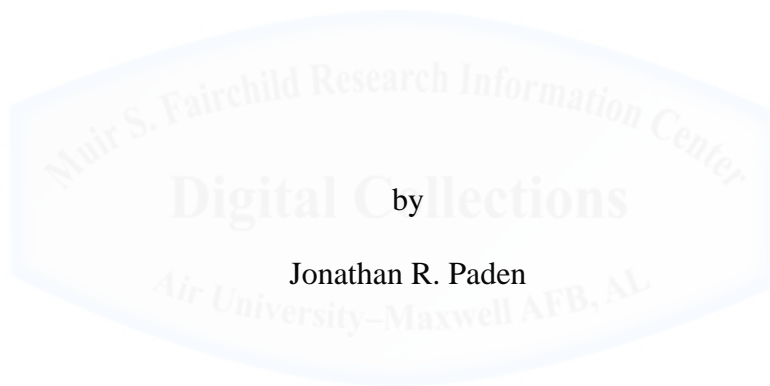AU/ACSC/2018

AIR COMMAND AND STAFF COLLEGE

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FINDING BEST PRACTICES TO IMPROVE THE AIR FORCE POM

A Comparative Analysis of Military Services' POM Processes

by

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ABSTRACT

The Program Objective Memorandum (POM) is at the heart of the Planning, Programming, Budgeting, and Execution system. The POM is the Air Force's most important avenue to properly identify and request resources to operate and acquire capabilities. The Air Force needs to minimize errors in its POM and increase the likelihood of getting the right amount of resources at the right time. The Air Force POM input process has points of confusion, unnecessary complication, and inefficiency. This research paper seeks to improve the Air Force POM input process by examining the POM input processes used by the Air Force, Army, and Navy to determine the current best practices, and by looking at how the Air Force could incorporate the best practices to improve its own process. This research used a case study approach, studying the organizational structures and POM processes of each of the three military services to determine the strengths of each and derive a set of best practices across the services. The research uncovered four best practices: 1) There should be one specific owner or manager of a program resourcing package, 2) Review board recommendations and decisions should be validated at levels working closest to the requirements holders, 3) The service chief and secretary should be integrated into the review process, and 4) A service should use a corporate-like organizational structure similar to those currently employed by the Air Force and Army. The Air Force should implement the first and third best practices, the Army should implement the second, and the Navy should implement the fourth. By incorporating the best practices, the Air Force may improve the accuracy and authority of its POM submission and reduce the time required to produce it.

Introduction

The Department of Defense (DOD) spends a lot of time justifying the need for more resources. It must manage its resources efficiently, maximizing what it has available for its programs. The Planning, Programming, Budgeting, and Execution (PPBE) system is the system the DOD uses to obtain and manage those resources.

At the heart of the PPBE is the Program Objective Memorandum (POM), the most important product the military services have for allocating resources to requirements. The POM represents the DOD's plan for matching a limited amount of resources to requirements, prioritizing programs and attempting to minimize risk in the allocation of resources.[1] It is in the best interests of the military services to follow well-defined processes for building their input to the POM.

The Air Force's process for POM building contains problem areas that introduce unnecessary risk of errors. Unclear organizational roles and parallel work are two such problem areas. For example, poor definition in the roles of the Core Function Leads (CFL) causes overlap with the roles of the Major Commands (MAJCOM), leading to organizational confusion.[2] Work being done by the MAJCOMs and the acquisition program executive offices (PEO) on the same parts of the POM at the same time causes confusion in the Air Force Corporate Structure (AFCS) over which set of inputs is correct. Both of these examples contribute to confusion in the organization and process and will be discussed at a later point in this paper.

The Air Force needs to minimize errors in the Air Force POM and increase the likelihood of getting the right amount of resources at the right time. The Air Force nearly always wants more resources than those which are available, so it must maximize its ability to program resources efficiently.

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The Army and the Navy use different processes for building their POM input. The military services are not required to use a single shared process, and the other services have developed their own processes independent of the Air Force. The Army and Navy processes may also be better than the Air Force process, at least in the areas where the Air Force process has problems, and an examination of them might be beneficial.

This research paper will answer the question, "What best practices can be gleaned from the POM input processes employed by the military services, and how might the Air Force incorporate them into its own process?" A comparison of the service POM processes could reveal best practices that the Air Force can follow to improve its process. Those same best practices may also be beneficial to the other services.

This research paper will use a descriptive case study framework. A case study is "an in-depth examination of a single instance or event," and provides "a systematic way of looking at events, collecting data, analyzing information, and reporting the results."[3] A descriptive case study describes the key players and issues in the case.[4] This research will study three cases, those of the Air Force, Army, and Navy POM processes. It will identify the major players and actions of each case and perform a comparative analysis of the cases to propose a set of best practices.

After exploring the background of the problem, this paper will study each POM input process utilized by the Air Force, Army, and Navy, identifying positive and negative traits of each. Following the case studies, this paper will analyze the results of the case studies by comparing the strengths of each organizational structure and process. This report will conclude by proposing best practices based on the comparison, recommending improvements the Air Force can make to its POM input process, and summarizing the results of the research.

Background

The PPBE and the POM

The PPBE is the system used by the DOD to align requirements and resources.[5] The PPBE is the follow-on to the Planning, Programming, and Budgeting System (PPBS), which was introduced by the Kennedy administration, though the idea dates back to 1942 and the Controlled Materials Plan (CMP) program.[6] The CMP was the first system to effectively align defense industrial capabilities and resources with national strategic objectives.[7] In 1961, then-Secretary of Defense Robert McNamara formalized a multi-year planning and programming system—the PPBS—to accomplish the same idea of aligning defense capabilities and resources with national objectives.[8] This is still the ultimate goal of the PPBE, to bring together requirements, capabilities, and resources in support of US national strategic objectives.

The PPBE uses a four-phase approach to resource allocation. Figure 1 provides a general timeline of the four phases, showing when the phases begin and end for one fiscal year's cycle. The goal of the planning phase is to examine "the impact of capability needs through the mid- and long-term planning periods" and produce strategic guidance documents that reflect the priorities of the military services in alignment with direction from the President, Secretary of Defense (SECDEF), and the Chairman of the Joint Chiefs of Staff (CJCS).[9] The planning guidance gets passed to the programming phase to inform development of the POM. In the programming phase, the services allocate resources to support their roles and missions.[10] The main product of the programming phase is the POM, which is a resource allocation plan covering a five-year time window, though it is developed annually. In the budgeting phase, which often overlaps with the programming phase, the services' budgeteers take the first year of the POM (the "budget year"), add extra detail by "applying accurate pricing factors, such as inflation,

foreign currency, fuel rates, and pay raise percentages," and translate it into the Budget Estimate

Submission (BES).[11] The BES from each service gets rolled into the annual President's Budget

(PB) request, which is submitted to the Congress in February as the President's recommendation

for the federal budget in the upcoming fiscal year (FY).[12] The Congress reviews the PB, makes

changes to it, and formalizes the new budget in law. At that point, the execution phase of the

PPBE begins, when the DOD takes the newly minted budget and spends the funds for the

purposes appropriated by the Congress. But the act of spending is only a small part. The more

important task in the execution phase is to evaluate how well the budget is being spent in

accordance with DOD spending goals and to compare what the DOD said it would accomplish

with the budget to what it is actually accomplishing.[13] The results of the evaluation and

comparison feed back into the other PPBE phases to inform future resource adjustments.[14]
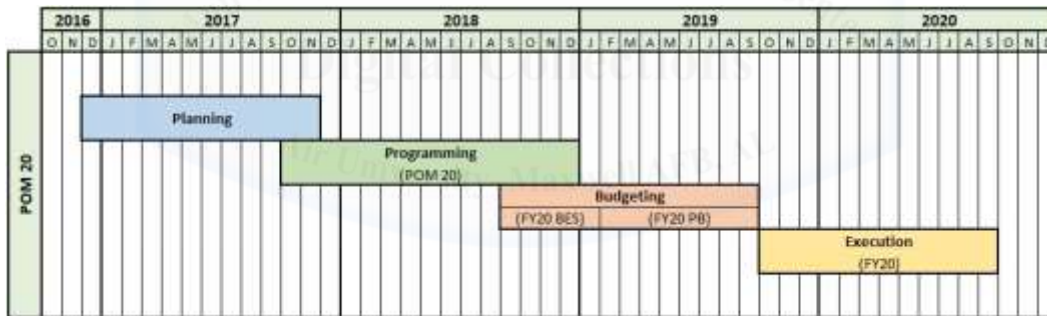
Figure 1. Timeline of one PPBE cycle

The programming phase links the long-term planning to the short-term budget. The POM

is the pivotal product that starts to turn objectives and requirements into resources. In many

ways, the POM is the heart of the PPBE. While the format of the input to the POM is the same

for all the military services, the process to develop that input is not prescribed. Each service is

afforded the ability to use its own process for gathering input from all its organizations and

developing its POM submission; in fact, the process and organization surrounding the POM

input is different for each service, influenced at least in part by the service culture.[15]

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Confusion in the Air Force POM Process

Despite the differences in the services' POM input processes, each of the processes works, meaning they produce acceptable POM submissions supported by service leadership.[16] The Air Force POM input process, however, has points of confusion, unnecessary complication, and inefficiency.

