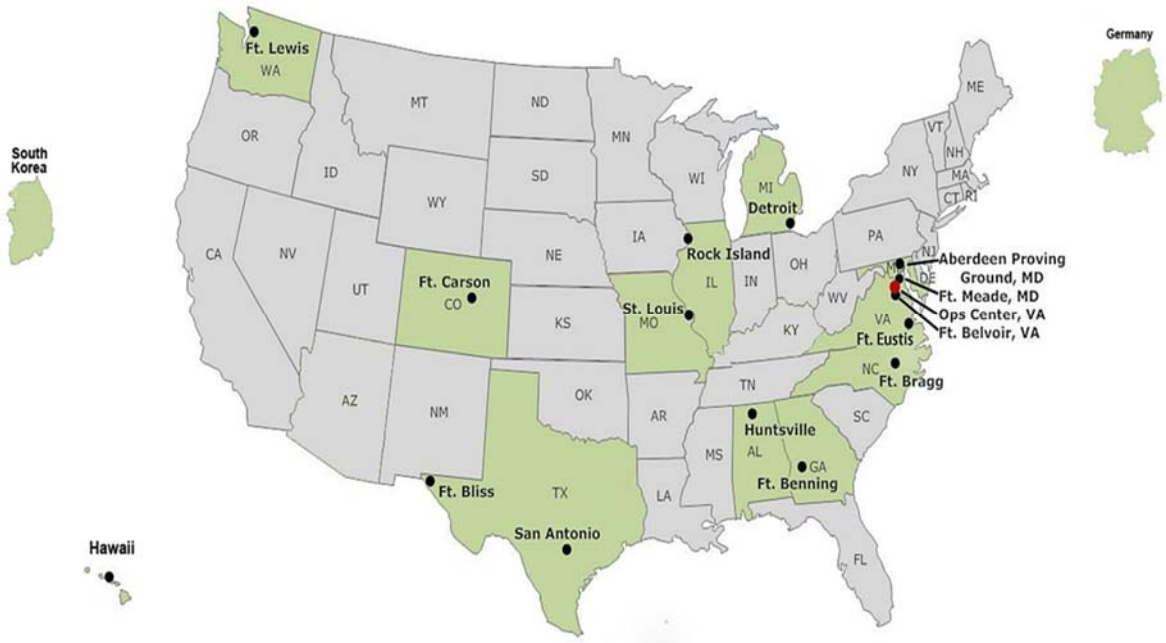
The Auditor General, Principal Deputy Auditor General, and four deputy auditors general lead our Agency. The Auditor General is responsible to the Secretary of the Army for the operational performance of the Agency and for providing audit services to all levels and functions throughout the Army. The Principal Deputy Auditor General oversees the Agency's strategic planning efforts, internal support functions, and operational control over four deputy auditors general. The four deputies oversee audits of various Army operations.

To achieve our strategic goals and objectives, we maintain a workforce of highly trained professionals, many with advanced degrees and certifications. Our staff of approximately 525 is organized into 17 functional audit teams. We also have a professional support staff that helps us accomplish our mission by performing functions such as information technology, workforce management, and resource management. About 65 employees are based at our operations center at Fort Belvoir, Virginia. The rest are at 18 field offices—15 CONUS and 3 OCONUS (Germany, Hawaii, and the Republic of Korea). We also deploy employees to Afghanistan to support Overseas Contingency Operations. The following chart shows the Agency's planned FY 17 organizational structure and locations.

## FY 17 ORGANIZATIONAL CHART




## AGENCY FIELD OFFICE LOCATIONS



# OUR STRATEGIC PLANNING PROCESS

The Strategic Initiatives team established a strategic planning process for developing the framework of this strategic plan. Key elements of this process included:

- Using a group-based approach for conducting an entirely new situation analysis of the strengths, weaknesses, opportunities, and threats internal and external to our organization.
- Creating and convening Process Action Teams (PAT) to shape the strategic goals, objectives, performance goals, and key strategies for the future.
- Identifying and refining performance indicators and corporate performance measures as targets of progress.
- Evaluating the proposed plan from an end-to-end process perspective for prioritizing and sequencing implementation activities.
- Soliciting feedback on the proposed framework via meetings with Agency Senior Leadership and PAT leads, and collaborative sessions with our workforce for writing the plan.

