



SDFM



DECISION LENS

Reform on Tap

The Future of PPBE

Decision Lens modernizes how government prioritizes, plans, and funds.

COMPANY BACKGROUND

- ✓ Established in 2005
- ✓ Top Secret Facility Clearance
- ✓ Customers across Federal, State & Local Government Agencies

CERTIFICATIONS

- ✓ FedRAMP Certified
- ✓ IL-2 Compliant AWS Hosting
- ✓ IL-4/5 ATO (Third-Party Hosting)
- ✓ IL-6 (Anticipated)

Decision Lens is a PPBE Thought Leader

Examples

- ✓ Run the TheFutureofPPBE.com
- ✓ We hire and partner with PPBE experts
- ✓ Regularly featured on the SDFM speaking circuit on this topic - our thought leaders have visited dozens of chapter over the last 2+ years
- ✓ Authored multiple article in the Armed Forces Comptroller Journal on the topic of PPPBE
- ✓ Partnered with Federal News Network on series of Modernizing Government Planning
- ✓ Launching podcast focused on PPBE reform
- ✓ Partnered with SDFM on the survey we're here to discuss tonight

Biggest Challenges with the Current System

More than 60 years have passed since the introduction of the current PPBE system. It is no surprise that our current budget process is the primary culprit behind the decline in US defense productivity and innovation. It is cumbersome and slow resulting in inferior decision making — the very opposite of the agility epitomized by Silicon Valley and to which the Pentagon once achieved.

Data is a Mess

- Excess data makes it difficult to analyze and select the correct data for leaders to make the best decision
- Collecting unnecessary data complicates the data collection process and makes parsing it on the back end more time consuming.

Disconnected Systems

- Having data sources in numerous locations and formats increases the likelihood of hard-to-find errors.
- Centralizing data for leadership, management, and analysts ensures everyone is referencing the same data

Manual Processes

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Limited Transparency

- Disconnected data can complicate decisions, introduce redundancy, and result in duplication of investments.
- Prohibits the transparency needed to target the most critical initiatives with the right resources.

Antiquated Tools

- Legacy collection and analysis tools can create a lot of stress and frustration amongst employees.
- As organizations struggle to modernize, they don't invest in the right tools and change management to transform behavior and thus results.

Reform Overview

Commission established in 2022 & published 2 reports

Final Report focuses on 5 areas and 28 recommendations

PPBE could be renamed the Defense Resourcing System (DRS)

Implementation Team recommended to ensure reform takes hold

Agility is a key focus of reform efforts

Adding Agility into the System

The goal of reform is to add agility to long range planning but just as important to year of execution funding. The report focuses on several ways agility can be delivered. This can begin with early strategy documents like J-Books and move through to moving money around during the year of execution. Based on the report, we believe agility will be introduced in the following ways a) Empowering decision makers at echelon b) Reducing bureaucratic burden through a common analytics platform c) Increased reliance on real-time data.



Empower Decision Makers at Echelon

There are several ways to empower decision makers, including:

- Increasing the BTR limits
- Consolidating budget line items
- Creating portfolio-based budgeting



Reduce bureaucratic burden

Removing some administrative overhead and redundancy will conversely require automated systems which are more readily searchable and auditable by Congress.



Increase Reliance on Real-Time Data

In-person discussions and meetings will continue to play a critical role in decision making. However, these discussions need to be fueled by real-time data and scenario planning tools to provide better context.



Strong Technology Underpinning

Replacing the aging systems of today is a critical step towards modernization.

- ADVANA is the recommended platform of choice for new technology.
- Data sharing, security, and permissioning remain challenges to be overcome.



Transparency is Necessary

Empowering decision makers will not come at the cost of transparency.

All recommendations in the report focus on Congress as the ultimate oversight and efforts must be made to make it easier for them to get the information they need when they require it.

