

ASMC/Grant Thornton 2010 Survey

In-Person Questionnaire for Defense Financial Officials

Name, title and organization of person interviewed:

Name of interviewers:

Date:

Enter survey notes at (insert location)¹

Survey director: VADM Lou Crenshaw, USN (Ret.), Executive Director, Grant Thornton LLP

Questions about:

- **Interview scheduling?** Cassandra Montgomery, cassandra.montgomery@gt.com
- **Notetaking:** Steve Clyburn, steve.clyburn@gt.com

Since 2003, the American Society of Military Comptrollers (ASMC) has sponsored an annual survey of Department of Defense (DoD) and Uniformed Services executives and managers on their opinions of trends and prospects in financial management. As we have for the past 6 years, Grant Thornton LLP is supporting the ASMC survey by doing interviews and preparing the survey report. ASMC and Grant Thornton design these surveys to identify and describe emerging issues in financial management. For purposes of this survey, the term financial or financial management includes both budget and accounting disciplines.

Interviewees. In this in-person survey, we will interview financial executives of major DoD and Military Service components. We may also interview executives from the financial management oversight community. In a separate on-line survey conducted through the ASMC website, we will survey ASMC members on some of the issues in this questionnaire.

Topics. Earlier ASMC surveys focused on issues such as professional development, PPBES, ERPs, the workforce and financial statements. This year we are focusing on issues facing the financial community that are related to supporting the warfighter.

Anonymity. ASMC does not attribute thoughts and quotations to individual interviewees in the final survey. This preserves anonymity and encourages interviewees to speak freely.

Prior surveys. ASMC financial leader surveys from prior years may be found at www.asmc.org or www.grantthornton.com/publicsector, under Global Public Sector Publications.

¹ This year, we are going to enter survey notes directly online, using the same system as we used for online surveys in the past.

ASMC 2010 In-Person Questionnaire for Top Financial Officials

A. PPBE support to the warfighter

With PPBE, DoD increased its emphasis on program performance and results. Budget execution and performance reviews should allow DoD to assess the allocation of resources and determine whether the Department is achieving its planned performance goals against budget estimates.

The following questions will help determine how well ASMC members and leaders in the DoD financial management community think PPBE contributes to various functions.

1. How effective is the current PPBE system in supporting to the following tasks of the DoD or Military Services? Please answer on a scale of 0 to 4, with 0 being “not at all effective” and 4 being “very effective.”

Questions	Effectiveness Score					
		Not at all		Somewhat		Very
1.1 Budgeting for joint programming	N A	0	1	2	3	4
1.2 Communicating requirements to Congress	N A	0	1	2	3	4
1.3 Controlling cost growth in acquisitions	N A	0	1	2	3	4
1.4 Measuring and reporting performance	N A	0	1	2	3	4
1.5 DoD portfolio management	N A	0	1	2	3	4
1.6 Budgeting for overseas contingency operations (OCO)	N A	0	1	2	3	4
1.7 Execution of funds supporting OCOs.	N A	0	1	2	3	4

2. What do you consider the best attribute of PPBE? What is the worst?
3. If you could change one thing about PPBE, what would it be?

B. Transitioning warfighter from supplemental funding to baseline budget

FY 2010 and forward year budget policy is to transition funds used in OCOs from supplemental to base budget funding.

- 4. What are the lessons learned from the past several years of major supplemental funding for OCOs?
- 5. From a financial management perspective, what will be the important issues to consider as DOD transitions from supplemental to base funding for OCOs?
- 6. What can the DoD financial community do to ease the transition from supplemental to base funding for OCOs?
- 7. What can the DoD financial community do to enhance support to uniformed and civilian financial personnel deployed in OCOs?

C. People supporting the warfighter

8. The financial workforce

8.1 Insourcing and hiring. Has the Defense community as a whole outsourced or contracted out with the private sector too much of its financial management work (e.g., financial services, reporting, audits or information technology)?

- Yes
- No
- Other _____
- Don't know/does not apply

Comment:

8.1.1 Does your financial organization outsource or contract out financial management work to the private sector?

- Yes
- No
- Other _____
- Don't know/does not apply

Comment:

8.1.2 Has your financial organization outsourced or contracted out too much of its financial management work?

- Yes
- No
- Other _____
- Don't know/does not apply

Comment:

8.1.3 What effect do you expect recent initiatives to insource or hire more financial personnel to have to your financial workforce?

8.1.4 DOD plans to increase its in-house acquisition workforce by converting 11,000 contractor personnel to government positions and hiring an additional 9,000 government personnel by 2015. What financial skills or competencies should the new acquisition workforce have?

