

# Planning, Programming, Budgeting and Execution (PPBE) For an Army at War and Transforming — Programming to Produce Preeminent Landpower

LTG David F. Melcher

**T**he Army is changing the way we program resources to better support our Soldiers in the Modular Force who are transforming while at war. Our road map is the *Army Campaign Plan (ACP)*, which directs Army transformation planning, preparation and execution within the context of ongoing strategic commitments, including the global war on terrorism. The *ACP's* end state is to provide improved combat and support brigades to support our national strategy. The *ACP* will convert more than 280 combat and support brigades into a more expeditionary and capable force. This transformation requires the Army to implement a holistic equipping and resourcing strategy.

Soldiers from the 4th Cavalry Regiment, 1st Infantry Division, maneuver their M2A2 Bradley Fighting Vehicle near Forward Operating Base MacKenzie, Iraq, during an insurgent search and seizure patrol. The *ACP* ensures that Soldiers will have the weapons, equipment and training they need to meet ongoing and future strategic commitments. (U.S. Air Force photo by SSGT Shane A. Cuomo.)



The Army Deputy Chief of Staff, G-8, plays an integral part in developing this strategy. The Army must apply scarce resources across competing demands, while continually balancing the immediate needs of our operational Army with the future needs of transformation. By developing the resource strategy using the Program Objective Memorandum (POM) and a synchronized equipping strategy, the G-8 contributes to *ACP* achievement.

While our operational Army is continually adapting to address an adaptive enemy, the process by which we plan and allocate resources was designed for a Cold War environment. Although the Cold War process provided a disciplined framework for the resourcing of the Army over a 6-year period, it lacked the flexibility to address the challenges of prolonged war. Just as our Soldiers have changed to defeat the asymmetrical threat, our resourcing strategy is changing to be more adaptable and flexible as well.

### Making the PPBE Process More Responsive

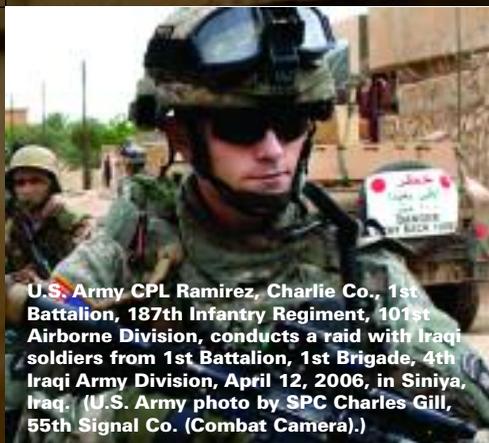
The Army has been changing its resource strategy for several years in line with guidance and direction from the Office of the Secretary of Defense (OSD) and our Army leadership. Driven by President Bush's Management Agenda and DOD, the Army has worked diligently to make the PPBE process more responsive.

The President's Management Agenda incorporated the use of metrics to provide a better linkage of "what capabilities we

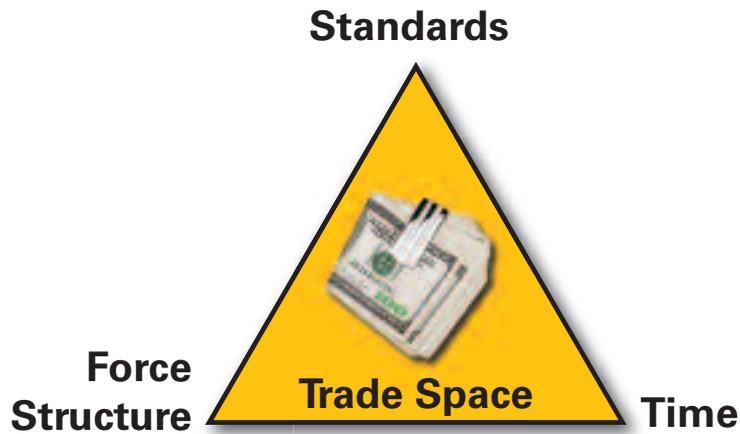
are purchasing" and "how they are linked to the strategy." The use of metrics — to inform resource allocation at the midyear review — allows the Army to remain focused on achieving the *ACP*. This agenda rewards an effective organization that can produce the desired output within its assigned budget. Metrics will tie current and future resources to achieving the *ACP*'s end state.