The U.S. Army Audit Agency Strategic Plan for FYs 17-21 is the result of this process. Although the plan will take effect beginning FY 17, it includes some actions already in-process. Overall, the plan includes four strategic goals, 11 objectives, 35 performance goals, and key strategies for executing the plan.

| Strategic Plan—Structure and Definitions | |
|---|---|
| **Goal** | Achievable statements describing the desired end result. |
| **Objective** | General actions necessary to achieve the goal. |
| **Performance Goals** | Specific, intermediate targets of progress towards accomplishing the objective. |
| **Key Strategies** | Action steps established for how to achieve the performance goals and objectives. |
| **Performance Indicator** | Quantitative or qualitative gauge of progress of the strategic goals and objectives. |
| **Corporate Performance Measure** | Numerical targets used for evaluating desired end result. |

# SITUATIONAL ASSESSMENT

*In mapping the Agency's work during the next 5 years, we conducted a situational assessment. As part of this process, we considered circumstances and decisions, both near- and long-term, affecting the Army and Federal Government and potentially impacting the way we do business. We also identified factors, trends, opportunities, and risks to arrive at practical and appropriate actions for meeting our strategic goals and objectives. The following are highlights of our overall assessment.*

## VALUED SERVICE

As we develop this strategic plan, we're faced with an uncertain environment. The Army continues to face significant fiscal challenges, as the Budget Control Act of 2011 has placed the Army at sequestration-level funding that could remain in effect until FY 23. This requirement strains the Army fiscally and operationally as it attempts to meet current demands while building the foundations of a Force that can meet future challenges. To this end, the Army faces a time of critical decisions that will impact its capability and capacity for the next decade. Nonetheless, the Army is making necessary changes to balance its end strength, enhance readiness, and continue to modernize while adapting to the new level of funding.

The Army is significantly reducing the size of its Force—both Active and Reserve Components. If sequestration-level cuts are imposed in FY 16 and beyond, end strength will be further reduced. In addition to these military reductions, the Army is reducing the number of civilian employees by more than 17,000.

The Army has developed constructs and initiatives like the Army Operating Concept to revolutionize how it does business. Representing a long-term, cost-effective way to enhance readiness, improve interoperability, and modernize the Force, this concept ties together all Army decisions and other key initiatives like Force 2025 and Beyond, Sustainable Readiness Model, Aviation Restructure Initiative, and Cyber to address several areas, including:

- Force sizing, balance, training, and readiness.
- Landpower and network capabilities.
- Equipment modernization and sustainability.
- Cyber security and dominance.

The Army continually seeks improvements to its institutional processes and business systems to provide ready Forces in the most fiscally responsible way for the Nation. During this transformative period, our Agency has a responsibility to ensure that the Army makes sound decisions and develops reliable internal controls. We must verify that the Army executes programs and processes

in the most effective and efficient manner. And, we must continue to provide both immediate and long-term support and solutions for many high-risk and sensitive areas in a complex environment. We must address these issues to help the Army accomplish its most challenging missions.

## PROFESSIONAL WORKFORCE

The Federal Government faces continued human capital challenges in attracting, training, and retaining employees, as well as developing future leaders in the coming years. Nonetheless, the Army must increasingly respond to rapidly changing mission priorities and work requirements. It must now operate with little to no room for error in this lean-staffed and high-operations tempo environment.

Workforce planning, while critical, has become vastly more complex as it takes into account budget uncertainties and civilian authorization cuts. Political changes and resulting shifts in Army priorities, such as a focus on cyber and automation, and new crises or national threats require both resilience and flexibility in workforce planning and structure.

Of added concern are workforce demographics across the Federal Government. The average age of Federal employees is 47 and the stability of Army leadership remains a major priority. With impending employee retirements and fewer people pursuing careers in public service, there's a deliberate and focused effort to invest in developing our Agency's workforce. Critical to the Army assuring continuity of leadership is ensuring that experience and institutional knowledge are shared and transferred in active succession planning, particularly as the Army fills its pipeline with a new generation to meet mission needs.

We must remain an engaged, high-performing workforce, as similar factors impacting the Army impact our Agency. Applying workforce planning tools to analyze data to inform decisions about workplace dynamics can mitigate risks of workforce planning, as well as lead to improved productivity and reduced costs during this period of downsizing and reorganization. Data-driven analytics with a long-range strategic view will help inform our way forward, particularly in the areas of workforce structure, recruiting, professional development, engagement and retention, and succession planning.

## ORGANIZATIONAL EFFECTIVENESS AND EFFICIENCY

In today's Army environment, we're asked to do more with less and to find greater efficiencies. As sequestration and budgetary constraints continue, the Federal Government must focus not only on mission excellence but on decreased spending. Additional HQDA-directed requirements related to our organization structure further necessitate creatively sound and effective decisionmaking. Our Agency's willingness to embrace and adapt to change will be challenging but necessary given these circumstances.

To us, organizational effectiveness and efficiency means conserving and maximizing use of resources while continuing to provide timely and beneficial products and services. Accomplishing this will require close, continuous focus and analysis of Army and Agency activities, capabilities, outputs, and outcomes. Although potentially time-consuming, we're motivated by the ability to leverage capital and information technology to improve our audit capability and operations. Available tools, such as benchmarking and enterprise integration, will help build trust as we take advantage of innovative capabilities for addressing the Army's evolving and complex challenges.

