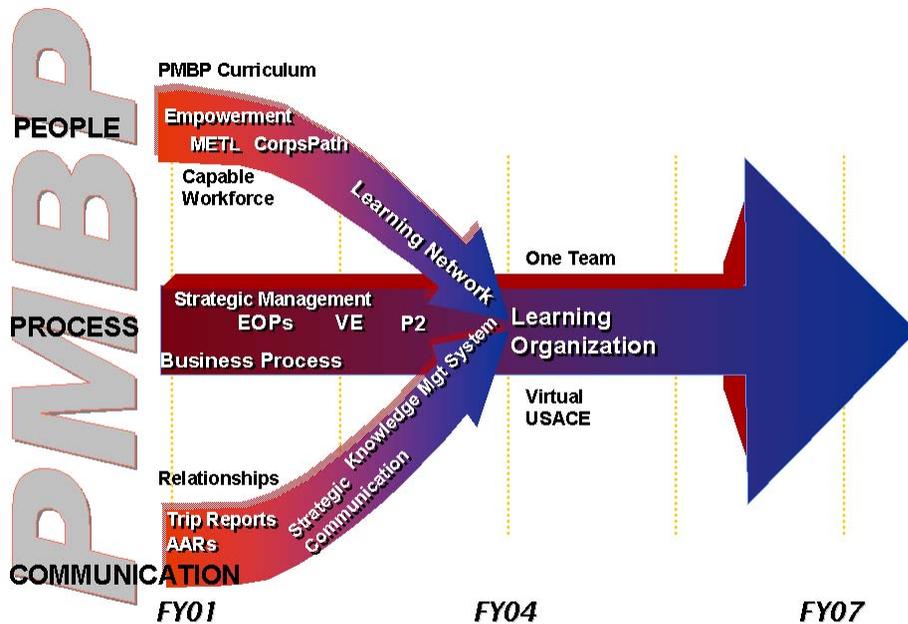




**US Army Corps
of Engineers®**

USACE 2012

ALIGNING THE U.S. ARMY CORPS OF ENGINEERS FOR SUCCESS IN THE 21ST CENTURY



October 2003

The Change Imperative

The U.S. Army Corps of Engineers has reached another turning point in its 228-year history. Since it was first established, the Corps has responded to the nation's call in peace and war, adapting whenever necessary to meet the nation's changing needs. Now, the early years of a new century, it is time for the Corps to change again. USACE 2012 is the path we will take to the future.

Why change? Why now? Simply put, we have heard a clear and convincing case for change. We have heard many messages, with these key themes:

- Change or be changed.
- We are your partners; treat us that way!
- Project delivery – on time and on budget – will show tangible evidence that the Corps is progressing.
- The Corps' internal processes take too long.
- The nation's priorities have shifted with the global war on terrorism, homeland security, and Iraq.

Right now, the Corps is decisively engaged with its day-to-day responsibilities, along with our added mission of supporting Iraq and Afghanistan's reconstruction. Our disaster response mission and the recent impact of Hurricane Isabel reinforce an important point. No matter how stretched we are, we must always remain at a high state of readiness in order to respond to any contingency. USACE 2012 is the vehicle we will use to enhance our readiness and to improve our responsiveness to the American people.

USACE 2012 has its roots in the Corps Strategic Vision:

The world's premier public engineering organization responding to our Nation's needs in peace and war.

A full spectrum Engineer Force of high quality, dedicated soldiers and civilians: trained and ready, a vital part of the Army, dedicated to public service, an Army values-based organization.

For the past three years, we have focused on three strategic goals: People, Process and Communication.

People: Be recognized for the technical and professional excellence of our world-class workforce, functioning as teams delivering projects and services.

Process: Use the Project Management Business Process to operate as One Corps, regionally delivering quality goods and services.

Communication: Communicate effectively to build synergistic relationships that serve the nation.

USACE 2012 is another step we will take toward achieving this vision and actualizing the three strategic goals.

What will result from our new organization? Below are examples of how things used to be, and how they will be now.

Yesterday, a problem would be fixed, but sometimes the unintended consequences of that solution would then require fixing. **Now**, with our models, science and lessons, we will address all of the consequential complexities early in the planning process.

Yesterday, we developed plans first, and then sent them out for coordination with other agencies, our stakeholders, our oversight authorities and even our cost-sharing partners. **Now**, those other agencies, stakeholders, cost-sharing partners are all on the team collaborating on building a comprehensive solution.

Yesterday, plans made at the district level went through a lengthy, “gotcha” review at various levels before it was final. **Now**, those plans will be developed with a vertical team, from all layers of the organization, providing input early on and shepherding the plan through the process.

Yesterday, much of our work was done by people sitting together in functional areas, often in the customer’s backyard. **Now**, the work will get done in teams, sometimes sitting together and sometimes working together virtually.

THE CONCEPT. We must align and operate as one Corps and eliminate redundancies that slow down our progress. We must focus on changing our strategy and rely on cross-functional teams to accomplish our work. USACE 2012 focuses on four key elements: One Corps, Regional Business Centers, Regional Integration Teams, and Communities of Practice.

One Corps – With the concept of One Corps, each echelon (Washington, Division and District) will have discrete responsibilities, authorities, tasks and activities that are commensurate with their role. The Washington-level headquarters focuses on the strategic needs of the organization - strategic plans, direction, national relationships, policy development, and learning. The Division focuses on the regional operational role. The Districts are focused on mission execution and are supported by the Division and Headquarters. The concept of One Corps will

promote mutual interdependence throughout the organization while aligning expertise with the work.

Regional Business Centers – At the regional level, the operational focus will be on managing and executing the region’s projects through the Regional Business Center and ensuring that we are using and building, to the maximum extent possible, the centers of expertise throughout the region. As part of the Regional Business Centers, the districts are where the Corps will shine. The District Offices will perform the work assigned by the Regional Business Center and will focus on quality projects and work in collaboration with partners and customers.

The Divisions and Districts are already working this way to some degree and USACE 2012 will allow us to take advantage of the many lessons we have learned implementing this organizational concept.

Regional Integration Teams – These cross functional teams at the Washington level will focus on clearing the way for regional business success, whether it is answering a national policy question early in the process or making sure that a Congressional response on the status of the project accurately reflects the knowledge of the entire vertical team. I fully expect that when people from the various functional areas are put together, the synergy created will result in outstanding assistance to the regions and districts.

Communities of Practice – Transforming functional offices into Communities of Practice will not only enhance our technical expertise across the entire Corps; it will also enhance learning from each other. Communities of Practice do not have functional boundaries, and I expect them to permeate USACE rapidly. Practitioners will work together with a common sense of purpose and will share information, experiences and lessons learned.

KEY INITIATIVES AND ENABLERS. By implementing USACE 2012, we will embed the key initiatives we have been working on the past three years into our organization: the Project Management Business Process, the Regional Business Centers and the Learning Organization with its components – Communities of Practice and Lessons Learned.

Additionally, the Environmental Operating Principles will continue to guide our environmentally sustainable focus. Using our Communication Principles will ensure that we are keeping our ears and minds open to learn the many creative solutions out there.

Each initiative has key enablers. PMBP will be enabled by our primary Automated information System, P2. The Regional Business Center will be enabled by a regional financial database in CEFMS and the Leadership

Development Programs. Our learning network and the knowledge management portal will enable the Learning Organization.

EXPECTATIONS. Already, many of you are far ahead in making this new organization a reality. You are working in teams and looking for ways to regionalize work. Thank you for your efforts and for leading the way. Now that we have a plan, I turn to you to help keep the Corps on the right path. We have a tremendous team, with great people doing great work every day. The following are my expectations for every Corps employee:

- Promote openly, in words and actions, the spirit and intent of USACE 2012: One agile team, operating virtually, in a Learning Organization – a Team of Teams.
- Build and maintain a Corps team that is trustworthy and trustful, adaptive, tolerant of ambiguity, mutually inter-dependent and that promotes organizational learning.
- Create a climate for technical excellence. Ensure technical skills and competence are maintained by fostering and supporting the growth and interaction of USACE Communities of Practice.

COMMANDER'S INTENT: My intent is for the U.S. Army Corps of Engineers to improve its service to the Nation and the Armed Forces by focusing on each district's ability to better serve its customers. We will become a Team of Teams. Washington headquarters will maintain a strategic focus, and the Regional Business Center will leverage talent across the region and integrate teams to enable districts to provide effective and efficient service.

For all of you who are not Corps employees, we ask you to be part of our team. Whether you are one of our cost-sharing sponsors, a customer, a member of the Executive or Legislative Branch, or a member of an interest group, we can work together to be more responsive to the needs of the American people. I'm fully confident that as we continue on our new path, our team of teams will ensure that the Corps will remain viable, vital and responsive, and that our path will lead to improved service to the American people.

Essayons!



LTG Robert B. Flowers
Chief of Engineers

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Introduction

PURPOSE. This document contains guidance and direction based upon a review of all Corps functional areas to reduce redundancies, improve efficiency, meet standards of product delivery, and meet projected resource constraints.

GOAL. In order to define the future ideal objective organization of the Corps, Functional Area Assessments/Business Process Assessments (FAAs/BPAs) were conducted as part of a process. These FAAs/BPAs were used to aid in defining the future concept of operation and organization. This document outlines manning and organizational design that best defines the organization of the U.S. Army Corps of Engineers.

This template will be used to guide manpower allocation decisions during the implementation phase set to begin in October 2003. The focus of these analyses was on the Washington and Division Headquarters processes, functions, and organizations.

However, functions within the Regional Business Centers, including Districts, were also examined as part of this process to understand the interactions between the echelons, to determine at which echelon functions are best performed, and to identify where consolidation of functions could provide efficiencies.