An example of complication and inefficiency is when two organizations develop adjustments to the same part of the POM simultaneously, such as when the MAJCOMs and the acquisition PEOs are both asked to develop their POM adjustments at the same time. These organizations are at different levels of the Air Force hierarchy and look at the same pieces of the POM in parallel. As a more specific example, for the FY20 POM build, the PEOs were asked to develop their POM adjustments for briefing the Air Force Corporate Structure—the organizational structure charged with managing the PPBE process for the Air Force—in February 2018 as a cross-check to the MAJCOMs' POM adjustments.[17] But according to the Air Force's programming timeline, the Air Force had just finished establishing the POM baseline by the end of January, which did not allow the MAJCOMs nearly enough time to complete their POM adjustments so the PEOs could recommend adjustments in turn.[18] The result was the MAJCOMs and the PEOs each developed their own set of POM adjustments in parallel. Sending two different sets of POM adjustments covering the same set of programs to the AFCS introduced a level of uncertainty and caused additional unnecessary work for the AFCS, as it had to reconcile the two sets of adjustments. Having the PEOs and the MAJCOMs work on POM adjustments in parallel produced inefficiency in the Air Force POM process and increased the risk of inaccuracy in the recommended POM adjustments.

Another example is one of confusion in the Air Force POM input process. Some of the organizational roles are unclear, leading to confusion between organizations involved in the process. Specifically, the role of the CFLs was poorly defined when they were introduced to the programming role in the AFCS, which added confusion to the POM development process.[19] The CFLs were on the hook to provide the investment portion of the POM submission to the AFCS, while the MAJCOMs retained the work of providing the operations and maintenance (O&M) portion of the POM submission. However, splitting the POM inputs into two pieces with different ownership just added "confusion to how MAJCOM resources are programmed."[20]

Complications and inefficiencies add both time and risk to getting the POM data right before the Air Force completes its POM submission to the DOD. One might think that having two different organizations work on a part of the POM input in parallel would reduce the time required to complete the process. Instead, it adds time later in the process for reconciling the two different inputs and drives additional communication back to both organizations to address any areas of confusion and double-check the accuracy of the reconciliation. Any increase in confusion or uncertainty translates into an increased risk of inaccuracy in the POM data.

The POM is the Air Force's most important avenue to properly identify and request resources to operate and acquire capabilities. It includes both manpower and money and covers a five-year period, which makes the POM ideal for addressing the acquisition of capabilities. The ability to program resources several years into the future provides a level of stability and confidence that resources will be available to finish an acquisition when it begins.

The Air Force needs to produce an accurate, error-free POM submission so its programs will have the resources needed to support smooth operations. If the Air Force takes away too much money from a program in the POM, the program may experience delays and cost

increases. If the Air Force adds too much money to a program in the POM, the program may be forward financed, execute funds well below the Office of the Secretary of Defense (OSD) goals for financial execution, and come under undue scrutiny by OSD and the Congress. Such scrutiny often includes unwanted help in the form of budget reductions or Congressional marks. For example, the FY18 POM included too much money in FY18 for a new research and development (R&D) program for the C-17 aircraft. The program's plan to spend the funds fell well short of the OSD execution goals, indicating the program was forward financed. When the Congress appropriated the DOD's funds for FY18, it included a Congressional mark against the C-17's R&D funds, declaring $6.1M as "excess to need" and removing the amount from the C-17's funding request.[21] The Congressional mark had the undesirable side effect of preventing the Air Force from reallocating any additional FY18 funds to the other C-17 R&D programs. While the intent of the budget reductions and Congressional marks are to help bring the financial execution more in line with the OSD goals, they can perturb the program's plans and cause additional re-work for the program management.

Air Force POM Development

Organizational Structure and POM Input Process

The Air Force employs a highly structured organizational model to manage its POM input process. While structured, the organization is also largely decentralized, in that much of the work and decision-making is done by different entities (e.g., offices, groups, and boards) in the organization. The organizational structure, known as the Air Force Corporate Structure, is designed for "increasing corporate participation and review."[22] Figure 2 illustrates the structure of the AFCS.
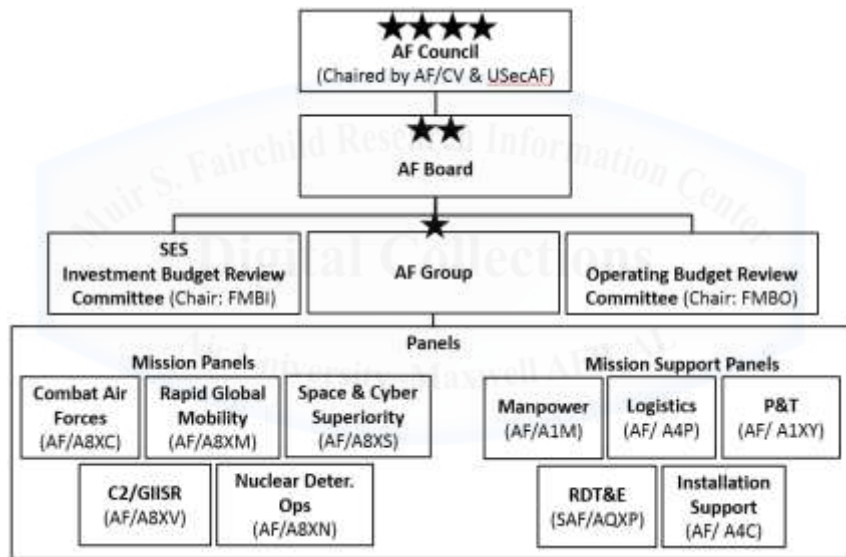
Figure 2. The Air Force Corporate Structure. (Reprinted from Headquarters, United States Air Force, *Planning, Programming, Budgeting and Execution System Training Program, Reference Manual*, Assistant Secretary of the Air Force [Financial Management and Comptroller], Directorate of Programs, Spring 2016, accessed 19 May 2018, http://afacpo.com/AQDocs/PPBE.pdf, 43.)

The Air Force's POM input process actually starts with the MAJCOMs, CFLs, and Program Element Monitors (PEM), which technically are below the AFCS. The MAJCOMs are responsible for submitting POM input for O&M requirements; the CFLs are similarly

responsible for submitting POM input for investment requirements.[23] The MAJCOMs and CFLs have the opportunity to rebalance program shortfalls and excesses within their portfolios in an attempt to internally fix the programs. Then they submit their POM input to the Air Force panels for consolidation, review, and revision and each PEM, who represents a portfolio of program elements, briefs the panels on funding requirements and potential issues within that portfolio.[24]

The Air Force panels are the bottom-most level of the AFCS. There are five mission panels and five mission support panels. The mission panels are aligned with the Air Force's core competencies, and the mission support panels are aligned with the Air Force's core support functions.[25] The panels act as the initial entry point to the AFCS. Once they receive the POM input from the MAJCOMs, CFLs, and PEMs, they consolidate and cross-check the data and work together to solve issues that cross core function boundaries, balance resources across all the panels, and ensure the POM is consistent with Air Force planning and programming guidance.[26]

When the MAJCOMs and CFLs are close to completing their initial sets of input, the panels seek input from the acquisition PEOs regarding what changes need to be made to the POM to resolve program shortfalls and excesses and fix their programs' financial execution.[27] This often involves rebalancing programmed funds within each PEO's portfolio. This set of input acts as a cross-check to the input the MAJCOMs give to the panels. This data collection phase culminates in a tri-chaired Spring Program Review in which the PEOs brief their recommended POM changes to the Office of the Deputy Assistant Secretary for Acquisition Integration (SAF/AQX), the Office of the Deputy Assistant Secretary for Budget (SAF/FMB), and the Programs division of the Office of the Deputy Chief of Staff for Strategic Plans and Requirements (AF/A8P), and the tri-chair approves some or all of the recommendations and

forwards them to the panels for consideration.[28] After the panels consolidate all the data into one integrated POM, they send it up the AFCS chain.

