

USACE 2012

FUTURE CORPORATE AND HQ
DESIGN STUDY

APPENDIX H: IMPLEMENTATION
CONSIDERATIONS

Appendix H: Implementation Considerations

USACE 2012 is an effort begun in August 2002. The first report, Organizational Review of the Missions, Roles and Responsibilities of MSC and HQUSACE, was issued in 10 October (*Phase 1 of USACE 2012 Future Corporate and HQ Design Study*). In February 2002, the study team issued a draft report entitled USACE 2012: Future Corporate and Headquarters Design Study. (Beginning *Phase 2 of USACE 2012*), and asked for comments for Corps employees and external stakeholders. In March and April 2003 the study team reviewed comments and revised the draft. The draft report will be discussed at a meeting of Corps Senior Leaders (23-24 April 2003.) and will be revised to reflect the next steps and agreements that are made during that meeting. It will then be used as a working document to enter Phase 3 of the study that will identify an Objective Organization.

The *USACE 2012 Future Corporate and HQ Design Study* does not include a detailed Implementation Plan although a number of implications were considered during development of the alternatives and selection of the Preferred Structural Alternative (PSA).

As detailed in Recommendation 7, it is recommended that the Corps consider structure and process comprehensively. Next steps to the ultimate goal of identifying an Objective Organization include a functional area assessment and defining the business processes both vertically and horizontally. That work must be then integrated. Only then can an objective organization be developed that meets the long-term needs of USACE 2012. (*Phase 3 of the USACE 2012 Future Corporate and HQ Design Study*)

The process to accomplish this integration is laid out in Recommendation 7 and in the Implementation Section of the Main Report. The time line to get to implementation is below:

Exhibit H-1 FAA and Business Process Next Steps

Dates	Activities		Responsible
23-24 April 03	Agree on Recommendations, Principles, PSA and Next Steps (FAA and Business Process)		Senior Leaders (GO, SES, Functional Chiefs)
Mid May	Agree on FAA Process, and approach to define business processes of Headquarters in Washington and MSCs		Senior Leaders (GO, SES, Functional Chiefs)
May – July	<u>FAA Process</u> (See outline of process in Main Report: Implementation and Communications)	<u>Business Process</u> Define Primary Missions and Business Processes of Headquarters at Washington and MSC	FAA Process: Division Commanders Business Process: Process Committee

July	Present FAA Present Vertical Business Processes analyses and structure to Command Council. Review proposals for consistency and compliance with principles. Horizontally integrate vertical functions and business process at each level.	Command Council Decision (GO, SES and HQ Functional Chiefs invited to attend.)
July 2003	Apply FAA to business processes (vertical and horizontal) to finalize the Preferred Structural Alternative, with a detailed organizational structure, business process and resource requirements.	Leadership Team from FAA Process and Business Process
5-8 August	FAA process culminates in formal briefing to Chief at SLC.	Senior Leaders (GO, SES, Functional Chiefs)
9 Aug – 1 Sept	Integrate all FAA into One Objective Organization	Leadership Team
1- Sep – 1 Oct	Review , Vet and Adapt	Corps-wide
1 Oct 03	Chief decides on Objective Organization	Chief
1 Oct 03 – 1 Mar 04	Implementation Planning	Implementation Team led by Leadership Team
1 June 04	Implementation Begins	Implementation Team
1 Oct 05	Implementation Substantially Complete	

As discussed in the main report (Implementation and Communications), the study team recommends the use of Implementation Principles during planning and implementation to guide the planning process. Whether the ones recommended in the main report are adopted or others are substituted, it is important that Implementation Principles be established and approved by the Senior Leadership of the Corps prior to moving forward on the implementation planning. It is also recommended that the implementing team address the considerations discussed below as they develop the Implementation Plan (*Phase 4 of the USACE 2012 Future Corporate and HQ Design Study.*)

#1, Establishing the USACE Implementation Team. Of critical and strategic importance will be the establishment of a “Reorganization Implementation Team” (RIT) within USACE. The RIT must not be so large as to be unproductive while it must include the proper elements to assure that unintended consequences do not jeopardize the Corps’ success in completing

assigned missions, today or in the future. When establishing the RIT, the following elements should be considered:

- Labor union participation will be required throughout the entire implementation phase.
- Human Resource participation will be required throughout the entire implementation phase.
- Resource Management participation will be required throughout the entire implementation phase.
- MSC participation will be required throughout the entire process.
- HQUSACE functional participation will be required throughout the entire process and should be commensurate with the expected impact on that functional organization.
- Stakeholder participation will continue.
- Senior leader participation will drive the process.
- The Implementation Plan must assure consideration of Competitive Sourcing and Third Wave activities. Recommend that the Competitive Sourcing PM be included as a member of the Implementation Team.