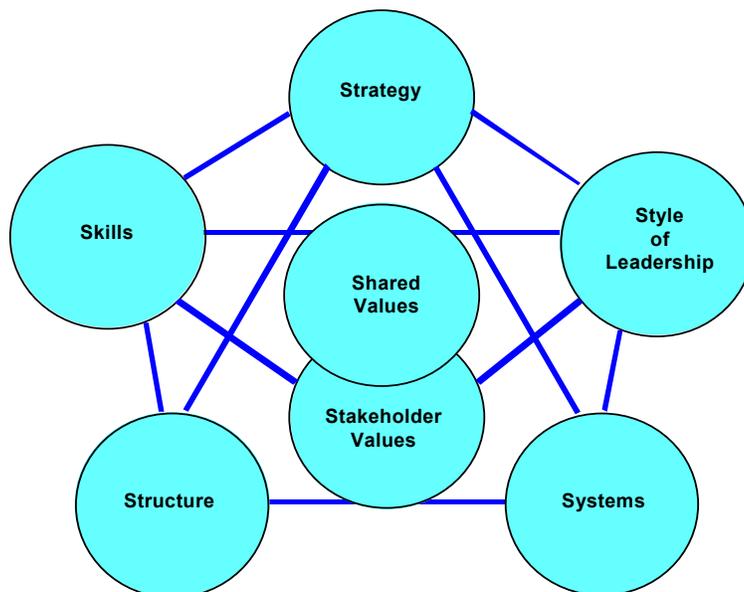
BACKGROUND. Extensive background information as well as the rationale for conducting this analysis is contained in “USACE 2012, Future Corporate and Headquarters Design Study,” April 2003, available through the Corps website at www.hq.usace.army.mil/stakeholders.

The Seven S Model and the Objective Organization Design

Most corporate redesign efforts start with “moving boxes around on an organization chart.” These designs can begin with the premise that a change in structure will solve all problems or change the culture of the organization. Many times, the stir of such activity creates an artificial suggestion of change with little or no real lasting benefit. In order to enable real organizational change, a more holistic approach was used.

Both military and civilian organizations use systems approaches to help better understand the relationships, interaction and synergies of all elements of an organization. The Department of Defense uses an approach that includes **D**octrine, **O**rganizations, **T**raining, **M**ateriel, **L**eadership and **E**ducation, **P**ersonnel, and **F**acilities; abbreviated as **DOTMLPF**. While many of the elements of this approach are directly applicable to USACE there is not a direct correlation to some areas.

The Corps is primarily a large public service engineering organization, with the vast majority of employees being civilians. Consequently, a different systems approach to organizational design was employed – the Seven S Model.



The 7S Model is an organizational tool based on the premise that an organization is not just structure, but consists of seven elements: Stakeholder Values, Shared Values, Strategy, Style of Leadership, Skills, Systems, and Structure.

The USACE Learning Advisory Board adopted this model based upon work by others for use by USACE leaders as a systemic tool to better understand how all elements of an organization's culture interact and the consequences of those interactions.

The point of using this approach – by considering all of the S's and their interactions, a greater understanding of the organization as a “system” is developed. Ideally, this increased understanding of what needs changing, and how to change, will increase the probability of success. Extensive background information as well as the rationale behind using this model is contained in “USACE 2012, Future Corporate and Headquarters Design Study – April 2003.” Only a brief summary of the cultural attributes and relevant guiding principles are summarized in this document.

STAKEHOLDER VALUES. Today, the diversity of our stakeholders and their different values and our efforts to respect those values, can make us reactive and fragmented in our responses to their concerns and issues.

Additionally, we can never lose sight of our nation's priorities – the global war on terrorism and homeland security, which will mean fewer resources available for other purposes.

Based on the research completed for our “USACE 2012, Future Corporate and Headquarters Design Study – April 2003,” we realized some values were generic to all stakeholders.

- Respect for their authority and purposes
- Responsiveness to their needs and constraints
- Willingness to listen and learn
- Honest and timely communication
- Meaningful involvement
- Integrity of behavior
- Openness

SHARED VALUES. The Corps values are those of the U.S. Army – Loyalty, Duty, Respect, Selfless Service (to the Army and the Nation), Honor, Integrity and Personal Courage.

A major part of a leader's strategic role is to educate the workforce about values, integrating them into all work and projects. Our shared values as a corporate enterprise include:

- Integrity and public trust
- Stewardship
- Public service
- Stakeholder / customer success
- Collaboration / teamwork
- Empowerment
- Organizational learning
- Innovation

STRATEGY. The Project Management Business Process (PMBP) is our basic way of doing business – our strategy. This operational strategy is aligned with the growing focus on developing strategic relationships with customers, partners, other stakeholders, and Federal agencies.

Our strategy is based on regular interactive dialogue with others about their strategies, needs, and ideas. This systematic learning from stakeholders, partners, and customers is the heart of the Corps' strategic development. We must rely on cross-functional teams to accomplish our work while using Communities of Practice (CoP) to develop and maintain our technical skills through the Learning Organization.

STYLE OF LEADERSHIP. Our style of leadership emphasizes these qualities:

- Listening and learning, and then being willing to make decisions
- Being an educator about values and purpose
- Understanding oneself, and being interested in continually learning
- Aligning operations with strategy
- Being collaborative – building relationships and involvement
- Understanding personal differences in what motivates others
- Caring for people – having empathy
- Understanding how to create and sustain dialogue
- Encouraging nonpunitive accountability to encourage learning
- Being innovative

Today, the norm within the Corps is operational leadership – focusing on the near term. *Strategic* leaders – those focusing on the long-term, broader issues need to possess these competencies:

- Foresight
- Visioning (strategic understanding and action for systemic change – not just writing statements)
- Ability to creating strategic dialogue
- Systems thinking
- Ability to build a motivating culture
- Partnering skills

SKILLS. The skills of our entire workforce must broaden to include the qualities of:

- Motivation to learn
- Interpersonal rapport with others, ability to establish relationships
- Agility, flexibility, and openness in response
- Commitment to shared corporate values
- Desire to employ diversity of thought and work styles of team members
- Integration of leadership, technical excellence, and business skills
- Tolerance for ambiguity, uncertainty, and ability to bring focus out of complexity and chaos
- Willingness to accept responsibility and be self-starters
- Team collaboration in spirit and practice
- Recognition of systems thinking and effective response

SYSTEMS. A system is a defined process, or set of processes, that links and orders activities to enable work to be done and goals to be achieved. Examples of major Corps of Engineers business systems are PMBP, P2 Project Management System, and the CEFMS. In USACE 2012 we will have streamlined, integrated and focused our systems, redesigning the bureaucratic systems of the manufacturing era. Our systems will be designed to facilitate continuous improvement and learning, not control.

STRUCTURE. The organizational structure must be aligned with the values and strategy of the organization. The guiding principles follow this section.

Guiding Principles

The following primary principles form the philosophical underpinnings that drive the concept of operation and organization contained in this report.

ACT AS “ONE CORPS.” Align and operate as one Corps with the primary responsibility, authority, tasks and activities at each echelon commensurate with the appropriate role. Promote the concept of mutual-interdependence throughout the organization while aligning expertise with the work.

ACT AS “ONE HEADQUARTERS.” HQUSACE and the Division echelons are aligned and operate seamlessly as one headquarters and issues are resolved after only one staff level review. The lowest level possible is empowered to action. Functions at each level add value and eliminate redundancies. Program oversight and integration occurs at the Washington Headquarters and program management takes place at the Regional level.

WASHINGTON HEADQUARTERS FOCUS. Washington Headquarters is focused primarily on strategic learning, planning and direction, national relationships, policy development and creating conditions for success of the entire organization.

DIVISION OFFICE FOCUS. Division offices are focused on creating conditions for success that enable the achievement of missions within the Regional Business Center (RBC) through the accomplishment of command and control, regional interface, program management, quality assurance and operational planning and management of the RBC.

ACTUALIZE THE REGIONAL BUSINESS CENTER (RBC). The RBC is used to effectively and efficiently utilize regional resources and expertise through the concept of mutual-interdependence.

DISTRICT OFFICE FOCUS. District offices are focused on mission execution of the work assigned by the RBC. The mission is accomplished by the District Commander exercising command and control of the District, quality control of projects and work products and co-production with Partners, District customers and other Districts. District offices also provide support to the Region as determined by the RBC.

RETAINING TECHNICAL EXPERTISE. Implementation of Communities of Practice will allow us to retain the critical element of technical expertise.

Major Process Changes

A number of major process changes have been identified as a result of the business process analysis. These changes are discussed in greater detail later in the report (as indicated below) but some significant changes are highlighted here.

NATIONAL AND REGIONAL PROGRAM MANAGEMENT.

Appropriations are managed at the national level within USACE and regions manage regional programs and funds. (See Appendix A, Civil Works and Military Programs)

CHECKBOOK FUNDING. Funding will be provided to enable offices to purchase necessary expertise and services when there is an insufficient requirement for a continuous level of effort or service. (See Appendix A, Military Programs.)

ELIMINATION OF DD1391 CERTIFICATION. The Assistant Secretary of the Army for Installations and Environment's direction to conduct planning charrettes for all Army Military Construction (MILCON) projects included in the Program Objective Memorandum (POM) creates a redundant requirement for DD1391 certification.

DD1391 certification will be accomplished at the District level for those projects that have not been programmed based on a planning charrette. (See Appendix A, Military Programs.)

ARMY MILCON DESIGN DIRECTIVES. Regions will issue design directives on all Army MILCON projects. (See Appendix A, Military Programs.)

ARMY MILCON REPROGRAMMING. Regions will request MILCON reprogramming authority and approval directly from the Office of the Assistant Chief of Staff for Installation Management (OACSIM). Washington HQ will be informed the action is occurring but will not be in the process flow.