## STRATEGIC COMMUNICATIONS

In recent years, the Agency has made great strides in improving communications. To achieve status as a premier audit organization, it's not just enough to have a good reputation and results. It's also very important to create a work environment that stresses employee involvement and shared goals through open, interpersonal communication.

Critically related—increasingly more so today—are internal and external communications. Our employees and clients no longer passively receive information. The advent of social media has led to all stakeholders—inside and outside our Agency—being empowered, connected, and expecting to be heard. How we internally communicate has an external impact because our employees are in constant contact with clients—and vice versa. To this end, we must genuinely embrace, trust and believe in our mission and core values to build an ideal rapport with our clients and stakeholders. This requires significant communication and effective delivery of messages.

Both internal and external communication strategies are crucial for the Agency's long-term success. Internally, we must continue seeking to improve our transparency to keep our workforce well-informed and to facilitate open and continuous dialogue. We must also continue to develop and enhance communications within and across our audit teams to improve productivity and cohesiveness. Externally, we must continue to strengthen our reputation and build our brand. As we strive to be a values-based organization, our conveyed messages and image must be consistent with our mission and core values, as well as build a distinguished, lasting reputation throughout the Army community.

# GOAL 1. VALUED SERVICE

## Provide high-quality solutions that respond to the Army's most significant risks and leadership focus areas.

**Goal Overview**

The intent of our valued service strategic goal is to:

- Ensure our services align with and meet Army priorities and needs.
- Advance our capacity to provide solutions that protect Army resources and deter fraud, waste, and misuse.
- Maximize our return on investment to the Army.

Being part of Army governance, we provide solutions for helping the Army achieve its operational goals. We must consistently demonstrate credibility and commitment to accountability and oversight of the Army's activities, organizations, programs, systems, functions, and funds. We accomplish this by providing valued audit services. To this end, our strategic goals and objectives in this area focus on sound audit planning for determining and selecting the best set of audits, and on delivering timely and valued-added (both monetary and nonmonetary benefits) audit results and solutions. Successful performance in these areas will help sustain our Agency as the Army's premiere and sought-after resource for assisting in accomplishing its mission.

### OBJECTIVE 1.1. CORPORATE AUDIT PLANNING

**Perform the right audits at the right time.**

**Performance Goals**

**1.1.1.** Establish a corporate planning initiative to identify and prioritize audits.

**1.1.2.** Leverage Army information systems and data to identify high-risk areas for audit.

**1.1.3.** Increase engagement with senior leaders to better understand client needs and integrate feedback.

**Key Strategies**

Each year, we generate the Army's Internal Audit Plan. To develop this plan, we apply a detailed, enterprise-level corporate risk assessment and collaborate extensively with Army leadership to identify the right audits and objectives, ensuring that they fully align with Army priorities and focuses.

We'll enhance our audit development, corporate planning, and programming processes by:

- Planning audits Agencywide and across operating directorates.
- Coordinating critical audits at the Principal and Operations Deputy Auditor General levels.

Such actions will create opportunities for conducting cross-functional, portfolio-themed audits, and for providing sufficient audit coverage. Additionally, we'll leverage relationships with program evaluation groups to better understand the key impacts on Army operations and resources—all with the intent to develop an audit plan that's prioritized to address the Army's most critical risk areas.

We must use our resources smartly and innovatively to maximize audit coverage, as fiscal constraints continue to affect both the Army and the way we do business. We'll explore accessibility to server-based technology to, through preset rules, program data extraction for continuous monitoring and automated testing of particular Armywide transactions and activities. This will permit timely management and notification of potential internal control breakdowns and enhance our risk assessment process to better target high-risk areas for audit. Further, we'll assess the capability of using subject-matter experts in evolving areas, such as enterprise resource planning systems, cyber, and intelligence, to ensure we have the right resources in place to best design and conduct our audit program.

Army senior leaders play a key role in developing the Army's Internal Audit Plan and in establishing priority of areas for audit coverage. They're our pulse to understanding the Army's mission and challenges. As well, they help us learn of any particular focus and provide the Agency with critical feedback of how to best meet their needs. We'll strengthen our engagement with Army leaders by attending more HQDA-chaired meetings and by holding midyear progress discussions during audit update sessions. These will help the Agency maintain knowledge of the Army's evolving and emerging needs, as well as obtain critical feedback to improve our corporate planning.

### Performance Indicators

- Plan reflects the priorities of the Army leadership and aligns with the Army Plan.
- Initiating the majority of audits identified in the Army's Internal Audit Plan within the annual plan cycle.
- Increase in the time invested in corporate and Army senior leader engagement.