### The POM Process Revisited

One way that DOD is implementing change is through the *Aldridge Study*, which stipulates the Army will submit a full POM in even-numbered years (FY08, 10, 12). In the odd-numbered years (FY09, 11, 13), the services can only submit minor changes. The intent is to force staffs to do thorough analyses and planning in the off years. For example, one implication is that the equipping strategy for the FY08-13 period has to be thoroughly developed, synchronized and consistent with Joint capability gaps. Additionally, ongoing



**U.S. Army CPL Ramirez, Charlie Co., 1st Battalion, 187th Infantry Regiment, 101st Airborne Division, conducts a raid with Iraqi soldiers from 1st Battalion, 1st Brigade, 4th Iraqi Army Division, April 12, 2006, in Siniya, Iraq. (U.S. Army photo by SPC Charles Gill, 55th Signal Co. (Combat Camera).)**



analyses and studies about future capabilities inform and influence future Army resource allocation.

Internally, the Army has implemented wholesale change to our resource allocation process. These changes are intended to provide Army leadership with a holistic picture of what capabilities the Army is resourcing and a “cradle-to-grave” strategy. This cradle-to-grave strategy divides resources into four bins: equipment life cycle, includes equipping and sustaining; soldier life cycle, includes manning and training; institutional; and special interest. The Army must properly allocate resources across the bins to achieve the *ACP*. From an acquisition standpoint, the implication of life-cycle management is allowing programs to span the entire life of that piece of equipment from research and development through disposal.

At this writing, the G-8 directorates, along with Army staff representatives, are working steadily to build a POM that will describe the resourcing and, therefore, the Army’s capabilities for FYs 08-13 (POM 08-13). POM 08-13 will be delivered to OSD in August 2006.

### **Force Structure/Capabilities Drive Resourcing**

As we resource our competing demands, the POM 08-13 goal is to

achieve the *ACP*’s standards and timelines. We are implementing an improved process that provides Army leaders with the means to quickly and quantifiably identify options within the current year resourcing “trade space” if demand exceeds resources. Trade space is best visualized as a balance between force structure, standards and time as depicted in the figure.

This trade space analysis will identify how the Army can best shift resources to attain the *ACP*. For example, the number and type of our combat and support brigades drives our force structure. Force structure is a quantifiable

combination of capabilities with personnel, materiel, training and facilities. Decisions about the size of the Army impact our force structure and affect equipment density as well as the future capabilities required of these brigades.

The standard to which force structure is resourced depends on the decisions made about the quantity and variant. When resourcing decisions are finalized, each capability program will have projected outputs, outcomes and performance targets. For instance, the Abrams tank will go from six variants to two variants and the Bradley Fighting Vehicle will go from five to two variants. These then become the controls used to monitor program execution. If the controls are met, then the Army is developing the required capabilities. If there are shortfalls, then managers will develop alternatives to identify and resolve potential problems.

Extending the time over which the capabilities integrate into the force helps mitigate resource shortages in the near term. However, adjustments in time will have the greatest affect on the *ACP*. If this occurs without careful



PFC Josh Kendrick, Charlie Co., 1st Battalion, 66th Armor Regiment, 1st Brigade Combat Team, 4th Infantry Division, launches a Raven unmanned aerial vehicle during *Operation Bold Action* in April 2006 near Tarmiya, just north of Baghdad, Iraq. (U.S. Army photo by CPT David J. Olson.)



