



# OUSD P&R Strategic Planning and Performance Management Process

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PESTO/SWOT Results

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# Table of Contents

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- **Introduction and Major Findings**
- Analysis of PESTO Key Themes
- Analysis of SWOT Key Themes
- Other individual comments from PESTO/SWOT



# Introduction



- All P&R Senior Executives were asked to answer questions via on-line survey regarding external and internal environmental factors affecting P&R in the next six years.
  - Questions using the “PESTO” framework elicited feedback in the following areas: Political, Economic, Socio-cultural, Technological, and Other (Data, Changes in Stakeholders, Mandates).
  - Questions using the “SWOT” framework sought input on what respondents believe to be the key Strengths, Weaknesses, Opportunities, and Threats facing the organization.
- Completed responses were gathered from ten Senior Executives.
- Input from respondents on the on-line PESTO and SWOT survey will be used to inform the Under Secretary in preparing policy guidance for the FY2011-16 P&R Strategic Plan.
- This document provides an analysis of those responses by:
  1. Describing major findings that appeared in sections across the survey.
  2. Detailing the key themes that occurred multiple times within each section of the survey.
  3. Listing other comments that were made within each section of the survey.



# Major Findings



- We identified two major findings related to the **external** environment in which P&R operates by analyzing the responses across sections of the survey:
  1. The demographics of the United States population are changing, which will have several impacts on both the military and the civilian workforces.
    - Generational differences exist and P&R needs to plan for how this will affect the personnel policies of DoD, particularly as baby-boomers retire and a younger workforce will need to be recruited.
    - Increased immigrant population will mean there is a greater population from which to recruit those with language, regional, and cultural expertise.
    - Increased cultural diversity in the U.S. will also mean DoD will have to plan for how different cultures interact in the workforce, both military and civilian.
  2. The current poor economic conditions increase the available talent pool from which to recruit both military and civilian talent.
    - However, as the economy improves and unemployment decreases, this opportunity will be decreased.



# Major Findings



- We identified four major findings related to the *internal* environment of P&R and the DoD by analyzing the responses across sections of the survey:
  1. Information sharing across DoD and P&R is not consistent as there are limited tools and policies for collaboration between offices and systems.
    - There may be hesitation on the part of some offices to share information with others.
  2. P&R's organizational structure may not be ideal for efficiency as not all offices are integrated into the whole organization.
  3. The national budget deficit is growing which may lead to cuts in the DoD and P&R budgets in the future.
  4. The current administration is implementing a policy of in-sourcing and restricting use of contractor services which will reshape the civilian workforce dramatically.
    - Could limit DoD's agility because it is easier to bring-in and separate contractor talent than Federal employees.



# Table of Contents

---



- Introduction and Major Findings
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- Analysis of SWOT Key Themes
- Other individual comments from PESTO/SWOT



# PESTO: Political-Legal



- In-sourcing/restrictions on contractor support and new requirements were the most frequently reported political-legal factors affecting P&R.
- The effects of global conflicts and the organizational structure of P&R were also frequently cited.

Key Themes	Number of Mentions
In-sourcing/Contractor restrictions. <ul style="list-style-type: none"><li>• In-sourcing requirements.</li><li>• Any legislation that restricts use of contractors could limit agility.</li><li>• The best Total Force mix may not be possible due to legal/political factors.</li></ul>	3
New requirements. <ul style="list-style-type: none"><li>• NDAA 2010 requirements.</li><li>• Increased emphasis on financial management reporting transparency, controls, and accountability will extend to federal government and DoD.</li></ul>	3
Global conflicts could stretch force even thinner.	2



# PESTO: Political-Legal (Cont.)



Key Themes	Number of Mentions
Organizational structure. <ul style="list-style-type: none"><li>• NDAA 2010 Section 906 eliminates all but 5 DUSDs.</li><li>• The demarcation between personnel and readiness programs in P&amp;R's Defense-wide account has been realized informally, but needs formal recognition.</li></ul>	2
Partisanship in Congress.	2



# PESTO: Economic



- The increasing national budget deficit and national debt and its impact on P&R in the form of budget reductions and reduced appropriations were the most frequently cited economic factors affecting P&R as cited by respondents.
- The growth in the cost of doing business for the government vis-à-vis entitlement programs and health care, retirement, and education of federal employees were also cited.