OACSIM and the Office of the Deputy Assistant Secretary of the Army for Installations and Housing (ODASA-I&H) will be consulted for concurrence prior to implementing this change. (See Appendix A, Military Programs.)

REGIONS MANAGE ARMY MILCON PROJECT FUNDS. Regions will obtain project funds directly from Washington HQ Directorate of Resource Management. This includes Construction and Planning and Design (P&D) funds.

Washington HQ will manage at the appropriation level and the Regions will manage at the project level. Washington HQ will allocate P&D funds on a regional basis. Regions will allocate and manage P&D funds on a District basis. (See Appendix A, Military Programs.)

BUILD AND DEFEND THE CIVIL WORKS PROGRAM AROUND BUSINESS LINES. The FY 05 Civil Works budget, which is currently being developed, is based on the nine water resources business lines. This initiative will be continued. (See Appendix A, Civil Works.)

RECONSTITUTE PROJECT COOPERATION AGREEMENTS (PCA'S) AS PARTNERING AGREEMENTS EXECUTED AT THE DISTRICT LEVEL. Reconstituting Project Cooperation Agreements will eliminate months, if not years, from the civil works process and address the number one partner and customer complaint about our civil works process. (See Appendix A, Civil Works.)

ACTUALIZE THE REGIONAL BUSINESS CENTER (RBC). Focus Washington Headquarters and Division Offices on their appropriate missions and align resources to truly actualize RBCs. (See Appendix A.)

REGIONAL SUPPORT CENTER (RSC). Many of the support functions recommended the establishment of RSCs for their specific function. This concept has merit on a broad scale and Regions will evaluate the concept for all Regional functions. It appears that regional processes can be streamlined significantly in some functional areas. (See Appendix B.)

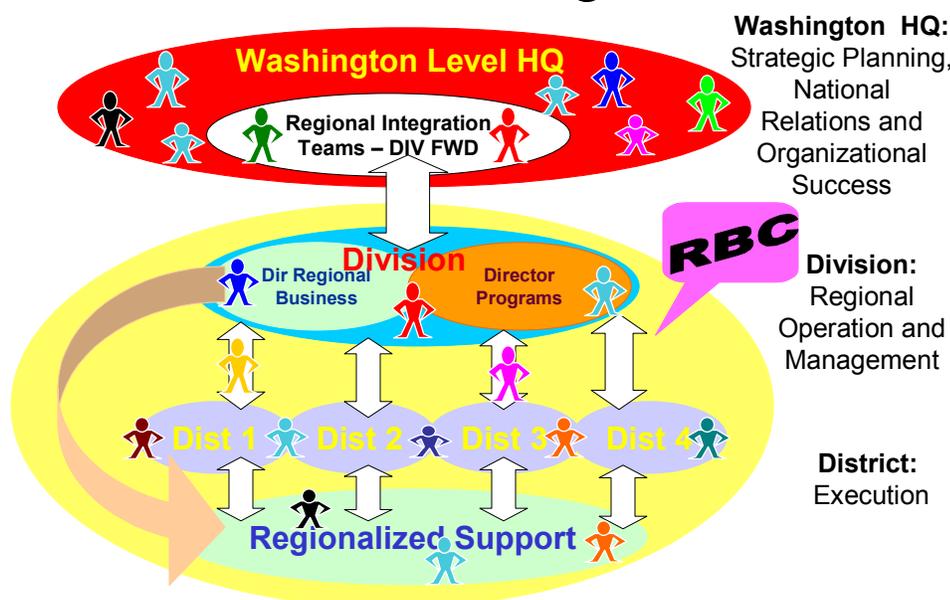
Organizational Concept

The USACE 2012 organization is significantly different from the traditional organization. The Regional Business Center will be the centerpiece of the organization and USACE will be transformed from a functionally focused, hierarchical organization to an organization consisting of cross-functional teams relying on Communities of Practice and leveraging knowledge within a Learning Organization.

The concept of operation and organization focuses each level of USACE on the primary functions defined in the following discussions. However each level is mutually interdependent on other levels of the organization to accomplish their assigned missions. USACE must become a team of teams.

USACE ORGANIZATIONAL CONCEPT. The model shown here depicts the conceptual USACE 2012 Organization. Details concerning individual elements of the concept are discussed in other sections of this report. The concept is that each organizational level relies on all others for support. Another key point is that resources and organizational energy has been refocused to actualize the RBC. Members of various CoP are resident throughout the organization and will be used at the right time and place to accomplish the USACE missions.

USACE 2012 Organization



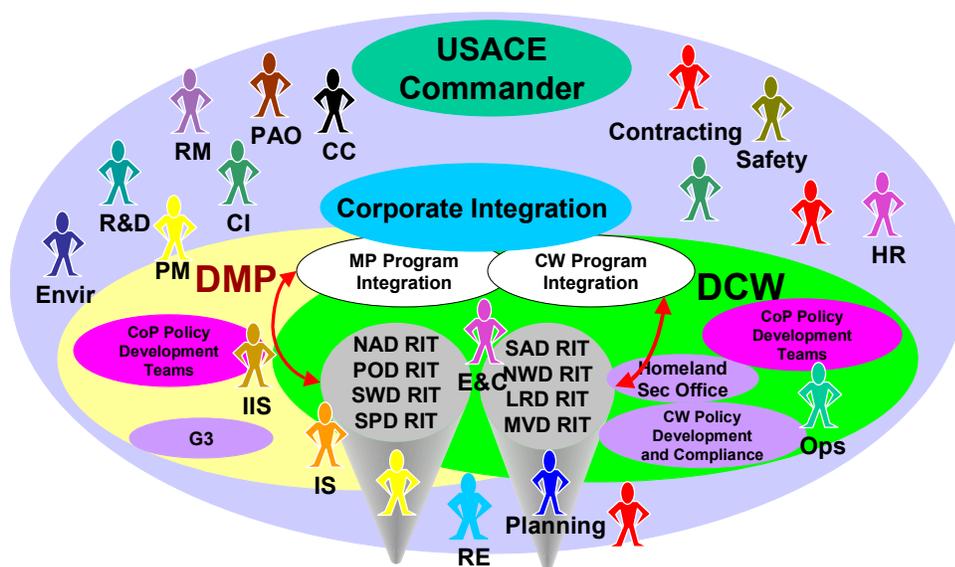
WASHINGTON HEADQUARTERS ORGANIZATIONAL CONCEPT.

The organizational concept for the Washington Headquarters is depicted here. Details of individual elements of the concept are discussed in other sections of this report. A key point is that Regional Integration Teams (RIT) will be located in Washington but focused on supporting their Region.

The RIT will integrate all programs and be the voice for Regional issues in Washington. Operational activities will be accomplished in the RIT. National strategic planning and direction, program integration and oversight, and policy development will be accomplished within the mission directorates.

Another key concept is that members of the CoP are resident throughout the organization, but available to assist on cross-functional teams in mission accomplishment.

Washington Headquarters Concept



REGIONAL HEADQUARTERS ORGANIZATIONAL CONCEPT.

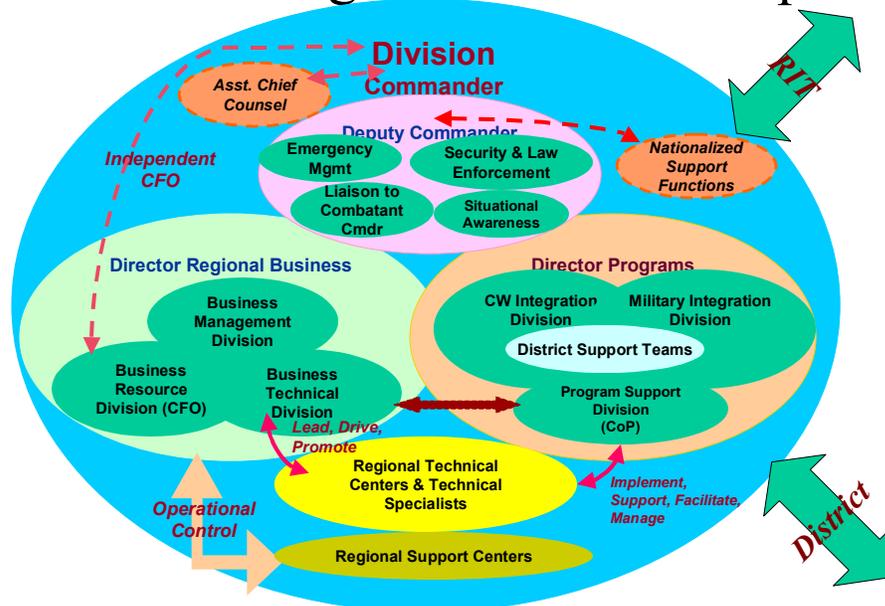
The organizational concept for the Regional Headquarters, or Major Subordinate Command, is shown below. Details of individual elements of the organization are discussed in other sections of this report. A key concept is that the Regional Headquarters is being restructured to better manage the Regional Business Center.

Two new Directorates are being established. The Directorate of Regional Business (DRB) will be responsible for driving and leading the Regional Business Center planning and operations.

The Directorate of Programs (DP) will be responsible for leading regional program and project execution through program integration offices and District Support Teams. Both Directorates will share responsibility for establishing regional functions to accomplish the regional missions.

Members of the CoP are resident throughout the organization, but available to assist on cross-functional teams in mission accomplishment. This new regional organization mirrors many of the organizational concepts of the Washington-level headquarters.

Division Organizational Concept



USACE Executive Direction and Management (EDM) Staffing

Staffing for the Washington and Division Headquarters is shown in the figures below. The EDM staffing will be managed to the allocation indicated for each office. The reimbursable and military allocation is indicated based on the FY 03 allocations, however these must be managed based on the reimbursable funding and the military allocations received. Each office is responsible for managing these allocations.