## OBJECTIVE 1.2. RESULTS DELIVERY

**Deliver valued and actionable information to Army decisionmakers.**

### Performance Goals

**1.2.1.** Link critical Army needs to our expected outcomes.

**1.2.2.** Increase percentage of audits with potential monetary benefits.

**1.2.3.** Reduce audit delivery time.

### Key Strategies

The services we provide must meet the needs of the Army, our clients, and stakeholders. We must provide the best solutions for Army challenges. We achieve this through our corporate audit planning and audit execution efforts, holding ourselves accountable for doing so. We'll sufficiently collaborate with clients in advance of starting audits and throughout the engagement to ensure a continuous and accurate focus of our auditing activities. Specifically, we'll collaborate more with Army senior leadership on the engagement objectives, as well as on the timing for starting and presenting results of engagements to ensure service satisfaction. Once audits are completed, we'll use an internal focus and conduct after-action reviews to identify opportunities for improvements and lessons learned within our audit teams.

We help the Army leverage scarce resources and improve its stewardship by identifying cost savings, cost avoidances, and other benefits. This has become vital for the Army amid increased fiscal pressures and constraints. We'll increase the percentage of audits with potential monetary benefits, thereby anticipating increases in realizing those benefits, through deliberate design of our audit programs. We'll also reevaluate the process for capturing benefits realized from our recommendations that command implemented and nonmonetary benefits identified.

In the Army's increasingly changing and complex environment, we must also provide high-quality audit results in a timely way. That said, we're redefining timeliness and establishing audit milestones based on client needs and relevance of findings. We'll also increase our use of tools for project management to hold after-action sessions to improve accountability.

### Performance Indicators

- Completing a majority of audits identified as the highest priority within the annual plan cycle.
- Higher return on investment.
- Increase in the amount of potential monetary benefits, both reported and agreed to by command, and realized.
- Increase in the number of audits designed for potential monetary benefits.
- Increased client satisfaction related to the subject matter, timing, and benefits of engagements.
- Number of recommendations implemented.

# GOAL 2. PROFESSIONAL WORKFORCE

## Continue to develop an engaged, high-performing, and diverse workforce that maximizes our ability to deliver on our mission.

**Goal Overview**

The intent of our professional workforce strategic goal is to:

- Maintain a professional, engaged, and diverse workforce.
- Advance and sustain a culture of expert leaders.
- Maximize workforce capability.

Our most important resource and investment is our people. Our strategic goals and objectives in this area focus on planning, sourcing, developing, retaining, and managing our workforce. As part of our efforts to determine workforce requirements and ensure effective hiring practices, we must maintain a continuous, accurate pulse on Army demands and use innovate tools available to attract multigenerational talent with the right competencies to help accomplish our mission. We must establish a professional development program for auditors and support staff to ensure mission readiness. We must suitably transition talent for the continued professional growth and strength of the Agency. Accountability for every employee at every level will be a necessary foundation to effectively implement the professional workforce initiatives we envision will lead the Agency forward.

## OBJECTIVE 2.1. WORFORCE PLANNING

### Establish an adaptable, diverse workforce to provide expert audit services.

**Performance Goals**

**2.1.1.** Establish a cyclical workforce planning process to assess the environment and identify annual human capital needs.

**2.1.2.** Develop and implement a strategy to hire the best available candidates in an evolving recruiting environment.

**2.1.3.** Recruit employees from diverse backgrounds.

**2.1.4.** Develop and sustain mission support capabilities.

**Key Strategies**

Critical to our organizational success will be developing our workforce planning processes. We must systematically identify, build, and sustain a workforce with the right skill requirements to meet our operational goals. To accomplish this, we'll use analytic tools to determine, based on our organization structure, resources and talent required to meet immediate and future goals. We'll also establish business techniques and Agency-tailored workforce strategies to create responsive approaches to attract, recruit, and sustain our workforce.

There are several emerging, proactive approaches and strategies for recruiting and hiring individuals who are eligible and want to work for the Federal Government. As an organization, we want to attract and hire the best qualified candidates among the various pools of talent available. We'll continue analyzing the sources of recruitment by field office location and grade level and using those sources where we experienced successes. We'll also incorporate researching and applying, when possible, alternate hiring authorities and/or methods for reaching and acquiring top candidates.

Diversity improves individual and organizational performance and provides better value to our Army clients and stakeholders. We remain committed to a diverse workforce and inclusive environment. In pursuit of our continued goal for optimal diversity, we'll review our workforce demographics in relation to the Army civilian labor force, apply a recruiting strategy to target underrepresented groups, and consider diversity and representation as part of our workforce planning, recruiting, hiring, and structuring activities.

Recent reductions in Agency staffing authorizations, and continued changes in work environment and organization structure necessitate maximizing mission support capability. We'll assess attrition risk among our existing mission support staff, identify competencies needed for mission support positions, pursue opportunities to cross-train our current staff, and recruit to target gaps within the desired competencies.

**Performance Indicators**

- 90-percent fill rate.
- Increase in acceptance rate.
- Increase in percentage of successful hires.
- Increased employee satisfaction with diversity.
- Workforce demographics representative of the Army's civilian labor force.