Key Themes	Number of Mentions
Budget deficit/National debt. <ul style="list-style-type: none"><li>• Public's sentiment that government is spending excessively.</li><li>• Since DoD is the largest discretionary federal pot of money, OMB may try to suppress our top line as part of a larger administration strategy.</li></ul>	3
Budget reductions/Appropriations. <ul style="list-style-type: none"><li>• Budget reductions over next years.</li><li>• Elimination of separate appropriations for continuing operations for conflicts.</li></ul>	2
Entitlement programs. <ul style="list-style-type: none"><li>• Funding Social Security and Medicare.</li><li>• Unsustainable growth in entitlement programs could lead to cuts in entitlements programs and/or discretionary portions of the federal budget.</li></ul>	2



# PESTO: Sociocultural



- Increased diversity in the U.S. population was the most cited sociocultural factor affecting P&R.
- Changes in the potential workforce, particularly increasing obesity, were also listed by respondents as sociocultural factors.

Key Themes	Number of Mentions
<p>Increased diversity.</p> <ul style="list-style-type: none"><li>• A continued recognition and emphasis that cultural awareness and language is perhaps the singular most critical understanding or valuable asset for our personnel to acquire.</li><li>• Growing diversity in the population to recruit from will affect DoD civilian and military workforces of the future.</li></ul>	6
<p>Increasing obesity.</p> <ul style="list-style-type: none"><li>• May cost DoD more to compete in the marketplace for those fit to serve.</li><li>• DoD might have to lower its standards for those entering military service, which in turn might cost more as we spend money/time to remediate the condition of some recruits.</li></ul>	2



# PESTO: Technological



- Need for security for technology systems, challenges around information sharing, and a slow pace at adopting new technologies were the most frequently cited technological factors affecting P&R.

Key Themes	Number of Mentions
Security for technology systems. <ul style="list-style-type: none"><li>• Increased need for personal identity protection and security.</li><li>• Reliance on costly technology increases our vulnerability to those who want to discomfort us.</li></ul>	4
Information sharing challenges. <ul style="list-style-type: none"><li>• Need for collaboration tools to share information in secure environment.</li></ul>	3
Slow to adopt technology. <ul style="list-style-type: none"><li>• Ability to rapidly adopt technology impaired by bureaucracy.</li><li>• Inability to keep pace and communicate with the current technology of the younger generation.</li></ul>	2



# PESTO: Data



- The most salient data factors affecting P&R were information sharing challenges and the importance of protecting privacy of data.
- Related to these is the need to integrate technological systems across the DoD and P&R.

Key Themes	Number of Mentions
Information sharing. <ul style="list-style-type: none"><li>• The Services, Defense Agencies, and even our own internal P&amp;R offices are, at times, unwilling to share information.</li><li>• Lack of standards for data sharing.</li></ul>	3
Privacy protection. <ul style="list-style-type: none"><li>• Technological give-and-take between transparency/availability and security/privacy of data.</li><li>• HIPPA.</li></ul>	3
System integration. <ul style="list-style-type: none"><li>• Stovepipe IT systems.</li><li>• Tendency to create new system to capture data that someone else is already capturing.</li></ul>	2



# PESTO: Changes in Stakeholders



- Two respondents indicated increased partnership with agencies outside of DoD was an important change in stakeholders.
- There was less consensus across respondents on what changes in stakeholders impact P&R as compared to other external environmental factors

Key Themes	Number of Mentions
Increased partnership. <ul style="list-style-type: none"> <li>• State, VA, OPM, HHS, DHS, Labor, USAID, Interior, and Agriculture.</li> <li>• Need to encourage more across-agency interactions.</li> </ul>	2
Constant change of laws/policies.	1
Increased desire for financial/investment expertise to advise the federal government.	1
Joint Staff is now "filling the vacuum" left by OSD abdicating its responsibility to oversee manpower requirements policy.	1
Changing emphasis on National Security Professional.	1
Readiness may not retain its integrity under the future re-organization	1
Political appointees.	1
Change in Government Offices bring new ideas and vision.	1



# PESTO: New or Revised Mandates



- Respondents reported health care reforms and changes to the organizational structure of DoD as examples of new or revised mandates that impact P&R's ability to succeed in its mission.