DIVISION OFFICE STAFF ALLOCATION. The Division Office staffing allocation is shown in the figure below. ERDC is also allocated 2 EDM FTE.

Division Office Staffing

Division Office	Recm'd ED&M FTE	Reimb FTE	Military FTE
LRD	81	18	2
MVD	73	59	2
NAD	83	19	3
NWD	88	113	2
POD	66	12	2
SAD	80	19	2
SPD	78	17	2
SWD	78	22	3
Total	627	279	18

WASHINGTON HQS SUPPORT OFFICE STAFF ALLOCATION.

The staff allocation for the Washington HQs support offices is shown in the figure below.

Washington Support Office Staffing

Office	Recm'd EDM FTE	Reimb FTE	Recm'd Civilian FTE	Military FTE
Office of the Commander	2	0	2	9
Commander's Staff Group	4	0	4	3
Office of Chief of Engineers	6	0	6	0
COMMANDER Total	12	0	12	12
Office of the Chief Counsel	53	6	59	6
Directorate of Human Resources	41	0	41	0
Directorate of Resource Management	55	10	65	1
USACE Finance Center	18	0	18	0
Principal Assistant Responsible for Contracting	12	1	13	2
Directorate of Corporate Information	31	13	44	0
Command Planning Group	20	0	20	2
Office of the Chief of Staff	3	0	3	2
Secretary of the General Staff	3	0	3	1
Office of Congressional Affairs	0	0	0	0
Office of Engineer Inspector General	12	0	12	7
Office of History	8	0	8	0
Public Affairs Office	15	1	16	1
Office of EEO	12	0	12	0
Internal Review Office	12	0	12	0
Office of Safety and Occupational Health	10	2	12	0
Directorate of Logistics	14	0	14	1
Small Business Office	7	0	7	0
HECSA	89	42	131	0
SUPPORT Total	415	75	490	23

WASHINGTON HQS TOTAL STAFF ALLOCATION. The total staff allocation for the Washington HQs is shown in the figure below.

HQ Washington Staffing

Office	Recmd EDM FTE	Reimb FTE	Civilian FTE	Military
Office of the Commander	12	0	12	12
Support Offices	415	75	490	23
DMP	120	67	187	16
DCW	205	153	358	10
CERD	10	2	12	4
Total	762	297	1059	65

Note: Support offices' allocation includes 59 FTE located in the field but carried on the Washington level TDA.

USACE 2012 Enablers

The successful implementation of USACE 2012 will require the deployment and implementation of business processes and automated information systems, and a commitment to becoming a Learning Organization. Specific enablers are identified in this section to ensure corporate focus and priority is given to these critical investments.

Each enabler is critical and must be addressed by HQUSACE both in terms of management focus and budgets throughout implementation to sustain the process, organization and cultural changes required by the new USACE 2012 organizational model.

PROJECT MANAGEMENT BUSINESS PROCESS (PMBP).

Achieving the USACE 2012 organization is very complex and must be guided by the PMBP. The PMBP must be adhered to at all levels of the organization to successfully implement the changes envisioned by USACE 2012. Sustained training on PMBP must remain a high priority within the Corps as an enabler for the RBC and USACE 2012.

COMMUNITIES OF PRACTICE (CoP). The effective implementation of CoP throughout USACE will do more for the communication, learning, and relationship development within the Corps team than anything else we could do at this time.

The capture of intellectual capital and the use of lessons learned in applying corporate experience and expertise to solve problems will be enhanced by working on national and RBC CoP teams. All leaders of the Corps must support the CoP component of USACE 2012 as essential to ensure the maintenance of our technical expertise.

LEADERSHIP DEVELOPMENT PROGRAMS (LDP). Leadership Development Programs have become standard throughout the Corps. Some RBCs have a District-centric program while other RBCs have programs that are Division-wide. The latter approach is effective in developing an understanding within the RBC of other Districts' mission, processes, and people. RBCs must use the leadership development training as a component for enabling and assuring the success of the RBC as we develop our future leaders.

P2. It is essential that P2 be implemented as the primary tool to support the PMBP. Implementation of P2 is critical to managing projects and programs across district boundaries, within the RBC, and nationally.

System functionality of P2 is being configured in a way that keeps the focus on delivering the best tools to Project Delivery Teams (PDTs) and the program development and execution business processes.

The single point of entry to the corporate project/program database is a key benefit of the P2 system and will support implementation of the RBC and the ability of members to work effectively in RITs that are in direct support of the RBC.

CORPS OF ENGINEERS FINANCIAL MANAGEMENT SYSTEMS (CEFMS) REGIONAL FINANCIAL DATABASE. USACE 2012, with its focus on the RBC, will require a Regional CEFMS database. The ability to work financial data at a regional level is one of the most critical enablers that allows the RBC to effectively integrate, cross level, and monitor budget and programming matters on a regional basis.

Funding Authorization Documents (FADS) will be sent to the Division for allocation to districts for RBC assigned work. The regional database will support the development of regional operating budgets and overhead rate. It will also facilitate reductions in RBC operating and project delivery costs.

MANAGING NETWORKS AT THE ENTERPRISE LEVEL. Networks (both voice and data) are the primary mechanisms USACE RBCs use to communicate within and between RBCs and the Washington level HQ; their customers and stakeholders; their suppliers and industry partners; and their critics and advocates. Networks provide the connectivity to USACE-wide, mission critical applications used to develop, monitor, and evaluate Corps services and products.

All network management services (to include LANs) will be migrated and managed at the enterprise level. This will allow USACE to have a global view of every asset connected to its network anywhere in the world and manage it as a single enterprise.

It will allow for efficient load balancing of the network and provide central security management of the network across the Corps. It will eliminate the need for local organizations to have individual Network Operating Security Centers (NOSC) and will reduce their manning to the minimum required to perform hands-on functions when directed by one of the processing centers, hence reducing overhead costs within the RBC.

USACE ENTERPRISE PORTAL INITIATIVE. The Enterprise Portal will provide a common framework to web enable, integrate and streamline information services for delivery to USACE customers, stakeholders, and the public.

It will provide a common set of tools to create an environment necessary for USACE individuals, teams, and CoP to optimize effective use of intellectual capital. The portal will provide USACE a single point of access for all USACE systems (including e-mail and other collaborative toolsets); Single Sign-on capability; a Lessons Learned knowledge base; robust search capability across both structured and unstructured information and data; and integration of CoP content throughout USACE.

USACE SCIENCE AND ENGINEERING TECHNOLOGY (SET) INITIATIVE. SET is an initiative to improve use of computer-based technologies (e.g., software, guidance, databases, etc.) that support Science and Engineering (S&E) technologies within USACE mission areas. Implementing the SET initiative will enable USACE S&E CoP to standardize on common software, engineering models, etc. SET provides a corporate approach to the use of technology to support the regional execution of the S&E mission. SET is a key enabler to USACE 2012 in the following areas:

RBC - SET will provide corporate tools to allow for regional studies and virtual teaming. SET will enable regional sharing of data by establishing interoperability standards and tools. SET will use RBCs to develop corporate technology management solutions.

CoP - SET will utilize CoP to identify technology requirements, influence technology decisions and infusion activities. SET will utilize the Technical Excellence Network (TEN) as an information conduit.

Learning Organization - SET and TEN will enable sharing of technical solutions and lessons learned via CoP.

Team of Teams - SET will establish a Corporate Technology Board and utilize CoP to participate in corporate technology decisions.

USACE TECHNICAL EXCELLENCE NETWORK (TEN). The goal of the TEN website is to provide USACE team members a common set of technical tools, eliminate information overflow, and allow individuals to resolve technical issues, whether the answer lies within their CoP or from another area of expertise.

TEN is a web-accessed relational database that contains data on various subject areas, multiple CoP, USACE business areas, learning opportunities (such as training, PROSPECT and otherwise), career fields and progression, lessons learned, best practices, centers of expertise, automated information systems, and USACE publications.

The intent of the TEN is to help the USACE S&E CoP to find information that will allow individuals working in teams to do their job better. This is accomplished by getting the user the right information regardless of its source.

TEN is the outreach portion of the Science and Engineering Technology (SET) initiative. TEN is the Technical Network portion of the Learning Network (which also consists of a Leadership Network and a Business and Communications Network).

TEN is a key enabler to USACE 2012 in the following areas:

Regional Business Centers (RBCs) - TEN will provides a corporate portal to allow for regional studies and virtual teaming.

Communities of Practice (CoP) - TEN is the information conduit that will enable CoP to communicate, share knowledge, and identify technology requirements, influence tech decisions and infusion activities.

Learning Organization - TEN will enable sharing of technical solutions and lessons learned within and across CoP.

Components and Concepts of the New Organization

The following components and concepts of the new organization (RBCs, RITs and CoP) form the basis for change that will allow USACE 2012 to be successful.

REGIONAL BUSINESS CENTER (RBC). USACE will use the RBC as its primary business-operating unit. USACE will use the PMBP to act as One Corps, operating not only regionally, but also often globally, delivering quality goods and services. The Regional Management Board (RMB) is the key tool that enables the transition to the RBC as the primary operating unit.

RBC Defined - The RBC is an operational concept that envisions the Division office and its Districts acting together as a regional business entity. The essence of the concept is vertical and lateral integration of organizational capabilities, resource sharing, technical expertise, project management, and project delivery to broaden and enhance the range of services and quality within a region.

RBC Purpose - The purpose of the RBC is to operate most effectively (doing the right things) and efficiently (doing things right) to meet customer needs by making the total resources of the region, and the Corps at large, available when needed.

RBC Components - Key Components of the RBC include the Division Commander, Division Staff, District Commanders, District Staff, the Regional Management Board (RMB), Regional technical forums, and interactions with the Engineering Research and Development Center (ERDC), Huntsville Engineering Center (HNC), and Institute for Water Resources (IWR).