Above the panels, the AFCS includes three distinct levels of review boards to gather input, field questions, and resolve issues: the Air Force Group (AFG), the Air Force Board (AFB), and the Air Force Council (AFC). All three boards provide the same basic function at different levels of seniority and breadth, taking three different opportunities to address issues with the POM data. Once the panels have completed their adjustments to the POM, they present the POM to the Air Force Group, which "provides the initial corporate-level review of the integrated Air Force program."[29] The AFG is comprised of colonel (O-6) and equivalent decision-makers from many of the Headquarters Air Force and Secretary of the Air Force staff offices and each MAJCOM.[30] The AFG reviews the integrated POM and the panels' decisions, taking into consideration current Air Force guidance, then analyzes the issues presented by the panels and recommends solutions to the issues.[31] At this point, the AFG has taken configuration control of the POM, so it consults with the panels, CFLs, and MAJCOMs before finalizing its recommendations, but ultimately the AFG decides which changes to integrate into the POM.[32]

After the AFG completes its review, the POM moves on to the second review board, the Air Force Board. The AFB performs much the same process as the AFG and is comprised of "one and two star or equivalent functional representatives."[33] It reviews the POM and the AFG recommendations, consulting with the MAJCOMs, CFLs, and panels as it develops its own recommendations.[34] The AFB also attempts to resolve the issues brought to it by the AFG and provides further feedback to the AFG for review, as well as its recommendations for consideration and integration into the POM.[35]

Once the AFG has integrated the recommendations from the AFB, the AFG submits the

POM to the third and final corporate decision-making board, the Air Force Council. Its

membership comes from the Deputy Chief of Staff and Assistant Secretary level with

representation from select Directorates.[36] The AFC reviews the decisions and recommendations

of the AFB, as well as "Air Force plans, objectives, and policies."[37] If the AFB had any

unresolved issues, the AFC attempts to resolve them. The AFC recommends changes to the

POM, but this time the recommendations are designed for the SECAF and the CSAF.[38] At this

point, the panels, MAJCOMs, and CFLs get an opportunity to appeal any decisions or

recommended changes that made it through the AFC.[39] The AFC receives the appeals and

decides whether or not the appeals are justified, then makes the appropriate changes.[40]

Once the AFC approves the POM, it goes to the Secretary of the Air Force (SECAF) and

the Chief of Staff of the Air Force (CSAF) for review and final approval.[41] Though technically

not part of the AFCS, the SECAF, the CSAF, and their subordinates are the only people with

binding decision-making authority. Decisions made by the AFCS are not binding; it serves an

advisory role only.[42] The SECAF and the CSAF review the POM with the AFCS decisions and

recommendations integrated into it. If they disapprove it, they send it back to the AFCS with

appropriate feedback.[43] The SECAF and the CSAF hold final approval authority over the POM.

Finally, when the SECAF and CSAF approve the POM, it goes back to AF/A8P, the

owner of the POM integration process. AF/A8P prepares the POM brief and memo for OSD and

works with SAF/FMB to transfer the Air Force POM submission to OSD and to the budgeting

phase of the PPBE.[44] A very detailed listing of the Air Force POM process' steps can be found in

AFGM 2018-90-01, *Air Force Strategy, Planning, Programming, Budgeting and Execution*

(SPPBE) Process.[45]

Strengths and Weaknesses of the Organization and Process

There are at least three strengths in the way the Air Force develops its POM submission. First, the AFCS includes wide representation from across the Air Force, making it ideal for resolving Air Force-wide issues because the large number of viewpoints available to the AFCS allow it to pick the best from a range of solutions while also recognizing secondary effects of the solution. The AFCS panels and lower two boards consist of members from the Air Force organizational management (Office of the Secretary of the Air Force, or SAF), functional management (Headquarters Air Force, or Air Staff), and user community (the MAJCOMs).[46] The AFC includes the Vice and Deputy Chiefs of Staff and the Assistant Secretaries, as well as participation from select Directorates.[47] The panels contain expertise in each of the Air Force's core competencies and core support functions, and regularly consult with the MAJCOMs, CFLs, and PEOs. This organizational structure encourages the participation of many stakeholders across the Air Force. The participants bring together a range of experience and viewpoints at each level of review, deepening the AFCS' ability to solve large problems, which is particularly useful when trying to balance a limited set of resources via the POM to meet the needs of the Air Force as a whole. The Office of the Deputy Assistant Secretary for Programs (SAF/FMP) referenced this same strength in the Air Force's PPBE reference manual when it noted that "the AFCS serves as the forum for the resolution of major issues affecting the entire Air Force."[48]

Second, the Air Force process includes multiple levels of corporate review and requires validation of the recommended adjustments by the CFLs and panels, allowing opportunities to appeal the recommendations. The POM submission is a critical product and should have the right mix of the right people reviewing it, from the bottom of the corporate structure up to the top of the organization. But having too many people reviewing it at the same time, especially in the

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same meeting, could be detrimental to the process. Using multiple review boards allows a large number of people to look at the POM data, ensuring it is thoroughly reviewed from multiple perspectives while also allowing the boards to maintain their focus. As the POM advances through the corporate ranks, it gets reviewed by people who are closer to the sources of the planning and programming guidance and are better able to understand and apply that guidance to the resource allocations in the POM. The AFC in particular ensures the POM is compliant with strategic guidance.[49] An important feature of the way the AFCS performs its reviews is each review board is responsible for validating their recommendations with the CFLs and the panels before sending the POM and their decisions up to the next level.[50] Checking back with the bottom of the organizational structure allows the people closest to the working level provide feedback on whether the recommendations are realistic and viable, or if they may have any unintended consequences or side effects.

Third, the process is designed to be open and inclusive, enabling participation and accountability.[51] Instead of trying to hide the programming process inside a single organization, the Air Force has opened the process up to a wide array of players. The process includes input, reviews, and cross-checks from organizations representing all Air Force core competencies and core support functions at multiple levels of senior leadership. Every MAJCOM, and nearly every directorate from SAF and Air Staff, participate at some point in the process. Even the high-level decisions can be reviewed and appealed by the lower-level players. For example, the Fall Program Review, which is similar to the Spring Program Review between the PEOs and the tri-chair of SAF/AQX, SAF/FMB, and AF/A8P, is held after the Air Force POM has been published and provides an opportunity for the PEOs to request last-minute changes before OSD locks the Air Force POM submission. The large number of people involved in the AFCS fosters

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accountability in the process: accountability to each other, to accuracy and correctness of data, and to Air Force strategic guidance.

All three strengths are related to the large number of Air Force organizations that take part in the POM development. The diversity of experience, expertise, and views among the participants contributes to a corporate structure able to tackle Air Force-wide issues and produce a refined POM submission.

The Air Force's organizational structure and process also have at least two weaknesses. First, the panels require input from multiple sources per program. There is no single source to go to for a program's input. Because the MAJCOMs provide the input for the O&M funds and the CFLs provide the input for the investment funds, any program with both investment and O&M funding will be submitted as two separate inputs to its panel. For an acquisition program, the panel also reaches out to the PEO for input. The panel must integrate the different pieces that make up the whole program and ensure the MAJCOM and CFL's input agrees with the PEO's input. When recommendations and questions come back from the review boards about a program, the panel for that program cannot reach out to any one person or organization responsible for the whole of the program for one answer. If it receives multiple answers, the panel must integrate them and ensure the answers make sense across the entire program. The panels end up ensuring the data within each program remains consistent, a role which would be better suited to another person or organization.

Second, there is no primary integrator working with the panels to ensure the POM input is optimally integrated before the POM submission goes to the AFG. The ten panels perform the task of integrating all the portfolios' POM input into one single POM submission and making the initial attempt at balancing all the programs' resource requests in accordance with the planning

and programming guidance. That is a lot of organizations with a lot of data to integrate and balance without the assistance of a mediator. A mediator could offer an outside viewpoint, as it would not be invested in any specific part of the POM submission and could help keep discussions and negotiations focused and on track. A mediator could also be the expert on the current planning and programming guidance, to help ensure the POM has the best balance possible during the integration process. A well-balanced POM should take less time to get through the review boards.

