

Advanced Management Program

**Successful POM Submittals to
Resource Sponsors**

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Background:

The three-phase Planning, Programming and Budgeting System (PPBS) process is the heart of the Defense resource allocation process. The ultimate objective of the DoD PPBS is to provide the best mix of forces, equipment and support attainable within fiscal constraints. PPBS is a biennial process used to acquire, allocate, account for and analyze personnel and financial resources for DoD. A fiscal constraint is defined as a finite amount of funding available each year.

Our focus targets the preparation of budget submittals to the Resource Sponsors allowing them to more effectively develop their Program Objective Memorandum (POM), one of the key PPBS planning documents.

Through group discussion, our team identified what seems to be a DoD-wide program and middle manager knowledge and experience gap in relation to the POM process. This weakness prevents us from providing educated and meaningful POM submittals to our Resource Sponsors.

This weakness is more evident in individuals recently promoted to the program manager level. They must rely on their budget and finance managers (BFMs) to provide examples and formats of previously submitted POM issues, regardless of their success, effectiveness, or relevance to current program demands. **In essence, the concern is in the PPBS pre-planning stage - a step not clearly defined for mid-level program managers.**

Discussion:

An adequately trained program manager becomes more confident, gains credibility with the Resource Sponsor, and is more efficient and effective in the budget submittal process. The right information at the right time leads to the right investment decision.

On-line information and classroom training is available which illustrates the PPBS process from the Resource Sponsor through the President's budget. However, this training does not specifically address how to develop



a POM submittal at the program manager level. This submittal is used by the Resource Sponsor to build the POM.

In 1998, the Navy began a far-reaching reorientation to the planning phase of the PPBS to address the following:

- Guidance was too late in the process to help the sponsor develop and present an overarching POM
- Inputs were not fiscally constrained - it didn't offer offsets, just plus-ups
- Issues were not supported at the flag level
- Submissions did not address major issues
- Requests were not clearly defined or integrated across platforms the submission requires a buildup of infrastructure or is manpower-intensive.

Objectives:

1. To heighten awareness of the PPBS process and the training currently available. The program manager's learning must include background knowledge, terminology used, PPBS process overview and effective presentation of required resources.
2. To provide program managers with guidelines on effective POM submittals. These guidelines can be used as a short-term solution to minimize the knowledge gap. Advanced Management Program (AMP) students can take these guidelines back to their activities to increase their knowledge of the process thereby effecting a more successful POM submittal.
3. To recommend adding program manager POM submittal guidance to PPBS Process training modules as the long term solution.

Outcomes:

1. Provide Web addresses for access to PPBS tutorial
2. Provide handout of POM Submittal guidelines
3. Expand PPBS Process training to address effective program manager POM submittal preparation



4. Elevate awareness to create a more effective and efficient program manager by:

- a. Increasing program manager credibility with Resource Sponsors
- b. Accelerating the budget building process thereby allowing the program manager to concentrate on other requirements



Guidelines for effective POM submittals:

The following are tips on how to sell your program to a "fiscally constrained" Resource Sponsor. POM submittal is the process of justifying and selling your proposed budget requirements. The more you know of the process, the more effective you will be.

These guidelines provide you with websites that have PPBS Process tutorials and additional key items pulled from experience, lessons learned, and PPBS Process tutorials that may lead you to a more successful POM submittal.

You as a program manager must present a realistic budget even if it exceeds what the Resource Sponsor considers his/her fiscal constraints.

Websites that have PPBS Process tutorials:

[HTTP://www.CNO-N6.hq.navy.mil/N6E/PPBS/home.htm](http://www.CNO-N6.hq.navy.mil/N6E/PPBS/home.htm)

[HTTP://www.acq.osd.mil/log/logistics_material_readiness/organizations/rm/HTML/PPBS/PPBS.HTML](http://www.acq.osd.mil/log/logistics_material_readiness/organizations/rm/HTML/PPBS/PPBS.HTML)

Key items to consider when building a POM submittal:

1. Describe the mission need.
2. Know your Resource Sponsor- communicate openly and often during planning phase of the PPBS Process.
3. Base your submittals as much as possible on requirements, laws, and regulations and list them as mission essential or mission critical.
4. Address the consequences of not fully funding the program. Tie these issues to legal requirements as much as possible. Your job is to submit for enough money to meet all requirements.
5. Work within fiscal constraints or be prepared to justify and quantify budget increases over controls.



6. If presenting a new procurement, present it as follows:
 - a. Total cost
 - b. Replacement (What is being replacing and why)
 - c. Illustrate that by replacing the equipment with new; there will be an added cost-savings. (May want to address obsolete or unsupportable equipment.) Cost-savings can be tied to the following areas:
 - Reduced maintenance costs
 - Stocking or reduction of spare parts
 - Item costs (new vs. old)
7. Has an item in the budget been included in past submittals? (Be consistent)
8. Link goals with higher organizational strategies. Align your submittal to support the overall goal.
9. Provide projected savings and how are they calculated.
10. Can you share costs with partners? (Look at inter-service possibilities)
11. Is it possible to address "trade-offs" within the organization? Provide Resource Sponsors with alternatives. i.e. can you stretch out procurement over several more years? Prioritize these alternatives.
12. Work within fiscal constraints if possible.
13. How does your program support the war fighter?