RBC Products and Services - A few of the products and services the RBC provides include: regional strategies for current and future program execution, leveraging of technology transfer within the region, uniform quality management processes, enhanced communication, improved customer satisfaction, improved program execution, retention and development of technical expertise, improved training and development of employees, and sharing of lessons learned.

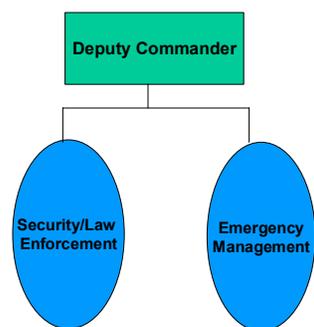
Regional Management Board (RMB) - The senior managing board for the region is the RMB, comprised of representatives from the Division and each of the Districts. The Division Commander defines the exact number and composition of the board, with the guidance that the RMB is a business board and will include both technical managers and the resource expertise integral to managing regional resources.

The RMB has the responsibility to recommend decisions and initiatives to the Division Commander that enhance the effectiveness, responsiveness, and efficiency of the region in delivering its products and services. The Directorate of Regional Business (DRB) chairs and provides direct support to the RMB.

Division - The Division is responsible for the management and oversight of the RBC. The responsibility is accomplished through two main Directorates within the Headquarters - Directorate of Regional Business and Directorate of Programs.

The Deputy Division Commander acts for the Commander in the Commander's absence and has the functions indicated in the figure below.

Deputy Regional/MSA Commander

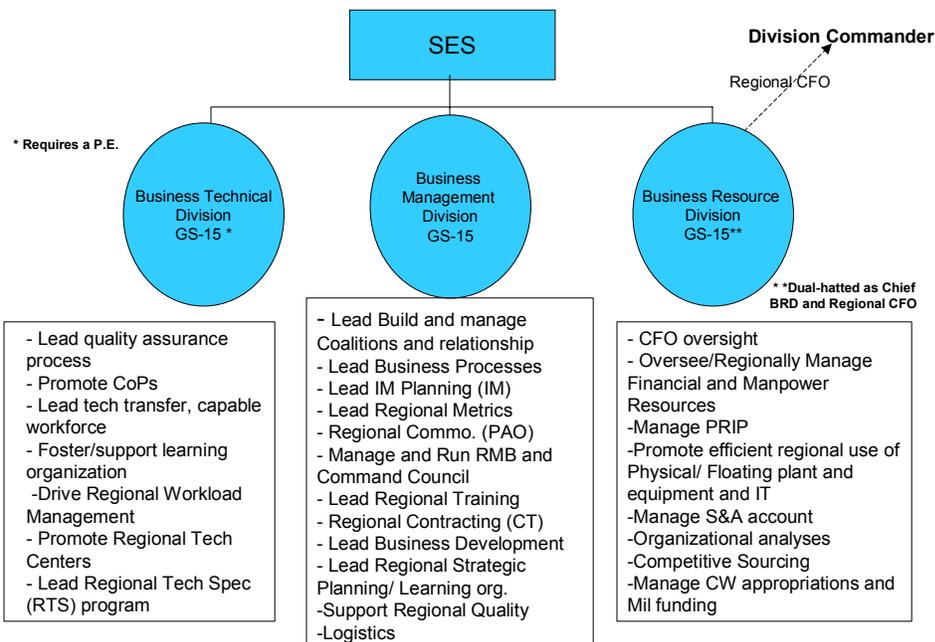


FUNCTIONS

- Deputy Commander for the Regional HQ
- Performs Regional HQ Commander duties in absence of Commander
- Provides supervision and leadership for the Emergency Management and Security /Law Enforcement organization in the Regional HQ
- Provides vertical integration with the National Support Team in HQ Washington
- Performs daily supervision and oversight of the Regional HQ executive staff
- Liaison to Combatant Commander

Directorate of Regional Business (DRB) - The DRB is led by an SES and provides leadership for regional business operations. The DRB is comprised of three divisions that lead, drive, oversee and manage the financial operations of the Region. The DRB provides strategic and near-term operational planning for the Region. The organization and functions for the DRB are shown in the following figure.

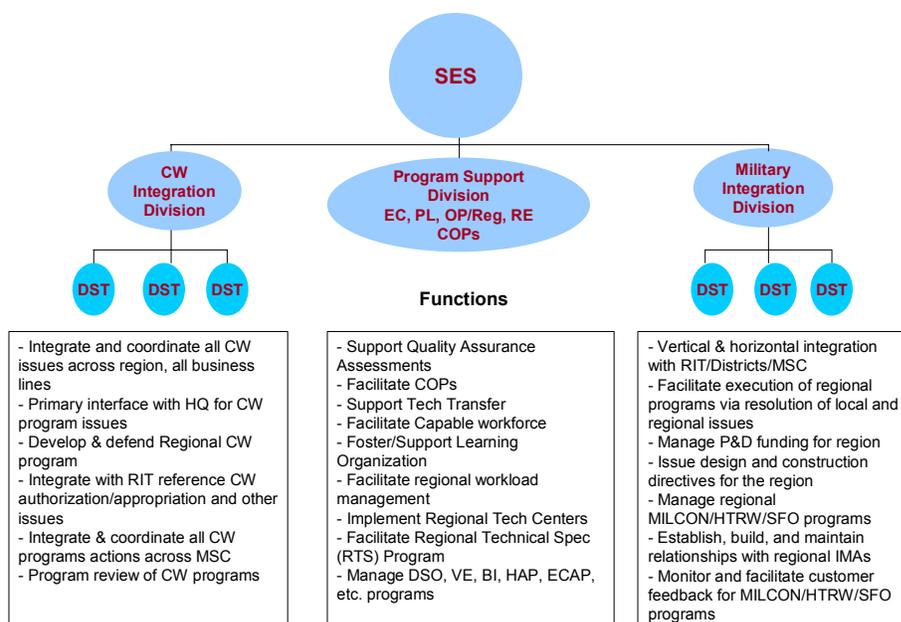
Regional Business Directorate



Directorate of Programs (DP) - The DP is led by an SES and provides leadership and oversight for Regional program and project execution. The DP is organized with program integration offices/divisions, District Support Teams (DSTs) and a Program Support Division.

The Division Commander will have flexibility to organize this Directorate based on regional programs and complexities, however each region will have a program integration office(s) with DSTs and a Program Support Division. The functions that must be accomplished within these offices are shown in the following figure.

Directorate of Programs



REGIONAL INTEGRATION TEAM (RIT): Significant cultural and structural changes are necessary to break the existing structure (three-echelon, competing-functional paradigms) in order to operate as One Corps and One Headquarters.

Cultural changes will take place over time as we begin to behave as “One team, operating virtually as a Learning Organization.” RITs provide the *structural* change that will support the cultural change. RITs will link the Washington and Regional Headquarters into one and create synergy across all programs.

RITs Defined - RITs are comprised of individuals focused on execution of the Civil Works and Military Programs missions. Personnel from support offices will be physically co-located with and matrixed into the RITs to address, in a responsive manner, regional issues impacting

their functional areas. The RITs will have a duty station in Washington, DC and will represent the concerns of the Division to which they are assigned.

RITs Purpose - RITs will be empowered to work with any level of the USACE organization and with external stakeholders to build relationships and to resolve regional issues in an expeditious and timely manner. The RITs will be the primary portal of entry for the RBC into the Washington level.

Each team will be lead by a member of the Senior Executive Service (SES) who will also be dual-hatted as leader of a Community of Practice (CoP). RITs will be comprised of subject and program area experts and tailored to support the work within their specific region.

Funding for team members will reflect the work they perform (GE, OMA, Reimbursable) and funding from multiple sources may be used to support individual team members. Each RIT will be on the Washington level Headquarters' manning document. Team assignments are:

- Civil Works: LRD, MVD, NWD, SAD
- Military Programs: NAD, POD, SWD, SPD

RIT Components -

Leadership - Be led by an SES member, residing in the Washington Headquarters, who will also lead a CoP. The leader will work directly for and be rated by both the Director of Military Programs and Director of Civil Works, and senior rated by the Chief of Engineers. The Division Commander will provide letter input to the SES's rating.

Team Composition - Exact number and composition of the RIT will be tailored and scaled to the mission needs of each RBC.

Core Team Members - "Core" team members will typically be comprised of Civil, Military, or Environmental Program Managers, Planners, Regulators, Real Estate Specialists, General Operations staff, and Engineering and Construction staff. They will be rated by the SES team leader and senior rated by the Director of Civil Works or Director of Military Programs. Two core administrative staff will be assigned to each team.

Support Team Members - Support team members will be physically co-located with and matrixed in from the support staff. They will be rated by their functional supervisor,

intermediate rated by the RIT leader and senior rated by their functional leader.

Support Team members will include Counsel, Resource Management, Human Resources, Contracting, Corporate Information, Corporate Integration, Public Affairs, Logistics Management, and other support functions as appropriate.

Virtual Team Members - “Virtual” team members will also be assigned to the RIT from ERDC, HNC, TAC, IWR, and Centers of Expertise.

Other Team Members – Office of the Assistant Secretary, Civil Works, Office of the Assistant Secretary, Installation Management, Air Force Installations, Logistics and Environment and other interested governmental customers will be offered the opportunity to provide personnel as RIT members.

Team Staffing - The total staffing for each RIT is shown in the figure below.