## OBJECTIVE 2.2. PROFESSIONAL DEVELOPMENT

**Further develop and improve workforce capability.**

**Performance Goals**

**2.2.1.** Design a training curriculum to close knowledge, skill, and competency gaps.

**2.2.2.** Institutionalize tenets, principles, and core messages of targeted training initiatives into the Agency training program.

**2.2.3.** Leverage career-enhancing opportunities for the workforce.

**2.2.4.** Establish a continuous learning environment for mission support staff.

## Key Strategies

In FYs 15–16, we hired more than 125 new auditors at various grade and experience levels. Although these new hires were qualified, their professional development will be critical for sustaining high performance. This includes providing sufficient training to meet auditor occupational series (0511) competency requirements. To accomplish this, we'll coordinate with the Office of the DA Deputy Chief of Staff, G-1 to participate in competency assessments to identify corporate gaps by position. This information will allow us to develop gap-closure strategies effectively and incorporate needed and/or periodic instruction into our training curriculum—including our matrix, foundational, and functional courses.

The comprehensive training we've provided our workforce and other government civilians in the auditing community, particularly the last 5 years, has been very effective. Going forward, we'll determine and incorporate Agency-specific guidance, messages, and best practices throughout our training program. This strategy will ensure that key concepts and principles provided during one-time specialized training efforts reach employees at all levels as they transition into new positions and become part of our organizational culture (for example, communications courses, our Partnering to Lead Teams course, and True Colors personality assessments).

Recognizing the importance of development beyond the classroom, we'll place additional focus on assessing current agency tools used to identify career-enhancing opportunities for our workforce. We'll review our annual individual development plan (IDP) process and our competency-based on-the-job-training (OJT) plans to identify areas that need additional emphasis or reinforcement and to develop a strategy to address any shortfalls. We'll continue developing a new comprehensive career management module in our Agency's information system (AAAsist) to better market developmental opportunities and link specific assignments to key competencies.

Our Agency has mission support staff in the following areas: resource management (budget and travel); workforce management (human resources and training); knowledge management; information assurance; facilities management; strategic initiatives, communications, and audit policy; and strategic audit planning and coordination. When personnel in these areas excel, our mission benefits. To reinforce our commitment to continuous learning for mission support staff, we'll examine historical information to assess the status quo. We'll determine appropriate annual training requirements by position and monitor completion of training.

## Performance Indicators

- Reduction in workforce competency gaps.
- Increased employee satisfaction with training and professional development.
- Increased employee engagement.

## OBJECTIVE 2.3. LEADERSHIP AND SUCCESSION PLANNING

**Strengthen leadership capacity at all levels.**

### Performance Goals

**2.3.1.** Develop and implement a standard succession planning strategy for key positions.

**2.3.2.** Increase leader self-awareness and development.

**2.3.3.** Develop leadership skills and competencies in junior staff.

### Key Strategies

Our Agency must continue to focus on planning for replacement of some of our most experienced leaders, particularly at the GS-13 and above levels. We'll continue succession planning for auditors first by assessing risks related to retirement-eligible employees in key positions. Using this data, we'll then fittingly update our current succession strategy and implement and monitor this new strategy.

The Army's 360/Multi-Source Assessment Feedback (MSAF) program is intended to increase leader self-awareness and provide leaders with direction for leadership improvement and sustainment. At the beginning of FY 15, we began administering MSAF as an Agencywide leadership initiative for our GS-13 and above leaders. Through results of this initiative, we'll identify existing programs and resources, including coaching and development opportunities, for addressing leader weaknesses and maximizing their strengths.

Leadership development at the GS-12 and below (junior staff) level during the next few years will be critical, considering this demographic comprises more than half of our auditor staff. We'll assess the leadership experience of our current junior staff and their completion of required Civilian Education System (CES) training. Then, like at the senior level, we'll identify existing programs and resources for targeting and addressing their strengths and weaknesses.

### Performance Indicators

- Increased employee satisfaction with leadership at all levels.
- Available and qualified candidates for key leadership positions.

## OBJECTIVE 2.4. EMPLOYEE ENGAGEMENT AND ACCOUNTABILITY

**Retain an engaged and high-performing workforce.**

### Performance Goals

**2.4.1.** Develop a formal process to sustain high levels of engagement.

**2.4.2.** Educate leaders on available tools to coach, mentor, and train to improve and recognize employee performance.

**2.4.3.** Increase employee retention.

### Key Strategies

Since 2010 and every year through 2016, our Agency has been rated in the top five of all Federal agency subcomponents as one of the Best Places to Work in the Federal Government by the Partnership for Public Service. Though we're justifiably proud of this achievement, we're in constant pursuit of better employee engagement and job satisfaction. During the next few years, we'll establish a formal engagement process that demonstrates to leaders the business impact of engagement for driving performance and creating desirable outcomes. As part of this process, we'll identify best practices and incorporate key elements of employee engagement from industry experts.