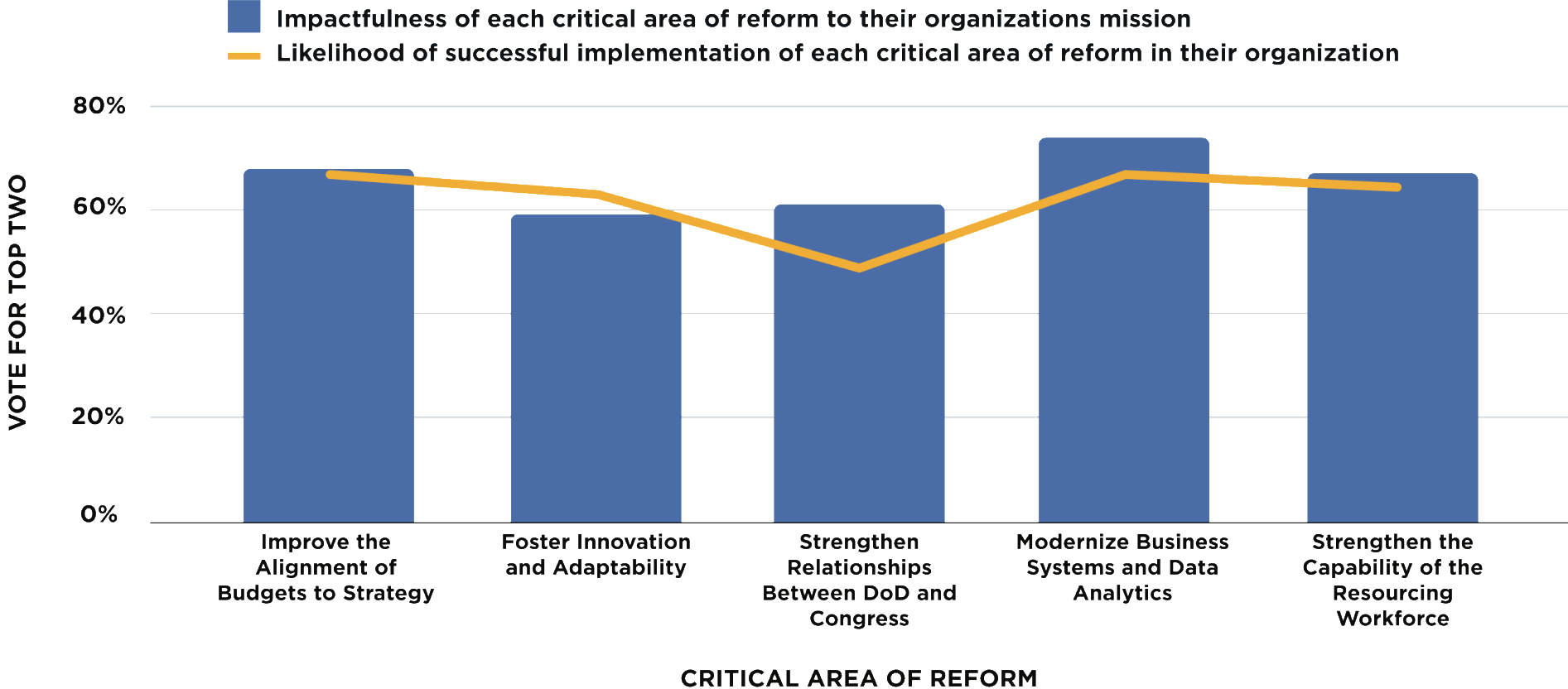
Survey Overview

Goals: To develop defensible, first party research which will provide insight into the risks and opportunities of modernizing the PPBE process to ensure successful modernization.

- Survey jointly developed by SDFM and Decision Lens.
- Run by a third-party survey firm called Hanover Research.
- Distributed by SDFM via email to their database and promoted on social by all parties.
- Survey was conducted in Late April / Early June 2024

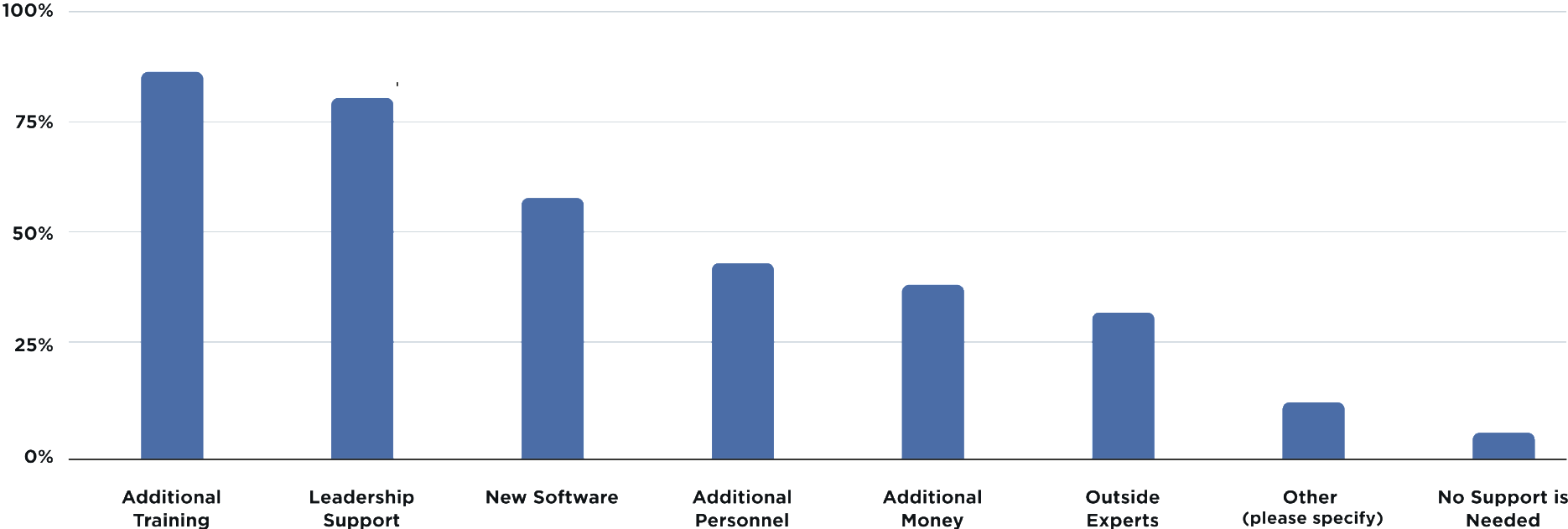
High Level Survey Findings

Critical Areas of Reform



High Level Survey Findings

What support do you feel is needed for a smooth transition to a modern PPBE process?



Three Key Takeaways

There is significant **excitement** and **enthusiasm** for PPBE reform but also recognition that it's going to be hard

The most impactful recommendation and perceived easiest to implement is **Modernizing Business Systems and Data Analytics**

Training, Leadership Support, and new Software were seen **critical** needs to making reform a success

This isn't going to be easy!

**Cultural
Change is
Critical to
Reform
Success**

Oversight remains critical

Congress will maintain its ability to oversee resources allocation and spending.

Technology must adapt

Implement cloud-based software to deliver improved agility.

Processes must be re-engineered

Technology should not digitize existing processes but should be an opportunity to re-evaluate existing process.

Thank You!

www.decisionlens.com