Regional Integration Team Staffing

RIT	Core Staffing		Offices with Personnel Working in RIT Location									Total
	Military Team	Civil Team	CW	CC	HR	RM	PARC	CI	CID	PA	LM	
Military Programs												
NAD	12	5	2	2	1	4	1	2	1	0.25	0.5	30.75
POD	11	3	2	2	1	4	1	2	1	0.25	0.5	27.75
SPD	8	6	3	2	1	4	1	2	1	0.25	0.5	28.75
SWD	8	5	2	2	1	4	1	2	1	0.25	0.5	26.75
Civil Works												
LRD	8	6	3	2	1	4	1	2	1	0.25	0.5	28.75
MVD	5	7	3	2	1	4	1	2	1	0.25	0.5	26.75
NWD	10	6	3	2	1	4	1	2	1	0.25	0.5	30.75
SAD	10	7	3	2	1	4	1	2	1	0.25	0.5	31.75
Total	72	45	21	16	8	32	8	16	8	2	4	232
Average RIT Size =					29							

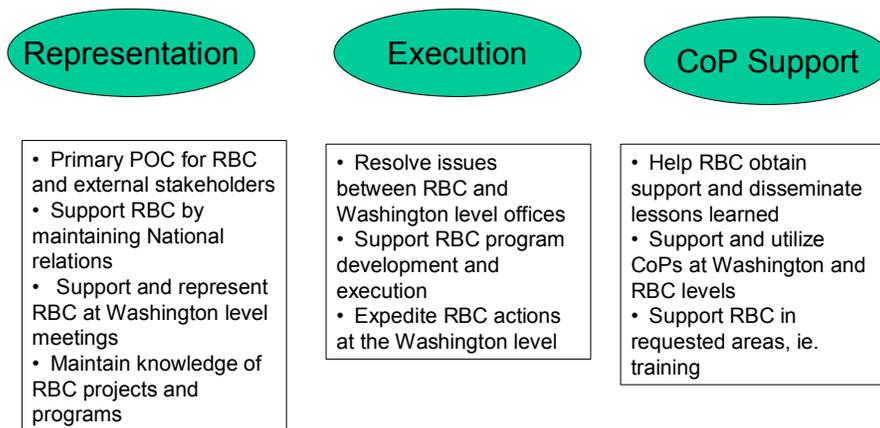
RIT Responsibilities -

- Provide a single point of contact at the Washington D.C. level for the RBC both internal and external to USACE and serve as the RBC’s representative for all mission and support areas in resolving issues at the Washington level.

- Coordinate directly with the RBC to resolve issues and respond to regional concerns and issues originating at the Washington level.
- Establish and maintain relationships at the national level (e.g. Assistant Secretaries of the Army, regional stakeholder groups, congressional members and staff, etc.)
- Integrate Regional mission areas including resources and program requirements in coordination with the RBC and work closely with the Program Integration Directorate (PID).
- Support all USACE organizational levels and functional leaders at internal and external meetings involving regional issues.
- Have delegated authorities and be responsible for processing all work products requiring Washington level review.
- Have an in-depth understanding of all programs and projects within their assigned Region.
- Work with all USACE team members creating a teaming environment, both vertically and horizontally to solve problems.
- Provide assistance to CoP leaders by sharing expertise and knowledge of CoP members assigned to the RIT.
- Support and participate in RBC activities and functions.

A summary of these responsibilities is shown in the figure below.

Regional Integration Team Primary Functions



Civil Works Example of RIT Operations -

The Old Way - The Division emphasizes that time is running out on getting authority for release of funds from a Power Marketing Agency to match with O&M, General funds at the beginning of the FY. Operations Division reacts and assembles a PDT to work issue including Office of Counsel, Resource Management, and Programs Management as team members. An Operations led PDT involves members of the Division on a virtual team to begin working the issue with OASA (CW) and OMB as well as Department of Energy (DOE). Resolution reached and PDT is disbanded.

The New Way – The RIT and Division are working seamlessly and proactively together to ensure program execution is successful at the beginning of the FY. The RIT and Division staff have been working the issue in anticipation of obtaining the release of PMA funds by forming a PDT formed from the RIT/Division staff to include RIT designated PM and Headquarters Team members from Office of Counsel, Resource Management, and the CW Programs Integration Directorate’s Hydropower Power Business Line Manager.

The RIT Team in concert with the Division staff works the issue with OASA(CW), OMB, and DOE and resolves issue. The RIT and the Division have worked the issue together and the RIT and Division relationship continues to build on that success.

Military Programs Example of RIT -

The Old Way – A District is running out of MILCON Planning and Design (P&D) funding. The District contacts the Division and the Division contacts the Programs Management Division at the Washington level HQs requesting additional funds. The Division is informed that the funding will be reallocated between Districts and the Washington level HQs will be issuing Funding Authorization Documents to reduce funding at one District and increase the funding at the District that needs additional funds. DRM is notified of the changes and implements the actions.

The New Way – RIT and RBC are working seamlessly. They see a District getting short of P&D funding. The RBC contacts the District and verifies it will need additional P&D funding. The RBC immediately checks to determine if there is available P&D funding within the region that can be reallocated between its Districts. If so, RBC immediately reallocates the funding. If not, the Center requests the RIT to take action with the P&D Team, which includes the National P&D Program Manager (PgM) residing in the Program Integration Division (PID), to provide more funding.

If the additional funding is available the National PgM gives the approval to release the additional funding to the RBC for allocation to the District. If additional funding is not available, the National PgM determines which Regions have excess funding and call the RIT P&D team members together to resolve the funding issue.

The RIT team members contact their Districts directly, keeping the Regional offices informed, and verify the location of excess P&D funds. The RITs report their findings and the National PgM provides the direction and approval for the appropriate funds to be reallocated between Districts/Regions. The RIT team members ensure the actions are implemented.

COMMUNITIES OF PRACTICE (CoP). A Community of Practice is made up of individuals who practice and share an interest in a major functional area or business line. CoP extend throughout USACE including Districts, Divisions, Washington Headquarters, Laboratories, and Centers. The engine that drives a CoP is learning and over time, the CoP is the history of that learning.

CoP Defined - What makes a community is its practice and the sharing of that practice among its practitioners. What holds communities together is a common sense of purpose and a real need to know what each other knows, and not the organizational structure requirement. In fact, it is this very point that gives rise to stovepipes vs. communities. CoP encourage a shift in our stovepipe -- from islands of isolation to

communities that share their knowledge and learn from one another. Without this, CoP are nothing more than stovepipes by another name.

Communities of Practice are not a new kind of organizational unit to the Corps, rather they are a different cut on the organization's structure, one that emphasizes the learning that people have done together rather than the unit they report to, the project they work on or the people they know.

CoP Purpose – CoP will facilitate the maintenance and advancement of our technical expertise and will play a prominent role in moving towards the Corps objective organization.

The primary functions of USACE CoP are to develop and maintain: policy and doctrine, a capable workforce, national and interagency relations and coalitions by accelerating organizational communication and implementing learning organization doctrine. The real value in CoP will be found in:

- Developing and spreading better practices and tools faster
- Connecting islands of knowledge into self-organized, knowledge sharing networks of professional communities
- Feeding and being fed by web-based repositories of both proven solutions and new approaches
- Fostering cross-functional and cross-divisional collaboration (very key).

There are five significant benefits of using CoP. First, transfer of best practices and latest business innovations often leads to significant time and cost savings, which benefit customers and shareholders first and foremost. One method is that CoP transfer the latest business and “technology” innovations for cost savings.

Second, CoP prevent knowledge loss from the organization through exchange and transfer of cross-generational expertise. Likewise, it contributes to the generation of new ideas, capabilities, and provides a means for access to tacit knowledge. It also provides increased links with real operations where much expert knowledge exists.

Third, CoP are a critical-job knowledge sustainment tool that sustains the organization through promotions, turnover, and organizational change. It leverages experience from others, to others, with others—thus reducing learning curves.

A fourth benefit is that CoP promote innovation through collaboration and problem-solving situations in and on projects. Similarly, they shape a “boundary-less” culture for greater synergy.

Finally, members have access to relevant, high-quality information from both inside and outside the community. It connects people into a wider network for greater speed, and maintains valuable business contacts. No longer do concerns remain regarding organizational boxes. Overtime, CoP cut through traditional “silos” both internally and externally which combats isolation and fosters the creation of teams and valuable networks.

There are more focused CoP (sometimes referred to as sub-CoP, which will be formed or may already be in existence. The leadership and membership of the CoP determines the extent and level of sub-CoP. For example, the RM CoP leader, under advice from current RM CoP membership, may consider four more focused areas (budget, manpower, finance/accounting, business practices) as appropriate. Other CoP may have more sub-CoP, others less.

CoP Components - A CoP is made up of people who share an interest in a topic or problem, interact and build relationships, and share and develop knowledge. There are no limitations to the people who participate in USACE 2012 CoP. For example, a CoP might have representation from the following organizations: Virginia Tech Engineering professors, Navy Facilities Engineering Command, Society of American Military Engineers, (SAME), and any member of the USACE family who share an interest in a topic or problem can participate as members.

In most cases, participation in CoP can be clustered into to two major groups: leaders and members.

Leadership - SES members and senior civil service employees lead CoP and sub-CoP. Many, but not all, Civil Works, Military Programs, R&D, and functional support elements CoP are led by Senior Executives throughout the Corps. Some CoP leaders are dual-hatted. For example, some CoP leaders are dual-hatted as leaders of a Regional Integration Team (RIT). Directors and Office Chiefs lead other business lines and functional CoP. Senior Executives and other leaders assigned to Divisions, Centers or labs will also be leaders of a major or more focused CoP.

Members - CoP members are people who share an interest in a topic or problem. CoP members are professionals who volunteer their organizational learning to other professionals.

Under USACE 2012 CoP are organized around twenty-four functional areas. CoP fit within the major mission areas of Civil Works, Military Programs, Research and Development, as well as Support Directorates and Offices.