In 2017–18, we'll begin implementing DoD's new performance management system for our workforce. This will require the Agency to achieve a common level of understanding about these newly defined performance levels and ratings. In addition to equipping our leaders with this cultural change, we'll incorporate into our training courses best practices and tools for coaching, mentoring, and recognizing employees, as well as ways to hold staff accountable. Once implemented, we'll establish appropriate metrics to evaluate our successes.

To retain the high-quality workforce that we've recruited and developed, we'll develop and formalize a retention strategy, using data from our retention/loss rates, as well as results from stay interviews, exit interviews, and our annual workforce survey. We'll also train managers in retention strategies and tools based on this strategy. Recognizing that poor performance of employees negatively impacts the engagement and retention of others, we'll also continue to focus on building a culture of accountability.

### Performance Indicators

- Increased and sustained employee engagement and job satisfaction.
- Increase in retention.
- Increase in employee satisfaction with accountability.

# GOAL 3. ORGANIZATIONAL EFFECTIVENESS AND EFFICIENCY

**Operate a highly effective and efficient organization that continuously evaluates internal processes and embraces change to increase our value to the Army.**

**Goal Overview**

The intent of our organizational effectiveness and efficiency strategic goal is to ensure that Agency internal capabilities are as effective and efficient as possible. This includes our auditing end-to-end processes, operations support, and organization structure. Our strategic objectives and performance goals in this area are aimed at continuous process improvement of our internal business processes and maximizing our resources. We must continually seek to improve to ensure that we're performing our mission and meeting the needs of our Army clients within the resources given to us. This is our longstanding focus.

## OBJECTIVE 3.1. AUDIT PROCESS AND DELIVERY TIME

**Significantly reduce time to complete audits by rethinking and revising how we do our work.**

**Performance Goals**

**3.1.1.** Establish a more robust planning process.

**3.1.2.** Eliminate unnecessary fieldwork/documentation steps.

**3.1.3.** Speed up the reporting process.

**3.1.4.** Eliminate unnecessary administrative tasks.

**Key Strategies**

In an ever evolving Army environment, we must provide solutions more quickly to our Army clients and stakeholders. Achieving this will require changes in our work culture and innovative execution, particularly within our audit planning, documenting, and reporting processes. We plan to conduct an end-to-end review of our current audit process to identify and eliminate non-value-added activities performed by audit teams as part of the audit or in support of operations. As part of this process, we'll refine our audit planning process to better incorporate our Strategic Audit Planning Office. We'll use government auditing standards and Defense guidance as benchmarks for identifying and removing, where acceptable, nonmandated requirements within our internal audit policies. We'll identify and benchmark the reporting processes of Defense and other private organizations for producing reports. Our goal is to ensure

Army clients receive actionable results in a more timely manner, thereby allowing Army organizations to more quickly realize savings and other benefits we identify.

Further, we'll identify and eliminate functions or tasks that take away time from conducting our audit mission. Areas for review will include, but aren't limited to:

- Annual mandatory training.
- Data entry for our time attendance and production systems.
- Agency leadership meetings.

Our Employee Council will also assess how additional responsibilities assumed by auditors, such as course instruction, recruiting, mentoring, facilities management, and acting as power users, impact delivery time of the audit mission.

**Performance Indicators**

- Increase in audits with draft report delivered within the target elapsed days.
- Percentage of time charged directly to audits.
- Reduction in audit delivery time of final reports compared to prior year.

## OBJECTIVE 3.2. SUPPORT SERVICES INTEGRATION

**Enhance support operations and create a more integrated support team environment.**

**Performance Goals**

**3.2.1.** Improve interrelationships by defining agency mission support end-to-end-processes.

**3.2.2.** Introduce and educate the workforce on the function, role, and responsibilities of the individuals of the support team.

**3.2.3.** Leverage DoD and Army centralization efforts while maintaining our critical capabilities.

**3.2.4.** Improve information technology.

**3.2.5.** Optimize support operations structure.

**Key Strategies**

We wouldn't be able to meet our mission without the support of our Operations Directorate. This team of dedicated technical experts supports the Agency's information technology, budgetary, workforce management, training, facility, security, and knowledge management requirements. These functions are essential to maintaining efficient operations and must interrelate effectively with one another. We'll outline the Agency's operations support from an end-to-end processes perspective to establish clear lines of responsibilities of the support staff and to eliminate, based on cost drivers, redundant and non-value-added activities. Once this is completed, we'll develop a

communications plan for mission support operations to promote greater use of knowledge and information sharing both internally and throughout the Army and auditing communities.

Similar to Defense and Army, we look to centralize and consolidate functions in an effort to achieve efficiencies in the area of information technology. We'll continuously monitor centralization efforts to be implemented affecting mission support capabilities DoD-wide and Armywide, and to the maximum extent possible, leverage these integrated efforts. However, our activities won't disregard support functions determined critical to our infrastructure. Those will remain internal to the Agency.

Improving information technology involves multiple layers. In the near-term, we'll modernize our system, both on the front end (desktop) and back end (network), to advance the availability and security of our technology assets. This will involve replacing and reimaging computers with updated software and applications, and updating our communications links. With the assistance of our engineers and customer service representatives, we'll ensure availability and continuity of critical applications, like TeamMate, ACL, and SharePoint, to carry out our audit mission.

Overall, we seek to maintain an environment of continuous process improvement within our support services operations structure. To this end, we'll benchmark support operations across DoD, Army, and private organizations for the best alternatives for meeting mission requirements.

## OBJECTIVE 3.3. ORGANIZATION STRUCTURE

**Continuously assess organizational structure.**

### Performance Goals

**3.3.1.** Be prepared to adjust organizationally in response to future DoD/Army changes.

**3.3.2.** Assess the concept and structure of audit team staffing to maximize use of personnel and service delivery.

### Key Strategies

As an integral part of the Army team, change is inevitable. We've experienced significant personnel cuts as directed by HQDA. And, over the course of the FYs 16–19 timeframe, our Agency will implement changes made to its organizational structure in response to the Comprehensive Review of HQDA operations. We'll use lessons learned from these activities to adjust and formalize processes and criteria, such as the best strategies for defending our resource requirements, for use during future organizational changes.

Changes to the Agency structure that resulted from the HQDA reorganization gives us the opportunity to explore innovative methods for maximizing use of personnel for conducting and completing audits. We'll evaluate the effectiveness of the flex team structure, sharing best practices across teams and directorates. We'll examine the potential for conducting a test pilot for pooling staff across functional audit teams to also perform full-program audits. We'll then determine the feasibility of full implementation based on its impact on metrics, such as audit delivery time, magnitude of results, customer satisfaction, and employee satisfaction. We'll also inventory Agency personnel for subject-matter experts and assess the viability of using these individuals for various audits within and across functional audit teams.

# GOAL 4. STRATEGIC COMMUNICATIONS

## Maintain open lines of communication and project a distinctive, professional image that delivers our message throughout the Agency and across the Army.

**Goal Overview**

The intent of our strategic communications strategic goal is to:

- Establish an optimal framework for consistent information activity to internal and external audiences.
- Build distinguishable and recognizable trust and credibility, and increase our presence in the Army and Defense communities.

Our strategic objectives and performance goals in this area center on providing accurate and meaningful information to our workforce and throughout our intended audiences in the Army and DoD. Effective communication remains one of our top priorities, as it is essential to the success of our Agency. Every aspect of our organization revolves around effective communication. We must improve the quality and integration of communication from the top down, across audit and support staff, and from the bottom up. We must embrace continued efforts to institutionalize communication processes and practices at all levels. As we continue to increase our presence within the Army community, we must continue to provide transparent and multidirectional communication while delivering a unified message.

## OBJECTIVE 4.1. INTERNAL COMMUNICATION

### Manage internal communications to fully engage all team members.

**Performance Goal**

**4.1.1.** Synchronized information flow to communicate the appropriate message through the right medium to achieve the intended outcome.

**Key Strategies**

Within our Agency we use several means to internally communicate, including blogs, emails, SharePoint sites, Staff Notes, newsletters, town hall meetings, sensing sessions, and surveys. We'll enhance our internal communication by establishing an effective and efficient system for crafting and disseminating information. We'll accomplish this first by initiating focus groups with our employees to learn which communication methods work best for our organization and to identify concerns with current information flow processes. After benchmarking the strategic communication methods and strategies of other public and private organizations, we'll determine the most

appropriate ones for sharing information and streamline when necessary. Lastly, we'll develop a matrix that captures information, triggering events, media used, and timing for historical reference and for establishing metrics.

## OBJECTIVE 4.2. EXTERNAL COMMUNICATION

**Manage external communications to fully maximize our relevance within the Army.**

### Performance Goals

**4.2.1.** A recognizable and distinguishable brand that effectively articulates who we are, what we do and how we want to be viewed.

**4.2.2.** Manage information delivery to meet client needs and preferences.

**4.2.3.** Obtain meaningful and regular feedback on the value of our services.

### Key Strategies

We strive to be the first resource the Army calls upon for providing solutions to its challenges. Branding is a mechanism by which we intend to increase confirmation of our credibility, create loyalty, and further connect with our clients. We'll build our corporate and employer brands by defining our organizational identity, values, and perceived reputation, as well as by determining our brand's objective. We'll conduct market analysis to develop an optimal branding strategy that considers our various audiences, including Army clients, prospective employees, and the public. Once established, the key will be incorporating our brand into Agency materials and media (that is, our Web site, recruiting materials, engagement venues, and organizational products and reports) appropriately to provide a consistent and focused message.