Both weaknesses stem from a lack of focus on both the bottom end of the organizational structure and the initial process of integrating POM data. Certainly, the job is being accomplished with the current organization and process, but it could be improved by addressing these weaknesses.
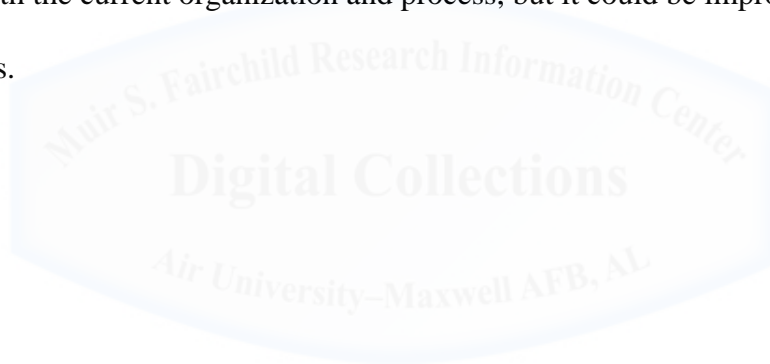
Army POM Development

Organizational Structure and POM Input Process

The Army employs a highly structured organizational model to manage its POM input process. Unlike the Air Force, the Army does not have a name for this structure. However, the Army structure has many similarities to the Air Force structure, including having multiple review boards that work on the POM input sequentially. Figure 3 outlines the Army's organizational structure that manages its POM input.
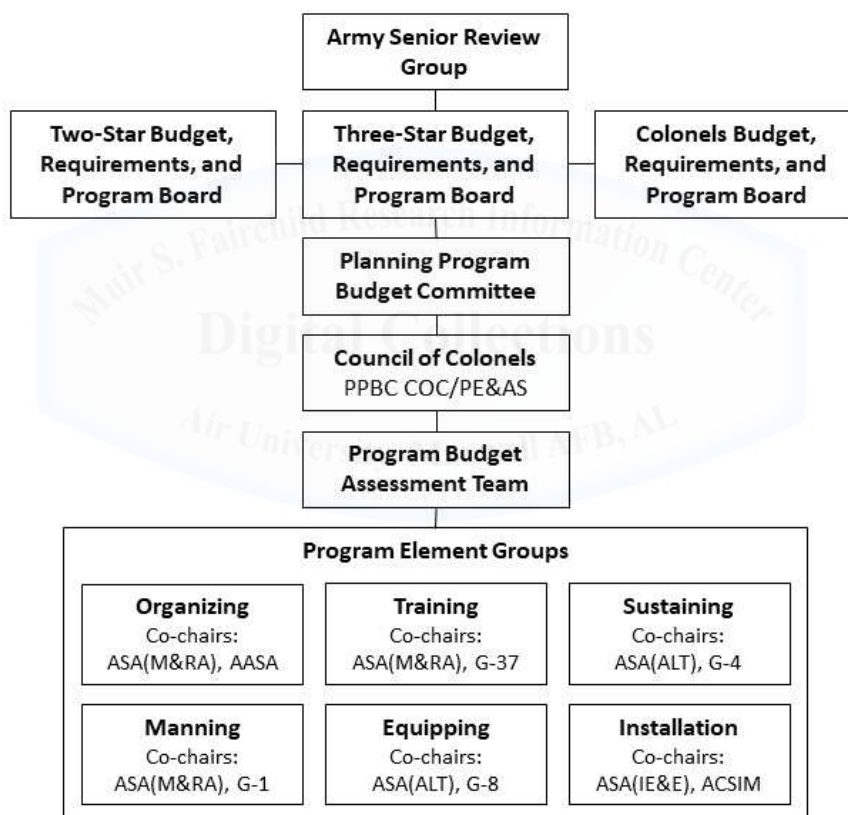

Figure 3. The organizational structure that manages the Army's POM input

The Army's POM input process starts with the Management Decision Packages (MDEP), which contain the programmatic requirements and justifications for specific Army programs, and "are the building blocks for the POM."[52] Each MDEP has a manager assigned to it who is

responsible for the functional and programmatic integration of the program in the MDEP. Each MDEP is aligned to one of the six Army functions found in Title 10 of the US Code (USC), and therefore is assigned to the Program Evaluation Group (PEG) representing that function.[53] After the Army commands complete their MDEP adjustments, which are integrated by the MDEP managers, the MDEPs move on to their assigned PEGs for evaluation.[54] The PEGs form the bottom of the Army's organizational structure. There are six PEGs, each aligned with the one of the six Army functions outlined in 10 USC: manning, organizing, training, equipping, sustaining, and installations.[55] Functionally similar to the Air Force's panels, the PEGs are the foundation of the Army's POM process; they handle the bulk of the resource balancing within each Army function.[56] The PEGs review the data in each of their MDEPs, validating the requirements and adjustments. Then they integrate the data from all their MDEPs, being careful to keep the overall numbers in balance, as they are ultimately responsible for producing a balanced PEG POM recommendation.[57]

A working-level forum called the Program Budget Assessment Team (PBAT) sits between the PEGs and the next level of review. Once the PEGs complete their adjustments, they work with the PBAT for the first cut at resolving low-level resourcing issues arising from integration of the PEGs' POM input. The PBAT reviews the POM data and any decisions or recommendations made by the PEGs, then attempts to resolve the low-level issues.[58]

For issues it cannot resolve, the PBAT prepares recommendations and presents them to the Planning Program Budget Committee Council of Colonels/Program Executives and Appropriation Sponsors (PPBC COC/PE&AS), which is the precursor to the first formal level of review. This group, also known as the Council of Colonels (COC), acts as a gatekeeper to the full Planning Program Budget Committee (PPBC). All resourcing issues headed to the PPBC

must go through the COC first. For the issues presented by the PBAT, the COC attempts to resolve some of them at its level. For the other issues, it frames the issues and recommendations, packaging them into proposals for presentation to the PPBC.[59]

The first full corporate-like review is done by the Planning Program Budget Committee. The PPBC takes the proposals—the issues and recommendations—and reviews them with the POM data, recommends adjustments, and resolves issues within its authority. At this point, the PPBC manages the POM data and the review process. Instead of submitting the full POM and all recommendations to the next levels of review, the PPBC only presents the issues it could not resolve, along with its recommended solutions, for their consideration or approval.[60]

The next levels in the organizational structure are the three Budget, Requirements, and Program (BRP) Boards: the Colonels BRP Board, the Two-Star BRP Board, and the Three-Star BRP Board. Each board is successively more senior than the previous. The PPBC presents its issues and recommendations to the Three-Star BRP Board for its consideration or approval. While considering the issues, the Three-Star BRP Board may refer some issues to the Two-Star or the Colonels BRP Boards to expedite resolution. The BRP Boards send their decisions back to the PPBC for integration into the POM.[61]

Above the BRP Boards, and at the top of the organization, is the Army Senior Review Group (SRG), which is chaired and vice-chaired by the Secretary of the Army (SECARMY) and the Chief of Staff of the Army (CSA), respectively. [62] The PPBC may elect to withhold some issues and recommendations from the Three-Star BRP Board and send them directly to the Army SRG for consideration or approval. In any case, after receiving the decisions from the BRP boards, the PPBC sends the POM and all the decisions to the Army SRG for review. [63] The

SECARMY maintains final decision authority in the Army SRG, and actively participates in the deliberations to properly inform those decisions.[64]

Once the PPBC incorporates the SECARMY's decisions from the Army SRG review, it sends the POM back to the SECARMY for final approval. The PPBC also sends the POM Executive Summary, a briefing for senior OSD and Joint Staff officials which the PPBC's executive for budget maintains, to the SECARMY for approval. When both are approved, the POM and the POM Executive Summary are submitted to OSD.[65]

Strengths and Weaknesses of the Organization and Process

Much like the Air Force, the Army's organizational structure and process has strong points worth considering. The Army's method of developing its POM submission has at least four major strengths. First, the scope of the PEGs is well-defined, directly linking back to the Army's Title 10 authorities.[66] The core functions of the Army are well-established, organizing the PEGs around the public law leaves little doubt about their purpose and necessity. Because each program (via its MDEP) is assigned to only one PEG, the Army asserts a clear alignment of a program with an authority given to it by the Congress. This allows each program to have a clear fundamental purpose and a simple, well-understood reporting chain for resource allocation.