CoP leaders in Civil Works and Military Programs direct dedicated support from the Community of Practice/Policy Development Teams within their Directorates and coordinate general support from virtual staff throughout the Corps.

There are several USACE functional areas already active in promoting CoP initiatives: Technical Excellence Network (TEN), Science and Engineering Technology (SET), and the Natural Resources Management (NRM) Gateway to name a few.

Tools, like TEN and commercially available collaboration and online meeting software, are key enablers to CoP, and must be universally made available to all CoP. However, working virtually requires more than just tools to use to gather information.

Knowledge is different from information. Information is provided on these various web sites and tools. Knowledge resides in people, and the best way to transfer this knowledge from one person to another is through personal contact -- can be by teleconference and Placeware, etc., but there has to be some interaction.

CoP fit within business units and projects, across business unit and projects, at the boundaries of organizations, and across distinct organizations.

There are several rules of engagement for participation in a CoP:

- CoP is an open unclassified system. Do not contribute classified info.
- All community members are eligible to submit content
- If you see something inaccurate or out-of-date alert the responsible content editor.
- Keep your personal contact information updated
- Use the CoP for its intended purpose: share knowledge, solve problems, and accomplish tasks.

SES members leading the Program Integration Division are active in CoP. For example, the CW Program Integration Division leads the Community of Practice for Program and Project Management. The Military Programs Integration Division will also contribute to this CoP. In most cases, the functional team chiefs lead their respective CoP.

RIT Leaders - RIT leaders are dual-hatted as CoP team leaders. RIT team members are also members of a Community of Practice and will provide, on an as needed basis, support to that CoP leader.

Military Programs and Civil Works - Community of Practice/Policy Development Teams in each of Civil Works and Military Programs consist of a cell of personnel that support the dual-hatted community of practice leader. These teams provide dedicated support to coordinate and manage CoP functions.

Other Personnel - The personnel within each cell will also coordinate with others from a virtual staff throughout USACE to accomplish the work necessary to support their CoP. These teams will draw members from the Headquarters (i.e. the Civil Works and Military Programs Integration Divisions or the RITs), Divisions, Districts, Laboratories, Centers, and Centers of Expertise.

HQ USACE Corporate Integration Division (CID) – CID provides command wide guidance, planning, and programming for CoP development.

CoP and Divisions/Districts - CoP members are located throughout the Corps. The source of best practices, lessons learned, and many of the SMEs is expected to come from District CoP members. Divisions SES and technical experts will be CoP leaders.

SUPPORT FUNCTIONS. In the context of Executive Direction and Management (ED&M), “mission” equates to direct program oversight, and “support” is the indirect services that facilitate that program oversight.

For purposes of this analysis, the General Expense (GE) & Operations and Maintenance, Army (OMA) ED&M resources assigned to Military Programs, Civil Works and Research & Development are assumed to be direct “mission” assets. All other functions are defined as “support.”

Criteria used to determine which business model best fits each function are shown below:

Criteria	National Support Model	Regional Support Model
Part of the Business Process	Indirectly Contribute to mission accomplishment	Directly Contribute to mission accomplishment
Critical Mass	Few Dedicated Assets	Many Dedicated Assets
Specialization	Specialized Skills	General Skills

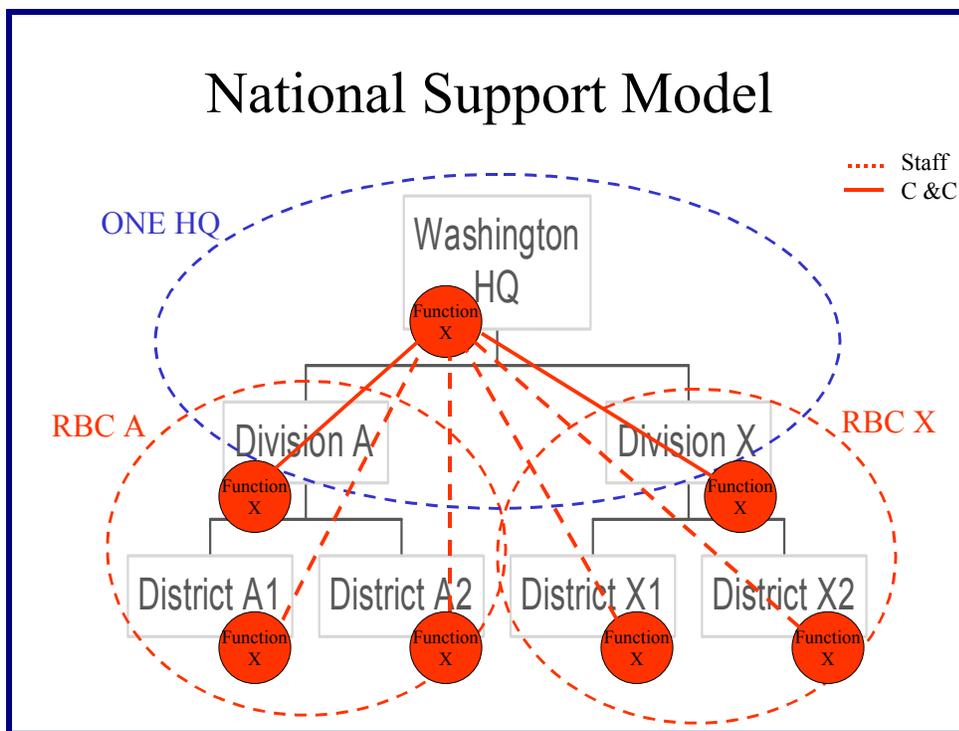
Responsiveness	Timely Response Needed	Immediate Response Needed
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Functional assignments under each business model are shown in the following table:

National Support Model	Regional Support Model
Safety Office	Resource Management
Equal Employment Opportunity	Corporate Information
Small/Disadvantaged Business	Logistics
Engineer Inspector General (Includes Internal Review)	Public Affairs
Human Resources	Contracting
Counsel	

Using the principles above, two primary organizational models for support functions were developed, the National Support Model and the Regional Support Model.

NATIONAL SUPPORT MODEL.

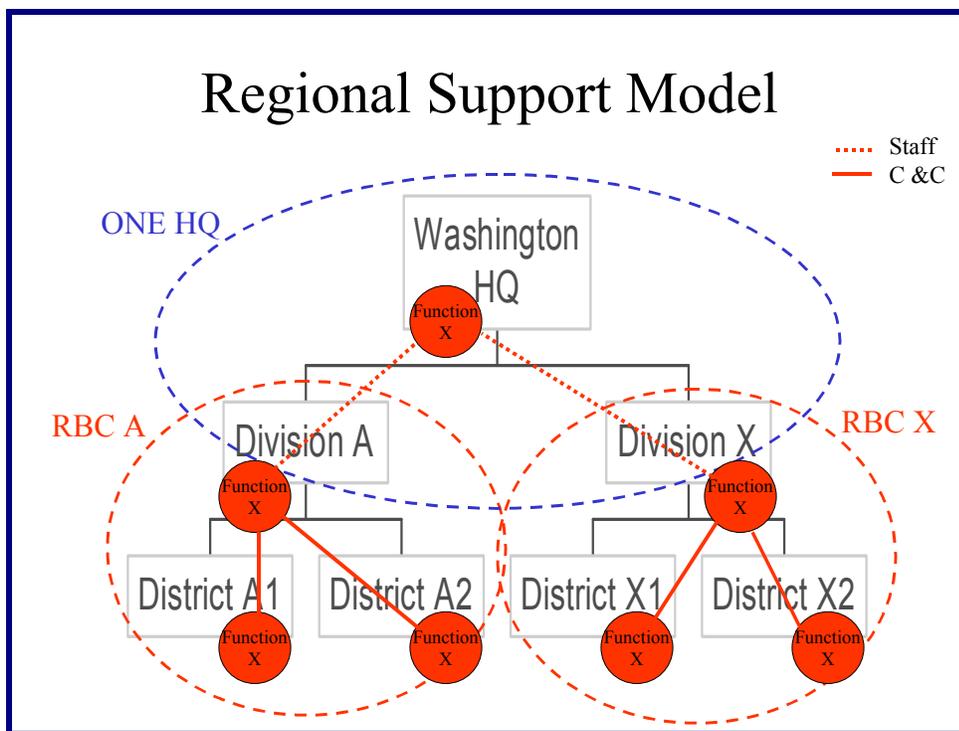


The National Support Model was designed to provide support services that can most effectively be provided at the national level, utilizing centrally managed national assets.

Under this concept, individuals and their work assignments will be managed by the functional lead located in Washington Headquarters. This model requires all personnel to be included in the Washington-level Headquarters manning document. Individuals will be forward deployed to other locations as needed. There may or may not be a physical presence at each location.

Supervisory relationships between the functional lead and the serviced organization can be tailored depending upon the specific function being performed. This organizational structure could be used to manage all USACE assets in a particular function or only ED&M assets.

REGIONAL SUPPORT MODEL.



The Regional Support Model was designed to provide support services that are part of the “business of doing business” in the RBC and should be managed regionally.

Under this concept, individuals and their work assignments will be coordinated by and be under the oversight of the functional lead located in the RBC Headquarters. Only ED&M personnel will be physically located in the RBC Headquarters. Most assets will be forward deployed to serviced locations.

Supervisory relationships between the functional lead and the serviced organization can be tailored depending upon the specific function being performed. The functional lead in the RBC will generally report to the Director for Regional Business. The functional lead in the RBC will retain a staff to staff relationship with the functional lead in the Washington level HQ, much as it is today.

For example, this type support organization is currently functioning in Engineer Research and Development Center (ERDC). There is one Chief, Resource Management (RM) responsible for providing support to all of ERDC’s seven laboratories.