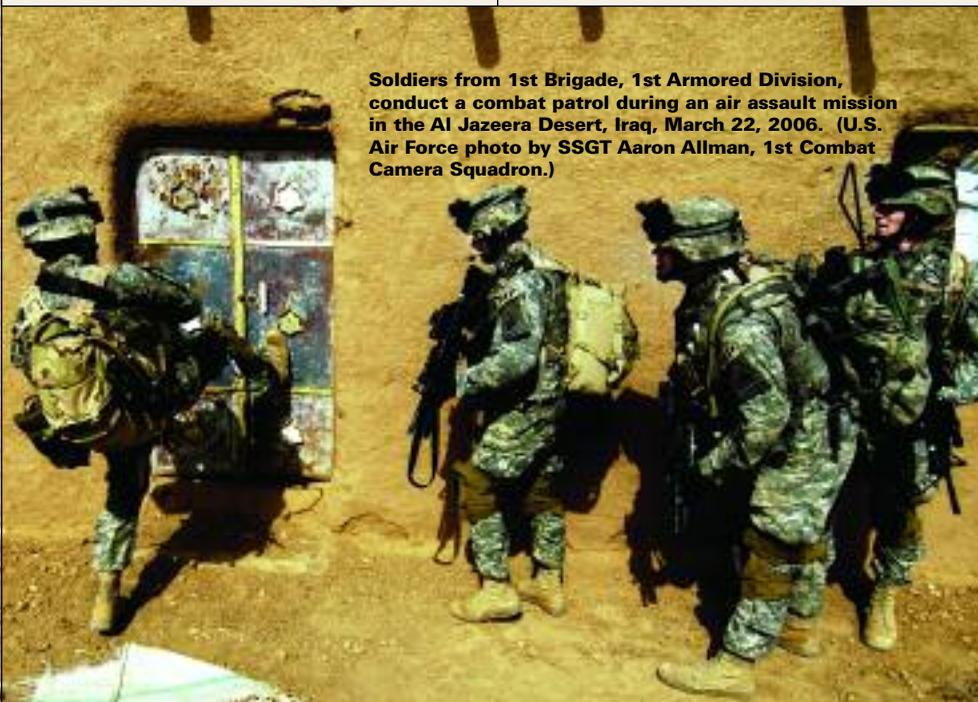
**Soldiers from Alpha Co., 1st Battalion, 24th Infantry Regiment, 1st Brigade, 25th Infantry Division Stryker Brigade Combat Team, pull security after conducting a "cordon and knocks" mission in Mosul, Iraq. (U.S. Army photo by SGT Jeremiah Johnson, 55th Signal Co. (Combat Camera).)**

examination of the trade space, our force structure and/or standards are in danger of not meeting the combatant commanders' needs and diminish the ability to achieve the *ACP*'s goals.

Currently, the president's FY07 budget will link all programs to metrics. Once the identified metrics and quantifiable performance goals are assigned, data collection plans will be put into place to track performance during execution.

The analyzed execution data will determine future funds awarded to programs meeting their assigned targets.

It is important that the Army align, allocate and synchronize its capabilities with resources to provide relevant and ready landpower for the 21st-century security environment and beyond. Ongoing efforts to make the PPBE system more flexible and adaptive will help us achieve our campaign plan objectives and provide our Soldiers with the capabilities they need today and in the future.



**Soldiers from 1st Brigade, 1st Armored Division, conduct a combat patrol during an air assault mission in the Al Jazeera Desert, Iraq, March 22, 2006. (U.S. Air Force photo by SSGT Aaron Allman, 1st Combat Camera Squadron.)**

**LTG DAVID E. MELCHER** is the Deputy Chief of Staff, G-8, HQDA. He holds a B.S. in engineering from the U.S. Military Academy, an M.P.A. from Shippensburg University and an M.B.A. from Harvard University. He was recently confirmed as the next Military Deputy for Budget, Office of the Assistant Secretary of the Army (Financial Management and Controller).