Second, the working-level involvement below the PEGs is clear-cut: each MDEP has an MDEP manager that owns the data in the package, and each MDEP is assigned to one PEG.[67] The MDEP manager may seek input from multiple people and organizations, but he or she is then responsible for integrating the different input and for linking program policy with resources for the PEG. From the perspective of the PEG, there is only one point of contact from whom to get MDEP information and of whom to ask questions and seek clarification. Having the one

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point of contact for each MDEP allows the PEGs to better manage their time and effort. They can focus on integrating all the MDEPs assigned to them and preparing a properly balanced POM submission, instead of splitting their attention with the need to figure out which point of contact would have a required piece of information and repeatedly cross-checking the input from multiple points of contact for any given MDEP. The use of one manager per MDEP also reduces the risk of data errors and confusion at the PEG level.

Third, the process for reviewing the POM is sequential and formalized; the reviews are not performed ad hoc or in parallel. Multiple reviews running in parallel may save time, but they also increase the risk of the integrator (the PEGs at first, and the PPBC later) receiving conflicting guidance from the different review boards. By performing reviews sequentially, each review board is only presented with the issues remaining from, or that were first introduced during, the previous review. Each review board is more senior than the previous and gets the opportunity to review the decisions and recommendations of the previous boards, allowing it to course-correct should it disagree with the subordinate review boards.

Finally, the SECARMY and CSA chair the top-level review board, the Army SRG, instead of sitting above it.[68] When the final approval authority (i.e., the SECARMY) is above and not part of the corporate review process, then he requires more time to perform a thorough review and does not have the benefit of knowing the context surrounding the decisions that got the POM data to its current state. Instead of only getting one final approval in the process, by participating in the Army SRG the SECARMY and CSA help shape the discussions which influence the final decisions affecting the POM data ultimately made by the SECARMY. By the time the POM submission comes to the SECARMY for final approval, he will have already been part of one review of the data and will require less time to review the POM submission for final

approval than if he was reviewing it for the first time. Additionally, having an influence on the

POM submission inside the corporate process is a more efficient way of ensuring the POM

reflects the SECARMY and CSA's goals and objectives than if they wait until all the corporate

reviews are complete to perform their own initial review.

All four strengths of the Army's organizational structure and process are related to its

clear assignments of responsibility and ownership. The MDEPs and PEGs are clearly linked back

to the Army's statutory authority. Each MDEP has a clear owner and manager of its data. Each

review board is given its own time with the POM data; and they increase in seniority, pointing

toward the ultimate owner of the Army POM, the SECARMY, who chairs the final review board

and holds final approval authority.

In contrast, the Army's organizational structure and process have at least two

weaknesses. First, the lower levels of the structure, such as the PEGs, do not validate the

decisions made by the review boards. Once the PPBC receives the POM submission for review,

there is no indication in the process documentation that review board decisions are coordinated

with or validated by any organizations in the structure lower than the PPBC. The decisions made

by the BRP Boards and the SECARMY in the Army SRG come back to the PPBC for

consolidation into the POM submission. The PPBC may issue guidance to the lower level groups

based on the latest decisions, but they do not ask for feedback on the decisions.[69] The process

also does not have a mechanism to appeal decisions. Without the lower levels of the

organizational structure having the opportunity to validate the viability or executability of

decisions, or otherwise provide feedback to the review boards, the Army risks implementing

changes to the POM that negatively affect programs or have unintended side effects.

Second, some of the boards are subsets of other boards, indicating a lack of stakeholder participation and diversity in the review process. Specifically, the three colonels that make up the Colonels BRP Board are the three co-chairs of the Council of Colonels, and the Two-Star BRP Board consists of the three co-chairs of the PPBC. Both BRP Boards act in an advisory and assistive capacity to the Three-Star BRP Board.[70] One of the co-chairs of the PPBC (and the Two-Star BRP Board) is also a co-chair of the Three-Star BRP Board. The other co-chairs of the Three-Star BRP Board are the bosses of the other BRP Boards. The Three-Star BRP Board only includes principals of other staff and secretariat offices on an as-needed basis.[71] The boards, from the COC to the Three-Star BRP Board, are distinctly related to each other. As was also noted by Tiffany Hill in her master's thesis, many of the stakeholders are not incorporated into these review boards.[72] The construction of the review boards could be enhanced by including different people or more people, even if they were from the same staff and secretariat offices, to provide a greater range of viewpoints and experiences in the review process.

Both weaknesses indicate a tendency toward centralization in the Army's use of its organizational structure. Centralization itself is not a negative trait, but this organizational structure lends itself to the incorporation of more participants. The inclusion of more stakeholders can provide opportunities for a wide range of viewpoints and experiences to be leveraged while attempting to resolve the issues presented to the different review boards.

Navy POM Development

Organizational Structure and POM Input Process

The Department of the Navy contains two uniformed services: the Navy, headed by the Chief of Naval Operations (CNO), and the Marine Corps, headed by the Commandant of the Marine Corps. The Secretary of the Navy (SECNAV) owns the POMs for both services, and the secretary's staff integrates and balances the two POM submissions into the Department of the Navy POM submission.[73] This paper will be looking at the Navy service's organization and process, as it is significantly different from those of the Air Force and Army and provides a different perspective on POM development.

The Navy employs a centralized but not heavily structured organization to develop its POM input. Its organizational structure and process are built around the paradigm of competition between programs. All the programs and cross-cutting requirements (e.g., manpower, operations, maintenance) use advocates to compete for the resources they wish to be allocated in the POM. Those advocates are referred to as sponsors, and there are three types of them: resource sponsors are the more general set of advocates; platform sponsors and requirements sponsors are two different subsets of resource sponsors. All of the resource sponsors are on the staff of the Office of the Chief of Naval Operations (OPNAV).[74]

The competition, and the entire POM process, is managed by an integrator on the OPNAV staff, the Deputy Chief of Naval Operations for Integration of Capabilities and Resources (N8), with the focal point being the Programming Division (N80) as it is primarily responsible for developing the Navy's POM.[75] One might consider N80 to be the central hub of the organization, with resource sponsors, requirements sponsors, and platform sponsors floating

around the hub, all connected to it. See figure 4 for a depiction of the Navy's organizational

structure for developing its POM submission.
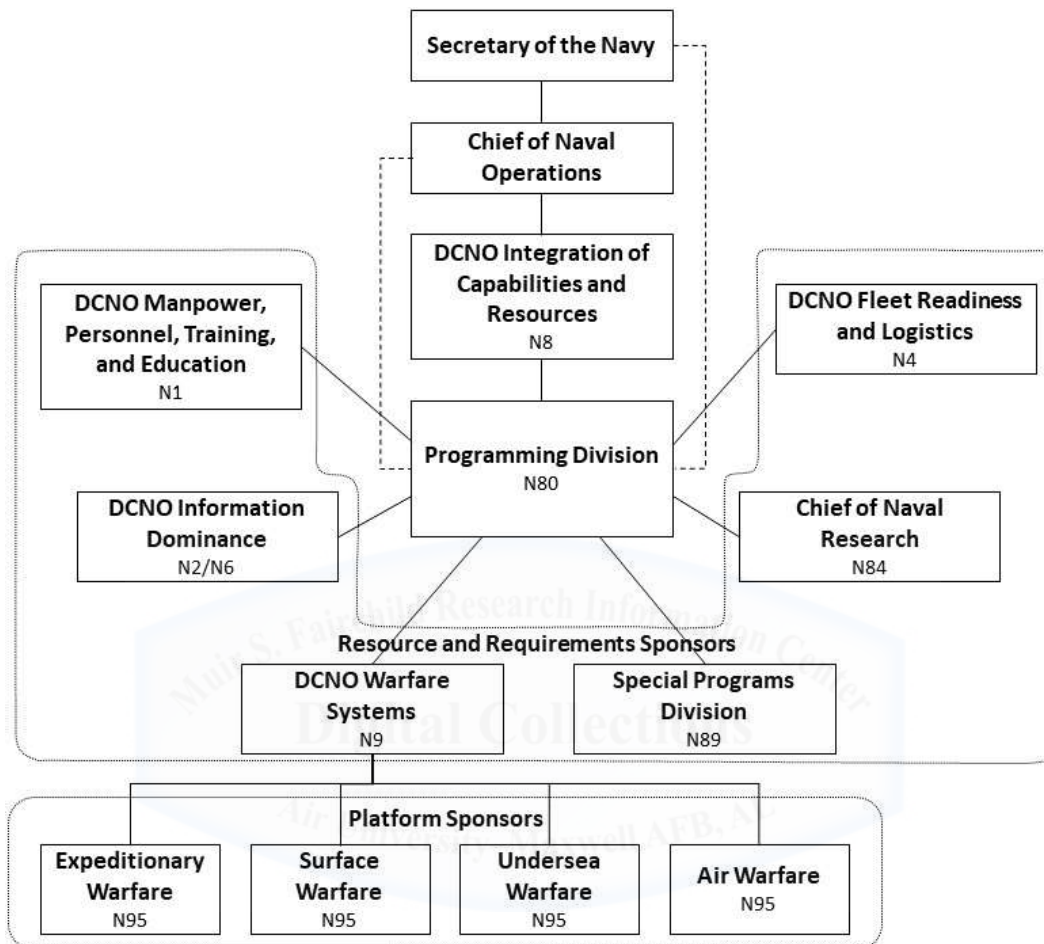
Figure 4. The organizational structure that manages the Navy's POM input