Key Themes	Number of Mentions
Health care reform.	2
Organizational structure. <ul style="list-style-type: none"><li>• Changes to organizational structure.</li><li>• Planning, Programming, Budgeting, and Execution System (PPBE) changes currently being considered by the DEPSECDEF.</li></ul>	2



# Table of Contents

---



- Introduction and Major Findings
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# SWOT: Strengths



- Attributes of the staff (quality, commitment, and diversity) were by far the most frequently cited strengths of P&R.

Key Themes	Number of Mentions
High quality staff. <ul style="list-style-type: none"><li>• Talented, experienced, technically proficient.</li><li>• Subject matter expertise.</li></ul>	6
Staff commitment. <ul style="list-style-type: none"><li>• Dedicated to the mission of the DoD.</li><li>• Want to do the right thing.</li><li>• Passion for supporting Service Members and their families.</li></ul>	5
Diversity of experience and background.	2



# SWOT: Weaknesses



- Respondents indicated challenges around leadership as a weakness of P&R more frequently than other factors.
- Six other factors were cited multiple times as weaknesses of P&R including bureaucracy, inflexibility, and organizational structure.

Key Themes	Number of Mentions
Leadership. <ul style="list-style-type: none"><li>• Differing levels of managerial attention.</li><li>• One-size-fits-all attitude.</li><li>• Failure to recognize diversity of different offices and missions within P&amp;R.</li></ul>	3
Reward system. <ul style="list-style-type: none"><li>• Better and more frequent use of the awards system should be encouraged.</li><li>• Failure to understand/appreciate technically focused staff positions.</li></ul>	2
Bureaucracy. <ul style="list-style-type: none"><li>• Bureaucratic processes under which components are forced to operate.</li><li>• Difficulty replacing key experienced staff.</li></ul>	2



# SWOT: Weaknesses (Cont.)



Key Themes	Number of Mentions
Inflexibility. <ul style="list-style-type: none"><li>• Inflexible policies in government.</li><li>• Inability to act quickly.</li></ul>	2
Information sharing. <ul style="list-style-type: none"><li>• Challenges sharing information with entire workforce.</li><li>• Only bad news comes out and is reacted to.</li></ul>	2
Organizational structure. <ul style="list-style-type: none"><li>• Integrated approach to P&amp;R.</li><li>• Our organization may not align with the mission.</li></ul>	2
Relationship to other components of OSD. <ul style="list-style-type: none"><li>• Lack of support from other OSD factions.</li><li>• P&amp;R needs to pursue a more recognizable role among the other USDs.</li></ul>	2



# SWOT: Opportunities



- Respondents indicated information sharing, support for members and families, and a poor economy as opportunities for P&R most frequently.

Key Themes	Number of Mentions
Information sharing. <ul style="list-style-type: none"><li>• Proactive sharing of what we do well with all stakeholders.</li><li>• Expanding communications infrastructure.</li></ul>	2
Member/Family support. <ul style="list-style-type: none"><li>• High level of support for Service members and their families.</li><li>• Great work by Wounded Warrior and other Service member family programs and a number initiatives have gained wider public support for our Service members.</li></ul>	2
Poor economy. <ul style="list-style-type: none"><li>• As our budget shrinks due to increasing fiscal pressures we will be compelled to provide the best returns on future investments.</li><li>• Unstable economic environment contributes to recruitment and retention.</li></ul>	2



# SWOT: Threats



- A growing budget deficit and national debt, global conflicts, an improving economy, and natural disasters were the most frequently reported threats to P&R.