2, Establishing the MSC Implementation Team. During the FY 00 reorganization of the MSCs, each MSC successfully developed and implemented reorganization plans without oversight at the Washington level. However, since implementation at the MSCs should be consistent, with some exceptions, it is suggested that the MSCs agree on a process for implementation of the Objective Organization. Irrespective of the process used, each MSC should 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 MSC implementation teams throughout the implementation phase.

#3, Developing Program and Project Management Plans (PgMP/PMP). The Implementation Plan must include a PgMP to address all required actions necessary to implement the Objective Organization. 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 may be necessary for each Washington-level Objective Organization structural element to develop individual PMPs to assure a smooth transition to the new Washington level structure. Each PMP should address the development of process maps and discussions where there are changes in organizational alignment or hierarchal level of work assignment and accomplishment. Each MSC must develop a PMP to augment the PgMP.

#4, Developing the Communication Plan. Both PMPs and the PgMP must incorporate a Communication Plan. Once the Commander approves the Objective Organization, of primary importance will be the necessity 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 field office through HQUSACE) and external communications to meet mission requirements. Each MSC should augment the USACE Communication Plan to incorporate regional unique messages.

#5, Developing the Implementation Time-Line and Schedule. It is anticipated that implementation of the Objective Organization will begin on 1 Jun 04. There should be a number of changes that are easy to make and do not require a succinct implementation plan, e.g., movement to new reporting office with no other changes. It is anticipated that the restructuring will be 50% completed by 30 Sep 04 and 100% completed by 30 Sep 05. It will be important to develop a critical path time-line for inclusion in the PgMP. The RIT should consider achieving success throughout the year in lieu of developing a schedule with 90% of the required activities completed during the last month of the implementation period.

#6, Identifying Costs and Benefits. Due to the conceptual nature of this phase of the report, the short and long-term resource impacts (costs and benefits) associated with the PSA or Objective Organization cannot be evaluated until the detailed FAA's, with resourcing requirements, are completed. During implementation planning, a team should validate cost and benefit estimates early in the implementation-planning phase).

#7, Understanding Lessons Learned from Previous Organizational Studies. As a learning organization, there are a number of lessons we can learn in developing and implementing the Objective Organization from previous studies as well as reorganization efforts that have occurred. Exhibit H-2 provides a summary of some lessons learned that the RIT should consider in developing the Implementation Plan for the approved structural alternative.

Exhibit H-2, Lessons Learned

Study / Event	Discussion of Lessons Learned
Minor Restructuring Activities	
FY 2000 Reorganization of the USACE Labs into ERDC (source: 2002 Senior Leaders Conference Case Study)	<ul style="list-style-type: none"> • A site manager concept was developed but not used. In retrospect, a geographic site manager to oversee the support functions and transition into a unified set of processes across all sites would have been beneficial. <hr/> <ul style="list-style-type: none"> • Facilitation of the integration was hindered by the lack of “buy-in” by a number of team members. This might have been avoided with more vigorous internal communication efforts (with follow-up).