The POM input process starts with the Sponsor Program Proposal (SPP), the basis of the

Navy's POM. The resource sponsors work with their various stakeholders to develop the SPPs,

seeking input from the platform and requirements sponsors. The platform sponsors have close

relationships with the platform PEOs and program managers, Navy warfare enterprises, System

Commands, and Type Commands, which are responsible for the different types of naval forces,

such as expeditionary forces, surface forces, submarine forces, and air forces.[76] Each resource

sponsor consolidates the input, integrating and balancing all the data to make its SPP.

The resource sponsors then submit their SPPs to OPNAV N80.[77] N80 reviews the SPPs

to assess compliance with guidance issued by the CNO and the SECNAV and "brings the POM

into fiscal balance" by integrating the SPPs with the assistance of the resource sponsors.[78] In the

Navy PPBE reference guide, Blickstein et al. indicated that N80 works closely with the resource

sponsors to integrate the SPPs into the service POM, noting that "sponsors are expected to

participate in this process. … There should be a large amount of cross-talk during this period."[79]

OPNAV N8, the organization above N80, oversees the integration.[80] N8 assists when competing

demands require adjudication and integration.[81] During the integration and balancing process, the

CNO and the SECNAV "are kept abreast of decisions and the situation throughout the entire

process," allowing them to issue interim guidance in an ad hoc fashion.[82]

Once N80 completes the POM development, it submits the POM to N8 for review and

approval.[83] This step should only be a formality, as N8 is involved in the POM development.

Once N8 approves the POM submission, it goes to the CNO for approval, and ultimately the

CNO presents the Navy POM to the SECNAV for integration into the Department of the Navy

POM.[84]

The SECNAV does not merely review and approve the Navy POM, however. The

SECNAV has the responsibility of integrating the Navy POM into the Department of the Navy

POM and balancing it with the Marine Corps's POM submission, as noted by Blickstein et al.:

"The Secretary's authorities and opportunities to influence and adjust the Navy's program extend

well beyond the Service Chiefs' in both scope (based on his or her Title 10 authority) and time

frame (based on the SECNAV's typical interactions and the fact that he or she integrates and

balances the Services' POMs for submission as a Department product to OSD)."[85] Once the

department's POM submission is completed, it is transferred to OSD.

Strengths and Weaknesses of the Organization and Process

The Navy's organizational structure is different than that of the Air Force and Army. Its process is similar but adapted to fit the organizational structure. Because of the differences, there are at least three strengths to be considered.

First, because the Navy's process revolves around one central organization, it can adapt to change quickly. If something in the process needs to change, the Navy only has one organization (OPNAV N80) in which to effect the change. The Navy does not have multiple organizations at the bottom of its structure that work together to integrate their POM data into one POM submission. Nor does it have a series of multiple review boards with which it would need to coordinate and implement the change. Similarly, if the CNO or the SECNAV issues updated guidance requiring changes to the POM objectives, the Navy has one organization (N80) that specifically keeps up to date with guidance and would make the necessary changes to the POM integration.

Second, the process acknowledges that the CNO owns the POM for the Navy service, and the SECNAV owns the POM for the Department of the Navy. The way the process is structured, there is no doubt the service POM belongs to the CNO. At the front edge of the programming phase, well before OPNAV N80 asks the resource sponsors for their SPPs, N80 drafts the CNO's Program Guidance and issues it to the resource sponsors.[86] When N80 reviews the SPPs, it specifically checks to make sure the SPPs comply with the CNO guidance.[87] During the integration process, N80 works directly under the guidance of the CNO by way of N8.[88] Blickstein et al. specifically noted that "N80 is responsible to the CNO and the N8 for all matters regarding the development of the Navy's POM."[89] There are very few layers between the sponsors and the CNO, which helps keep the focus on what the CNO wants to see in the POM.

The key point is that the Navy's POM is built according to the wishes of the CNO. When the CNO presents the Navy's POM to the SECNAV for integration into the department's POM, the CNO will have to defend anything in the POM submission that does not conform to the SECNAV's wishes.

Third, and related to the previous point, a key part of the Navy's process is advising the CNO and the SECNAV of N80's progress integrating the data. As issues arise in the integration or sections of the POM become closer to completion, the POM owners can provide a constant flow of guidance to N8 and N80. If the POM is close to the expectations of the CNO and the SECNAV, the near real-time feedback is useful for fine-tuning the POM. If the POM is not in line with their expectations, or if the CNO or the SECNAV's program goals change, updated guidance provides N80 an opportunity for a timely revectoring of the POM data.

The strengths of the Navy's organization and process are a product of two unique characteristics. First, a thin and highly centralized organizational structure, which focuses on OPNAV N80 almost completely, is used to manage the POM process. Second, the CNO and the SECNAV are directly and constantly involved during the integration process. These characteristics produce an interesting set of strengths, which are very different from those of the Air Force and Army and worth considering in the development of best practices.

However, the highly-centralized organizational structure is at the core of at least one weakness in the Navy's structure and process: Centralizing the programming process around OPNAV N80 places a significant stress on its workforce. During the integration and balancing of the POM, the sponsors are expected to participate with N80, and the requirements sponsors specifically to be in direct contact with their N80 analysts. At the same time, N80 is concerned with making proper trade-offs and accepting the right risks to balance the POM, while also

watching for changes in the CNO's guidance or priorities as they would require quick reaction.[90] It is often trying to respond to quick-turn CNO or SECNAV taskings.[91] With no structured review process, the N80 workers also feel the stress of their work being scrutinized by N8, the CNO, and the SECNAV. In spite of all the pressure on the N80 workforce, sponsors are encouraged to have face-to-face meetings with their N80 analysts if it seems they are missing phone calls and not responding to their email.[92] This level of stress is unhealthy for a workforce and might quickly take a toll on individual workers. Some relief could be provided by establishing a formal review board and review timeline. Decentralizing the process by spreading it across a second organization might also reduce the stress on N80.

Analysis of Strengths

Review of Strengths

Though the services use different processes and organizational structures for managing their POM input, each service's method has its own strengths. The strengths identified in this research are different for each service, there was no overlap even though there is similarity between the Air Force and Army regarding their organization and processes. A brief review of each service's strengths follows.

The Air Force Corporate Structure involves a wide range of participants, seeking transparency in the process. The breadth of expertise available to the AFCS enables it to find appropriate solutions to large, Air Force-wide problems, and the large number of people involved at each level of review fosters accountability to each other and the Air Force mission. Accountability is demonstrated by the Air Force process incorporating multiple levels of review to ensure the POM input is refined in accordance with planning and programming guidance. But each review board also gives the lower levels of the AFCS, which represent the actual requirement owners, the opportunity to validate its recommendations. This system holds the AFCS accountable to the prevailing guidance and to the requirements owners at the same time, seeking the best balance between the needs of both.

The Army has a sequential process for reviewing its POM data. This avoids the confusion of receiving multiple lines of feedback in parallel, which is especially important should any of the feedback be contradictory. The Army PEGs have a well-defined scope, linking back to public law. The ownership and management of each MDEP is also well-defined, avoiding possible confusion that might occur if an MDEP had more than one manager or no manager. Finally, the SECARMY and CSA are integrated into the top-level review board, allowing them to influence

and participate in the board's discussions. This also reduces the time the SECARMY spends in final review and approval of the POM, which in turn saves time and frustration for the PPBC dealing with questions and issues from the SECARMY.