With the numerous types of communication systems and methods available for sending and receiving information, we must organize and administer communications to achieve what our Army clients expect. We'll review and baseline the style and format of our reporting products, such as audit reports, information papers, and briefing packages, to our audiences' needs and preferences for information delivery, as well as their satisfaction with the products we provide. As part of this process, we plan to benchmark our information delivery against public and private auditing organizations.

As a service-oriented organization, we rely heavily on clients' input to improve our services. Although consistent with industry standards, we want to increase the response rate of the feedback we solicit through our client satisfaction program. So, beginning in FY 17, we're redesigning our client satisfaction program to obtain greater input and feedback. Specifically, we'll focus more on corporate and operating directorate levels for input on our information delivery (timeliness and reporting methods), the effectiveness of our audit staff, and using our services in the future. As part of this program, we'll identify best methods, through benchmarking, for attaining feedback for future incorporation.

# CORPORATE PERFORMANCE MEASURES

Identified are 17 performance metrics from our operating activities, aligned with the strategic goals and objectives in this plan. We incorporate a three-level scoring system to measure progress toward meeting organizational goals and objectives.

**Level I:** **Exceptional**—Exceeds expected performance.
**Level II:** **Satisfactory**—Achieves intended performance.
**Level III:** **Insufficient**—Performance is below minimum expectations; improvement is needed.

Our corporate goal is to achieve Level I for all performance measures. This measurement system is designed to set targets to help translate the accomplishments of this plan, enhance feedback and learning, and focus priorities.

| Measure | Performance Levels | | |
|---|---|---|---|
| | Level I | Level II | Level III |
| **Valued Service** | | | |
| **1.1.1. Audit Planning**<br>Percentage of audits started by agreed-to date in the Army's Internal Audit Plan. | 80% | 70% | Less than 70% |
| **1.1.3. Corporate Engagement**<br>Composite score from client satisfaction surveys related to client engagement. | 80% | 70% | Less than 70% |
| **1.2.1. Service Satisfaction**<br>Overall score from client satisfaction surveys. | 80% | 70% | Less than 70% |
| **1.2.1. Recommendations Implemented**<br>Percentage of past recommendations implemented within 2 years of the fiscal year in which report was issued. | 80% | 70% | Less than 70% |
| **1.2.2. Return on Investment**<br>Ratio of monetary benefits agreed to by Army clients to the annual operating budget. | $15 to $1 | $7 to $1 | Less than $7 to $1 |
| **1.2.2. Monetary Benefits**<br>Percentage of final reports issued that identify monetary benefits compared to prior year's overall results. | 3% increase | 1.5% increase | Less than 1.5% increase |
| **1.2.2. Benefits Realized**<br>Percentage of formal monetary benefits realized. | 70% | 60% | Less than 60% |
| **1.2.3. Army Priority Focused**<br>Number of audits in which we issued the draft report by the milestone agreed to at the 60% in-process review. | 70% | 65% | Less than 65% |

| Measure | Performance Levels | | |
|---|---|---|---|
| | Level I | Level II | Level III |
| **Professional Workforce** | | | |
| **2.1.3. Diversity**<br>Composite score from workforce survey questions related to diversity and inclusiveness. | 80% | 70% | Less than 70% |
| **2.4.1. Workforce Engagement**<br>Composite score from workforce survey questions related to job satisfaction and workforce engagement. | 80% | 70% | Less than 70% |
| **2.4.1. Corporate Performance**<br>Percentage of corporate performance measures where we exceeded expected performance (Level I). | 80% | 70% | Less than 70% |
| **Organizational Effectiveness and Efficiency** | | | |
| **3.1.3. Reduce Delivery Time**<br>Percentage reduction in audit delivery time of final reports compared to prior year's overall results. | 4% decrease | 2% decrease | Less than 2% decrease |
| **3.1.4. Direct Time**<br>Percentage of total Agency time directly charged to audits. | 80% | 70% | Less than 70% |
| **3.2.1. Support Functions**<br>Composite score from workforce survey questions related to how well internal support functions help employees get the job done. | 80% | 70% | Less than 70% |
| **Strategic Communications** | | | |
| **4.1.1. Internal Communications**<br>Composite score from workforce survey questions related to internal communications methods achieving the intended outcome. | 80% | 70% | Less than 70% |
| **4.2.2. Information Delivery**<br>Composite score from client satisfaction surveys related to timeliness of information delivery, audit team effectiveness, and fair and balanced reporting. | 80% | 70% | Less than 70% |
| **4.2.3. Client Response**<br>Percentage of response rates from client satisfaction surveys. | 60% | 50% | Less than 50% |

# U.S. Army Audit Agency
# Strategic Plan
# FYs 17–21

# Providing Solutions for Army Challenges

**U.S. Army Audit Agency**

**6000 6th Street**

**Fort Belvoir, VA 22060-5609**

**https://www.aaa.army.mil**