<p>FY 1999-2000 HQUSACE Reorganization</p>	<ul style="list-style-type: none"> • Taking care of people: The Commander conducted a Town Hall to announce the reorganization. He explained the rationale including the evaluation criteria and reorganization objectives. He also identified the following lessons learned during the recent past that are drivers for the reorganization: <ul style="list-style-type: none"> o We must have a balance between internal/external focus and current/future emphasis o We must maintain our reputation for providing engineering quality and excellence through greater emphasis on customer perspectives. o We must shift to greater external emphasis and future focus, e.g., limited policy and technical review. o We must continue our commitment to regional operations. o We must focus on rapidly integrating and deploying new technologies and procedures allowing earlier return on our R&D investment o We must be optimally positioned for future success.
<p>FY 1999 HQUSACE Military Programs Reorganization (bringing Center of Public Works into CEMP and related changes)</p>	<ul style="list-style-type: none"> • Success largely attributable to establishing an Implementation Team that included representatives from functional organizations, HR, RM, union, and others. Team led by Project Manager (over time the PM changed from GS-15 to O-5 to GS-15. Team met weekly or more often if needed. PM reported directly to the CEMP Deputy Director. • Although the realignment included the elimination of a number of positions and relocation of many others, there was an emphasis on <i>taking care of people</i>: keeping all fully informed, providing counseling, obtaining approval of early retirements under the Voluntary Early Retirement Act with associated Voluntary Separation Incentive Pay bonuses. • The plan was released and implemented within a reasonable period of time thus not prolonging the negative impacts on employee morale.
<p>FY 1998 HQUSACE Resource Management Realignment</p>	<ul style="list-style-type: none"> • The specifics of the plan were developed in a relatively closed environment than those for the FY 99 CEMP reorganization. No Town Halls or other activities to develop personnel buy-in although all were aware of the acrimony developed during negotiations on functional and FTE position assignments. • Although no positions were abolished, the Corps did not do a good job at taking care of people – no counseling or other benefits offered for team members.

Major Restructuring Activities	
FY 1991 Bayley Study	<ul style="list-style-type: none"> • A Corps team conducted this study prior to communicating with Congress. This resulted in Congress adding language to the FY 92 Defense Military Appropriations Act that military appropriations would not be used for reorganization of the Corps. Lessons learned: While stakeholders, especially Congress, do not have to be part of the team, the Corps should apprise them of reorganization initiatives.
FY 1992 Genetti-Barber Reorganization Study	<ul style="list-style-type: none"> • Continued efforts of the Bayley Study to bring public involvement into the process but without specifics on the plan itself. Later it was realized that congressional coordination should have been broader. Just days after President Clinton was inaugurated, the Secretary of Defense Aspin announced that no major structural changes would occur. Opposition from the national public employees unions, Congress, and hundreds of employees again killed the reorganization effort. • Lesson Learned: Early and frequent communication with all involved, internally & externally, is paramount to success.
FY 1994-5 Witherspoon Study and the FY 1996 Williams' Plan.	<ul style="list-style-type: none"> • Acting ASA(CW) Zirschky approved new approach called "restructuring" in lieu of "reorganizing and obtained Secretary of the Army Togo West approval leading to the Witherspoon Study. A number of task forces were established to look at Corps functions and structure inside out and upside down starting with the OASA(CW). The study incorporated the new roles matrix released by the SecArmy before beginning the study. The Sec Army sent the study results to the Congress as a map and one-page overview of the plan (the Williams' Plan). Caught up in an election period, the report was approved for implementation when there was no change in the Clinton administration. Lesson learned include: <hr/> <ul style="list-style-type: none"> • Be strategic. Prepare the battlefield completely and meet assigned mission and political priorities. <hr/> <ul style="list-style-type: none"> • Take care of people. <ul style="list-style-type: none"> o Train employees and supervisors on the RIF process. o Factor in past attrition rates and explore alternative actions to lessen adverse impacts including: hiring freezes, promotion freezes, separation of temporary employees and re-employed annuitants, and establish aggressive outplacement programs. • Utilize VERA and VSIP in downsizing to lessen impact on team members. <hr/> <ul style="list-style-type: none"> • Implementation target dates for implementation must take into account the time required to implement personnel transfers and perform RIFs.
Other Activities	

<p>FY 2003 USACE Learning Organization Initiative</p>	<ul style="list-style-type: none">• Leadership must include the contributions of both strategic and operational thinking.• HQ leaders drive the transformation of Corps culture.• Unproductive bureaucracy should be reduced.• Empowerment should be increased.• Performance and learning should be measured at all levels.• Projects should include learning.• Meetings are forums for organizational learning.• Learning leaders should be recruited, promoted, and recognized.• Frontline learning is essential.• Training must be synchronized and updated with organizational learning.• Knowledge integration must transform information into wisdom.• Measuring performance and learning drive decision-making.
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