The Navy has a hub-and-spoke type of organization which allows it to rapidly adapt to change, whether that is a change in an SPP from a resource sponsor or a change in guidance from the CNO or SECNAV. It also keeps the CNO and SECNAV informed of the progress as OPNAV N80 integrates the POM data. This allows the CNO and SECNAV to adjust their guidance in real-time, with quick response from N80, or to provide feedback for addressing issues or fine-tuning the POM before it gets to them for their formal reviews.

Comparison of Strengths

Each service has strengths to offer when contemplating an optimal organizational structure and process for managing POM input. The previous section briefly reviewed the strengths found by this research analysis. By comparing these strengths with the services' current practices, one can identify best practices which the services can implement to improve their organizations and processes.

To assist with the comparison, one should note that the Air Force panels, the Army PEGs, and the Navy resource sponsors are somewhat functionally equivalent in their respective organizational structures. They serve as a data integrator at roughly the same level of POM integration. Each receives POM input from program and requirements owners within its function or domain and consolidates all the input into one file, which then gets consolidated with the files from the other panels, PEGs, or resource sponsors into a balanced service POM. They represent

the top-most level of grouping at the function or domain level, the level before all the POM input gets consolidated into one service POM.

The Army PEGs refer back to a single manager for each MDEP, whereas the Air Force panels at times refer back to multiple organizations to obtain or validate POM adjustments. From a data input integration perspective, it is cleaner to deal with one source (be it a manager or an organization) that represents a program requirement. When dealing with multiple sources, there are risks of receiving input on subsets of the requirement at different times or of having one source update part of a requirement, driving other sources to look at their pieces of the requirement again. There is also a risk of receiving conflicting input from different sources, which would take additional time to resolve. The Navy takes a somewhat hybrid approach. Most of the resource sponsors receive input for their individual requirements from multiple organizations to build their SPPs. But OPNAV N9, the resource sponsor for Navy warfare systems, builds its SPP by receiving smaller SPPs from platform sponsors representing the different types of warfare systems (e.g., surface, undersea, air, expeditionary, and unmanned warfare systems).[93] The platform sponsors reach out to multiple organizations to build their inputs, much as an Army MDEP manager would, but the resource sponsor only interfaces with one source, the platform sponsor, for each requirement in its integrated SPP. It appears that the Navy has chosen to add in that extra level of ownership where it would have the most impact. As Blickstein et al. noted, "N9 is the advocate for the largest proportion of the Navy's total obligation authority each year … N9's warfighting capability and capacity requirements drive practically everything else in the Navy Program."[94]

The Air Force includes the lower levels of its corporate structure in the validation of the review boards' recommendations, whereas the Army holds the validation at the lowest formal

review board, the PPBC. Reaching back to the levels closest to the requirements owners allows a stronger and likely faster validation that the recommended changes to the POM are viable and executable by the program offices or requirement owners. It also allows the program offices or requirements owners to describe the effects, and identify side-effects, of the risk trade-offs associated with the review board recommendations. The Army's PPBC does not have a requirement to validate recommendations with the PEGs, as the Air Force boards do with the panels. The PPBC at times may ask for the PEGs' input, but this would be of its own prerogative. The documented process does not require review board recommendations to be validated with the PEGs. The Navy avoids this issue all together by having all involved parties stay in constant communication with the POM integrators, OPNAV N80. The resource and requirements sponsors are expected to participate in the integration, contacting N80 directly and generating large amounts of cross-talk. Because N8 and the CNO stay informed during the POM integration, there is no need for multiple layers of formal reviews after the integration is complete. The sponsors are expected to be on call to quickly provide answers, information, and impact statements throughout the process.[95]

The Army and Navy integrate their Chiefs and Secretaries into the review process, whereas the Air Force appends them to the end of its review process after the POM makes it through the last formal review board. The Army's chief of staff and secretary chair the top-level review board, so they participate in the discussions and help shape the decisions and recommendations of that board. The Chief of Naval Operations the Secretary of the Navy are kept informed of the progress of the Navy's POM integration as it happens, so they can review the Navy POM and provide feedback on it in real-time. That means the final reviews by the Secretary of the Army and the Chief of Naval Operations should be nothing more than

formalities, as both offices should have already reviewed their POMs by that point in time. The Air Force, on the other hand, does not incorporate its secretary into the review process, so the secretary's review of the POM could take longer than those of the SECARMY and CNO and entail a higher risk of delays should the SECAF have questions or concerns that must be addressed or have additional adjustments to make to the POM.

The Navy uses a type of hub and spoke model with constant communication up and down its organizational structure for its POM build, making it flexible and agile though arguably overworking its integrators, whereas the Air Force and Army models look more like a broom, with integration down to one POM file happening at the bottom followed by a vertical set of several reviews. At the hub (center) of the Navy's organizational structure for managing the POM build is OPNAV N80, the integrator. All other parties interface directly with N80, watching the progress of the integration, answering questions, providing feedback, sending in updates to the data, and in the case of the CNO and SECNAV, issuing revised guidance. While this structure allows N80 to quickly adjust the POM based on new information, it comes at the cost of making its analysts particularly "busy, harried, and stressed."[96] The Air Force and Army organizational structures produce less stress in the workforce, but sacrifice agility in the process by requiring several levels of review before presenting their POM submissions to their secretaries for final approval.

Recommendations

Proposal of Best Practices

The examination of the strengths of the Air Force, Army, and Navy organizational structures and processes for managing POM input and the comparison of those strengths to the services' status quo laid the foundation for identifying best practices across all three services' methods for developing POM submissions. This analysis led to the discovery of four best practices for structuring an organization and process to build a POM package.

1. There should be one specific owner or manager of a program resourcing package. When adjustments to a program's resourcing need to be made during the integration process, or when recommendations or questions come out of a review board, there is less confusion and reduced risk when the integrators can call back to one source responsible for the program resourcing package (e.g., MDEP or SPP) than when the integrators must call back to multiple sources and attempt to get a coordinated response regarding the program's resourcing.

2. Review board recommendations and decisions should be validated at levels working closest to the requirements holders. The chances of errors are reduced, the risks and side effects of trade-offs are better identified, and the executability of the recommendations is better assured when the requirements holders can provide feedback on the changes. The lowest levels of the organizational structure are best able to work with the requirements holders to complete the validation in a timely manner.

3. The service chief and secretary should be integrated into the review process. Having them in the review process allows them to examine the POM data before it passes through all the review boards, reducing the amount of time they require to review and approve the POM submission at the very end of the process. More importantly, bringing the service chief

and secretary into the review process allows them to provide more timely feedback, which is especially beneficial if they feel a significant course correction is necessary.

4. A service should use a corporate-like organizational structure similar to those currently employed by the Air Force and Army. Such an organization is highly structured, but not heavily centralized, and encourages participation from a wide range of players, both in the POM integration process and the review process. It provides several levels of review for refining the POM submission and avoids putting the focus on one specific office, reducing stress on the workforce. However, the organizational structure employed by the Navy does have some advantages, the most notable being its agility in responding to changes. To caveat this current best practice, it may be desirable to find a hybrid approach to the organizational structure, a compromise between the two approaches that would realize some of the advantages of the highly-centralized hub and spoke model while retaining the clear definition and hierarchy of the corporate structure.

Incorporating the Best Practices into the Air Force

Best practices are useless if they are not implemented. One of the stated goals of this research paper is to determine how to incorporate these best practices into the Air Force's current organizational structure and process for managing the POM input. However, the second and fourth best practices were derived from the Air Force's current structure and process, so that leaves only two best practices to implement.

To implement the first best practice, all Air Force organizations (e.g., PEOs and program offices, component commands, etc.) should work through their owning MAJCOMs to program resources. Making the MAJCOMs the single source from which the panels get a program's POM

data is the best option because the CFLs are MAJCOM commanders, which gives the MAJCOMs an elevated or more authoritative status with the panels.[97] The CFLs are already supposed to be the single source of information for investment funds requirements.[98] Making the MAJCOMs the single source for all requirements is taking the purpose behind creating the CFLs and bringing it to its logical conclusion. As an example of improvement to the status quo, implementing this best practice will eliminate the confusion that occurs when the panels ask the PEOs and program offices for POM input at the same time the MAJCOMs are working on POM input for the same programs. In her research report, Susan Seute argued that not all of the CFLs are aligned with the proper MAJCOMs, and that the AFCS should either look to the MAJCOMs to provide POM input for all types of funds, or better align the CFLs with the MAJCOMs and look to the CFLs for input for all types of funds.[99] Either way, because the CFLs are the MAJCOMs, she advocated this same implementation of the first best practice, that the AFCS look to the MAJCOMs as the single source for POM input.