Functional team members are present at each of the locations although they do not all perform the same functions at each location. There is a direct reporting relationship between the Chief of Resource Management

and the director of ERDC and a staff relationship between the ERDC Chief of RM and the USACE Director of RM.

Implementation Considerations

Developing USACE 2012 has been a difficult journey. Many challenges are currently facing the Corps. We must change or be changed. We will comply with the President's Management Agenda and transform to evolving processes defined by legislation. We must remain flexible to quickly respond to change.

We are hearing the call to change from those with whom we partner, from the Executive Branch and the Congress, and from stakeholder groups. With the priorities our country is facing, we must develop a proactive plan now to better serve the Armed Forces and the Nation.

While USACE 2012 revises the structure, there are other non-structural concerns that were brought up during this study and recommendations made to address these concerns.

Implementing this plan will not fix everything, but it must maximize our ability to work with our partners and serve our customers. Change is never easy, but it is necessary if the Corps is to continue to be of service to our nation.

By streamlining and becoming more focused on our work, our employees will have more meaningful, productive and efficient work. As good stewards of the public's tax dollars, we owe this change to the American people. This excerpt from recent Senate Sub-Committee report language encourages USACE to continue this important transformation initiative.

**SENATE FY 2004 ENERGY AND WATER APPROPRIATIONS
SUB-COMMITTEE REPORT LANGUAGE**

Corps Reevaluation and Transformation

The Committee supports the Corps' efforts to transform itself into a more effective, more responsive agency through the '2012' initiative, and hopes that the Corps will be able to implement needed changes. However, until that roadmap is complete, the Committee is reluctant to fund the full increase sought for the 'General Expense' account. Therefore, the Committee has included \$160,000,000 for the Corps, an increase over this year's budget by \$6,000,000, approximately a 4 percent increase to cover inflation. The Committee also directs the Corps of Engineers to continue with this important effort and report regularly to the Committee on the progress made and the impediments to change.

Some of the process changes contained in this report cannot be implemented without legislative or policy changes. The timing for implementing these recommendations is constrained until these changes are approved.

Many of the process changes are contingent on successful implementation of the USACE corporate Project Management AIS (P2). The full potential of these recommendations cannot be realized until P2 is fully implemented.

The RBC will not reach its full potential and achieve the full benefits recognized in this report until CEFMS is converted from a District centered financial system to one focused on the Region. This conversion is essential to the success of the RBC.

As USACE moves into the implementation phase of this transformation this extract from a GAO report will be used to guide our implementation planning.

Key Practices and Implementation Steps for Mergers and Organizational Transformations (GAO report GAO-03-669)

At the center of any serious change management initiative are the people. Thus, the key to a successful merger and transformation is to recognize the “people” element and implement strategies to help individuals maximize their full potential in the new organization, while simultaneously managing the risk of reduced productivity and effectiveness that often occurs as a result of the changes. Building on the lessons learned from the experiences of large private and public sector organizations, these key practices and implementation steps can help agencies transform their cultures so that they can be more results oriented, customer focused, and collaborative in nature.

Practice	Implementation Step
Ensure top leadership drives the transformation.	<ul style="list-style-type: none"> • Define and articulate a succinct and compelling reason for change. • Balance continued delivery of services with merger and transformation activities.
Establish a coherent mission and integrated strategic goals to guide the transformation.	<ul style="list-style-type: none"> • Adopt leading practices for results-oriented strategic planning and reporting.
Focus on a key set of principles and priorities at the outset of the transformation.	<ul style="list-style-type: none"> • Embed core values in every aspect of the organization to reinforce the new culture.
Set implementation goals and a timeline to build momentum and show progress from day one.	<ul style="list-style-type: none"> • Make public implementation goals and timeline. • Seek and monitor employee attitudes and take appropriate follow-up actions • Identify cultural features of merging organizations to increase understanding of former work environments • Attract and retain key talent. • Establish an organization wide knowledge and skills inventory to exchange knowledge among merging organizations.
Dedicate an implementation team to manage the transformation process	<ul style="list-style-type: none"> • Establish networks to support implementation team. • Select high-performing team members.
Use the performance management system to define responsibility and assure accountability for change.	<ul style="list-style-type: none"> • Adopt leading practices to implement effective performance management systems with adequate safeguards.
Establish a communication strategy to create shared expectations and report related progress.	<ul style="list-style-type: none"> • Communicate early and often to build trust. • Ensure consistency of message. • Encourage two-way communication. • Provide information to meet specific needs of employees
Involve employees to obtain their ideas and gain their ownership for the transformation.	<ul style="list-style-type: none"> • Use employee teams • Involve employees in planning and sharing performance information. • Incorporate employee feedback into new policies and procedures. • Delegate authority to appropriate organizational levels.
Build a world-class organization	<ul style="list-style-type: none"> • Adopt leading practices to build a world-class organization.

Implementation Principles

TAKE CARE OF PEOPLE. Every effort will be made to provide every Corps employee who desires it a meaningful job in the new organization. Implementation will consider Strategic (Competitive) Sourcing and other ongoing initiatives and directives. Using the technology we now possess as well as the ability to work virtually may alleviate some of the stress of transitioning to the new structure. USACE will utilize all the tools available to ease the transition to the new organization.

BE INCLUSIVE. Involvement will strengthen effectiveness of implementation. Senior leaders of impacted organizations need to be involved in planning and implementation. The implementation team needs to include representatives from all echelons. The dynamic nature of implementation will require that this team work together intensely. After the development of the plan, the team will need to monitor, adjust and continually communicate the plan and the evolving organization.

BUILD IN FLEXIBILITY. Implementation plans must be flexible to recognize regional differences and variables, e.g., number of assigned Districts, size of programs, international considerations, etc.

UTILIZE PROJECT MANAGEMENT BUSINESS PROCESS (PMBP). Achieving the objective organization is a very complex undertaking and will be managed as a project in accordance with PMBP. Activities will be guided by an overarching Program Management Plan (PgMP) supported by individual specific functional Project Management Plans (PMP) where needed. The PgMP is located at Appendix C.

LESSONS LEARNED. The implementation team will use lessons learned from previous studies and document lessons learned from this reorganization to provide leaders of the future with the benefit of our experiences.

These lessons learned are summarized in Appendix H of the USACE 2012 Report, April 2003, available at www.hq.usace.army.mil/stakeholders

COMMUNICATIONS. There are a number of audiences that have a stake in the outcome of this effort and the team will continue to keep them involved. They include, but are not limited to, employees of the U.S. Army Corps of Engineers, Department of the Army staff, Department of Defense staff, Office of Management and Budget, U.S. Congress, cost sharing partners, interest groups and our customers. A formal communication plan will be developed prior to implementation.

Next Steps

ESTABLISHING THE USACE IMPLEMENTATION TEAM. Of critical and strategic importance will be the establishment of an implementation team within USACE. The team must ensure continued mission accomplishment is our number one priority as we transform to the new organization.

Implementation will include the following:

- The Deputy Commanding General will oversee the overall implementation. A senior leader will be assigned as the Program Manager. Other senior leaders will be assigned as Project Managers for specific portions of the program. The Command Planning Group (Corporate Integration Division) will provide staff support to the project delivery teams.
- Labor unions, Human Resources and Resource Management participation will be required throughout the entire implementation phase.
- Division and District participation will be required throughout the entire process.
- Stakeholder participation will continue.
- Participation by CoP leaders will be required throughout the entire process.
- Senior leader participation will drive the process.
- The Implementation Plan must ensure consideration of Strategic Sourcing initiatives. The Strategic Sourcing PM must be included as a member of the Implementation Team.

ESTABLISHING THE DIVISION IMPLEMENTATION TEAM.

Because implementation at each Division must be consistent, one process will be developed. Each Division will identify one lead team member for coordination of all activities. Additionally, the Civilian Personnel Advisory Center (CPAC) and Civilian Personnel Operating Center (CPOC) must be included on all Division implementation teams throughout USACE.

DEVELOP PROGRAM AND PROJECT MANAGEMENT PLANS (PgMP/PMP). The Implementation Plan must include a PgMP to address all required actions necessary to implement USACE 2012. Included must be a Communication Plan with succinct talking points suitable for use in answering employee and union questions as well as inquiries from Congress or others.

Based on the anticipated scope of change, it will be necessary for each Washington-level CoP leader to develop individual PMPs to ensure a smooth transition to the new Washington-level structure. Each PMP will address the development of process maps and discussions where there are changes in organizational alignment or hierarchical level of work assignment and accomplishment. Each Division must develop a PMP to augment the PgMP.

DEVELOP THE COMMUNICATION PLAN. Both PMPs and the PgMP must include a Communication Plan. It will be critical to keep all USACE team members apprised of changes that may affect them. This includes not only the personal impacts, but also the changes in operations that may affect our internal (vertical and horizontal from District office through the Washington-level HQ) and external communications to meet mission requirements. Each Division will augment the USACE Communication Plan to incorporate regional unique messages.

DEVELOP IMPLEMENTATION TIMELINE AND SCHEDULE. Implementation of USACE 2012 will begin during FY 2004. Some changes will be fairly easy to make and do not require a specific implementation plan, i.e., movement to new reporting office with no other changes. It will be important to develop a critical path time-line for inclusion in the PgMP. New forums (or existing forums) comprised of Senior Leaders, similar to Project Review Boards, will be created to review implementation progress on a monthly basis.

IDENTIFY COSTS. Early in the implementation planning, teams will develop implementation cost estimates.

UNDERSTANDING LESSONS LEARNED FROM PREVIOUS ORGANIZATIONAL STUDIES. As a Learning Organization, there are a number of lessons we can learn in developing and implementing USACE 2012 from previous studies as well as reorganization efforts that have occurred.

These lessons learned are summarized in Appendix H of the USACE 2012 Report, April 2003, available at www.hq.usace.army.mil/stakeholders