Key Themes	Number of Mentions
Budget deficit/National debt.	2
Global conflicts.	2
Improving economy. • As economy improves, competition for talent will increase.	2
Natural disaster/Climate.	2



# Table of Contents

---



- Introduction and Major Findings
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# Other individual comments from PESTO (one mention each)



## Political Legal

Changes to “don't ask, don't tell”/Same-sex marriage.

Health care reform.

Immigration and its impact on recruiting.

NSPS.

Getting political appointees approved.

The Combatant Commander's Exercise and Engagement and Training Transformation (CE2T2) funds DoD's Joint Training and was placed in the P&R Defense-side account to protect it from all but Congressional marks and Congressional and OSD Comptroller "taxes".

## Economic

Growth in cost of people: health care and retirement are the largest items, but increases in education benefits could also constrain what we could buy for modernization or what we could spend to maintain equipment and force.

An understanding by operators that, at best, weapon systems or any operational system is only as good as the necessary people and their training to operate it.

Poor economy.

Trade imbalance.

Increase in EEE funding and less representational fund authority.



# Other individual comments from PESTO (one mention each)



## SocioCultural

Aging population.

Decrease in marriage rates and its affect on benefits.

Generational differences since 4 generations in the workplace with different goals, styles, and motivations.

Immigration could substantially increase the number of overseas civilian voters, and increase requirements on FVAP to provide more assistance to them.

Youth becoming increasingly addicted to and reliant on technology and decreasingly able to interact effectively offline with "real people".

Member reintegration difficulty and its effects on homelessness, alcoholism, violence, etc.

Shift in public support of the war could impact the level of support to military members and their families.

Shifts in desirability of military service/military career.

## Technological

Greater focus on distributed, non-residential, non-classroom based training.

Data mining.

Need to have full visibility and current information on all people.

Social networking.

Web 2.0.

Calls to implement internet voting for military & overseas voters will strengthen.



# Other individual comments from PESTO (one mention each)



## Data

Storage capabilities expand with associated increases in searching speed, leading to enormous data mining opportunities.

Since OMB now allows multi-racial reporting, the DoD civilian and military race/ethnic collection data will be increasingly questionable.

Human capacity to sort the data and make good decisions.

FVAP's participation in Data.gov will likely increase the demand for FVAP's data and as relationship with DMDC strengthens, it will likely also raise the demand for additional data of UOCAVA voters, especially military spouses.

## New or Revised Mandates

Debt reduction.

Changes to "don't ask, don't tell"/Same-sex marriage.

Ensuring highly compensated financial and corporate executives are held accountable.

3% tax on government vendors.

Military and Overseas Voter Empowerment Act.

Decrease unemployment.

NDAA requirements.



# Other individual comments from SWOT (one mention each)



## Strengths

Have defined goals.

Emphasis on continuing education.

Ability to bring in "retired" military.

Growing FVAP credibility.

## Weaknesses

Aging population resulting in impending mass retirement.

Difficult to hire and maintain the best of the next generations without flexible work alternatives and hiring practices.

In-sourcing/Contractor restrictions.

Lack of political appointees.

Staff that tries to twist policy to suit there biases.

Resource alignment.

Teamwork.

Unclear requirements.



# Other individual comments from SWOT (one mention each)



## Opportunities

Civilian Expeditionary Workforce.

Global conflicts give everyone a common purpose.

Increased partnership.

New mandates.

Retired military gives us an experienced labor pool to draw from.

Government work has become more attractive to young people.

Talent management.

Belief in providing voting rights protections for service members.

## Threats

Aging population.

Budget reductions/Appropriations.

In-sourcing/Contractor restrictions.

Lack of succession planning.

Partisanship.

Lack of political appointees.

Poor economy.

Cyber-warfare.

A short time horizon for results by much of the US population.

State and local election officials who value the current election system more than complying with the MOVE Act and UOCAVA.