To implement the third best practice, the Air Force Council should benchmark the Army Senior Review Group with respect to having the chief of staff and the service secretary co-chair the top-most review board in the corporate structure. Including the SECAF and the CSAF in the final review board, allowing them to be a part of the discussions and help shape the views, decisions, and recommendations of the board, will have several benefits which have already been discussed in this paper. One might argue that there should be a separation of duties between the review boards and the SECAF and CSAF, that the AFC should remain uninfluenced as they make their decisions and recommendations to effectively provide an objective review. But this viewpoint forgets two important facts: first, the SECAF is the owner of the Air Force POM and the AFC makes decisions it thinks are best in line with the SECAF's goals; and second, the AFC

actively compares the POM submission with the planning and programming guidance laid out by the SECAF and CSAF to ensure the resource allocation requested by the POM fulfills that guidance. The AFC is already influenced by the SECAF and CSAF, it is not making decisions based on its own ideas of what is best for the Air Force, the DOD, and the nation. Further, having the SECAF and CSAF chair the AFC will allow them to hear about the issues being considered from the experts in the room, instead of being isolated from those discussions to perform their initial review of the POM submission after the AFC completes its review.

Cumulative Impact of Implementing the Recommendations

Should the Air Force implement all the recommendations, it likely will realize a significant positive impact on its handling of the POM input. Implementing part of the recommendations should also have a positive impact, though to a lesser degree.

With the AFCS looking to one source, the MAJCOMs, as the single source of POM data, the Air Force will reduce confusion over which organizations are authoritative regarding POM adjustments, thereby reducing the risk of errors in the POM input. For example, the panels will no longer face the situation of receiving two different sets of POM adjustments from the MAJCOMs and the PEOs, requiring that they risk trying to pick the best of the two or instead spend extra time finding a compromise point and validating its executability. The Air Force will also reduce the time required by the panels to collect and cross-check responses as the review boards finalize their recommendations and decisions. The panels will only have to check with the MAJCOMs for authoritative responses, instead of having to collect responses from multiple sources and cross-check the data to ensure consistency.

By including the CSAF and the SECAF in the Air Force Council, the Air Force will gain two improvements: first, it will garner buy-in from the CSAF and SECAF earlier in the review process; second, the CSAF and SECAF will participate in the top-level discussions and have an improved ability to shape the discussion and the POM earlier in the process. This will ensure that the CSAF and SECAF are properly and expertly informed of any issues in the POM submission and ensure that the outcome of the AFC review is properly in line with the SECAF's goals, objectives, and guidance. Also, this recommendation will reduce the amount of time required by the SECAF to review and approve the POM submission and reduce the risk of the SECAF sending the POM back to the AFCS to answer questions or make changes.

The cumulative impact of implementing all the recommendations is that the accuracy and authority of the Air Force's POM submission may improve while reducing the amount of time required to produce it.
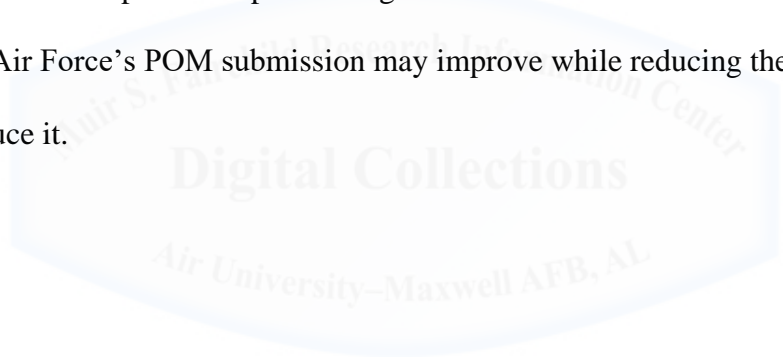
Conclusion

The Planning, Programming, Budgeting, and Execution system is the holistic system the DOD uses for strategic planning, requesting and receiving resources, aligning resources with requirements, and finally expending its resources. The heart of the system is the programming phase, the task of identifying and requesting the resources needed to meet national defense requirements across a five-year period. The main product of the programming phase is the Program Objective Memorandum, which is the military services' most important product for resourcing their programs. The Air Force needs to improve upon problem areas in its POM input process to reduce the risk of errors in its POM submission and increase the likelihood of being properly resourced to meet its requirements and fulfill its plans and objectives.

There are several strengths in the organizational structures and POM input processes of the Air Force, Army, and Navy. This research performed a case study on each of the services to identify their strengths and weaknesses, then compared the strengths to reveal four best practices. The services should consider implementing these best practices to improve their POM submissions.

Two of the four best practices should be implemented by the Air Force. Both best practices should have a direct impact on the quality of its POM submission and the time required to produce it. The Army should implement the second best practice, as it should reduce the risk of incorrect or inexecutable elements in its POM submission. The Navy should implement the fourth best practice, which should reduce the level of chaos and confusion surrounding the Navy's process. It should also lessen the amount of stress felt by the OPNAV N80 integration workforce, potentially improving the morale of the workforce and the quality of the Navy's POM submission.

While this research paper has produced actionable results, the research topic itself is not exhausted. There are at least two opportunities for further research to continue the exploration of improvements to the military services' POM processes. First, this research analysis revealed that neither organizational model used by the services—the corporate structure nor the hub and spoke model—appear to be ideal or the most efficient for the services. Both models have good elements and positive aspects, but further research should be conducted to find a hybrid approach to the organizational structures that would implement the best qualities of both models. Second, while this research focused on the documented approaches to the services' POM processes, there are undoubtedly real-world variables that interfere with the services' ability to properly play out these processes. This presents an opportunity to conduct further research into possible lines of interference and methods to avoid or mitigate the interference. To put it another way, research should be conducted to figure out why the processes often do not happen the way the documentation says they should and determine what the services can do to fix it.

An accurate, defensible, and properly balanced POM with resources efficiently aligned to satisfy requirements is critical to the military's ability to effectively defend the nation. Every reasonable effort should be made to improve the services' management of the POM data and development of the POM submission.

Notes

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ABBREVIATIONS

AF/A8P	Programs division of the Office of the Deputy Chief of Staff for Strategic Plans and Requirements
AFB	Air Force Board
AFC	Air Force Council
AFCS	Air Force Corporate Structure
AFG	Air Force Group
BES	Budget Estimate Submission
BRP	Budget, Requirements, and Program
CFL	Core Function Leads
CJCS	Chairman of the Joint Chiefs of Staff
CMP	Controlled Materials Plan
CNO	Chief of Naval Operations
COC	Council of Colonels
CSA	Chief of Staff of the Army
CSAF	Chief of Staff of the Air Force
DOD	Department of Defense
FY	Fiscal Year
MAJCOM	Major Command
MDEP	Management Decision Package
O&M	Operations and Maintenance

OPNAV	Office of the Chief of Naval Operations
OSD	Office of the Secretary of Defense
PB	President's Budget
PBAT	Program Budget Assessment Team
PEG	Program Evaluation Group
PEM	Program Element Monitor
PEO	Program Executive Office
POM	Program Objective Memorandum
PPBC	Planning Program Budget Committee
PPBC COC/PE&AS	Planning Program Budget Committee Council of Colonels/Program Executives and Appropriation Sponsors
PPBE	Planning, Programming, Budgeting, and Execution
PPBS	Planning, Programming, and Budgeting System
R&D	Research and Development
SAF	Office of the Secretary of the Air Force
SAF/AQX	Office of the Deputy Assistant Secretary for Acquisition Integration
SAF/FMB	Office of the Deputy Assistant Secretary for Budget
SAF/FMP	Office of the Deputy Assistant Secretary for Programs
SECAF	Secretary of the Air Force
SECARMY	Secretary of the Army
SECDEF	Secretary of Defense
SECNAV	Secretary of the Navy

SPP   Sponsor Program Proposal

SPPBE   Strategy, Planning, Programming, Budgeting and Execution

SRG   Senior Review Group

USC   United States Code

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