- a) Cost/price analysis
- b) Make/buy analysis
- c) Life cycle costing
- d) Modeling and simulation
- e) Financial management
- f) Auditing
- g) Other _____

8.1.5 Do you expect to start insourcing finance-related acquisition work within the next two years?

- Yes
- No
- Other _____
- Don't know/does not apply

8.2 21st century financial workforce. Much has been said about developing a modern financial management workforce within the Defense community.

8.2.1 What do you think will differentiate the 21st century financial professional from the 20th century financial professional? (Note to interviewer: The response does not have to relate specifically to financial management. It could be that the 21st century professional works in a different environment [e.g., in a flat versus a vertical organizational structure]; is much more tech-savvy than before and uses IT tools in new and innovative ways; has a different mindset [e.g., Gen Y]; etc.)

8.2.2 What areas of technical training are most needed in your organization's financial management workforce now and in 2015? Please select the top three skills by putting a check mark in the blank space to the right of a topic. *Do not list more than three topics in each column.*

	Topic	Need now	Need in 2015
a)	Auditing		
b)	Budget analysis		
c)	Budget planning and formulation		
d)	Budget trends and processes		
e)	Controls (internal, management, funds, etc.)		
f)	Cost accounting		
g)	Cost/price analysis		
h)	Economic analysis		
i)	Financial accounting		
j)	Financial management systems		
k)	Financial services		
l)	Forensics		
m)	Internal audit		
n)	IT systems management		
o)	Management (general management skills)		
p)	Performance improvement methods (to increase productivity, efficiency, & effectiveness)		
q)	Procurement & contract management		
r)	Program performance measurement & evaluation		
s)	Risk management		
t)	Strategic planning		
u)	Other (please specify)		
v)	Other (please specify)		

8.2.3 In your financial organization, are there initiatives underway to ensure that financial personnel will have the three most important skills you listed in the question above? Are the initiatives effective? Which initiatives should be continued or discontinued? What new initiatives should your organization introduce?

8.3 Non-financial personnel: What areas of financial training are most needed by your organization's non-financial managers? Please select the top three skills by putting a check mark in the blank space to the left of a topic. *Do not list more than three topics.*

- a) Budgeting
- b) Cost accounting
- c) Cost analysis
- d) Measuring program performance
- e) Risk management
- f) Other (please specify)

8.4 Personnel systems. The Defense Authorization Act of 2010 effectively ended the National Security Personnel System (NSPS). Why do you think that NSPS did not succeed for the financial (0500) series of civilian job classification? Are there positive aspects to NSPS that should be carried over to future personnel systems for the 0500 series?

8.5 Career paths

8.5.1 Does your financial organization have a formal mentor system (or related program) to help prepare financial professionals for the future?

- Yes
- No
- Other _____
- Don't know/does not apply

Comment:

8.5.2 Do financial personnel in your organization have clear career paths for professional advancement?

- Yes
- No
- Other _____
- Don't know/does not apply

Comment:

8.5.3 Do you have a clear path for your own professional advancement?

- Yes
- No
- Other _____
- Don't know/does not apply

Comment:

D. Balanced scorecard

A balanced scorecard is a tool for measuring and managing the activities of an organization, especially those related to strategic goals and objectives. Typically, balanced scorecards cover a small set of important high level measures related to customer satisfaction, finance, internal effectiveness (e.g., operations efficiency, productivity) and innovation (e.g., R&D, percent of budget for new initiatives).

9. As a financial management leader, what important measures would you like to see in the balanced score you use for your financial organization? Please respond for each of the following four categories, and feel free to add your own new categories.
 - a. Customer satisfaction
 - b. Finance
 - c. Internal effectiveness
 - d. Innovation
10. Which finance and financial management measures should be in the balanced scorecard of the top executive in your entity?
11. How can you make financial data more valuable to non-financial managers and commanders?

E. Information technology

12. What would you like the leaders and managers of DoD and Military Service management information systems and services to know about your information needs?

Top concerns

13. Taking into account both your job's professional aspects and effects of it on your personal life, how much do you enjoy your current job?
 - a) ___ Enjoy it a lot
 - b) ___ Enjoy it most of the time
 - c) ___ Mixed feelings about my job
 - d) ___ Most of the time do not enjoy it
 - e) ___ Do not enjoy it at all

14. What are your top three concerns about financial management in government in the future?

15. Over the next 12 to 18 months, how do you see your financial organization focusing its limited resources to address these concerns? Comments: