



DEPARTMENT OF THE ARMY
WASHINGTON, DC 20310

HQDA Ltr 220-04-1

DAMO-ODR

26 February 2004

Expires 26 February 2006

SUBJECT: Strategic Readiness System Implementing Instructions

SEE DISTRIBUTION

1. Purpose.

a. This document prescribes responsibilities, policies, and procedures for developing and implementing the Strategic Readiness System (SRS).

b. This policy provides the guidance necessary to ensure each organization fully understands the requirements and responsibilities for SRS and the organizational structure and establishment of the SRS operations centers.

2. Applicability. This policy applies to all elements within the Department of the Army, including the Active Army and Reserve Components, the Army National Guard of the United States (ARNGUS), and the U.S. Army Reserve (USAR).

3. Proponent and exception authority. The proponent for this policy is the Deputy Chief of Staff, G-3 (DCS, G-3). The DCS, G-3 has the authority to approve exceptions to this policy that are consistent with controlling law and regulation. The DCS, G-3 may delegate this approval authority, in writing, to a general officer (GO) or a Senior Executive Service (SES) member in the Directorate of Operations, Readiness, and Mobilization.

4. References.

a. Required publications.

(1) Director of Army Staff Message (25 February 2002). (Available at <https://akocomm.usarmy.mil/SRS>.)

(2) Secretary of the Army SRS Directive (27 January 2003). (Available at <https://akocomm.usarmy.mil/SRS>.)

b. Related publications.

(1) AR 25-1, Army Information Management.

(2) AR 25-2, Information Assurance.

(3) AR 220-1, Unit Status Reporting.

(4) AR 380-5, Department of the Army Information Security Program.

(5) AR 380-19, Information Systems Security.

(6) Army Strategic Planning Guidance (ASPG), November 2003. (Available at <https://akocomm.us.army.mil>. You must request access to the Knowledge Collaboration Center to obtain this guidance.)

(7) DOD Management Initiative Directive (MID) 901, Establishing Performance and Tracking Performance Results for the Department of Defense, 20 Dec 2002. (Available at <https://paesso.pae.osd.mil/sites/scorecard>.)

(8) DOD MID 913, Implementation of a 2-year Planning, Programming, Budgeting and Executive Process, 22 May 2003. (Available at <https://paesso.pae.osd.mil/sites/scorecard>.)

(9) Government Performance and Results Act (GPRA) (Section 1115, Title 31, United States Code). (Available at <http://www.gpoaccess.gov/uscode/index.html>.)

(10) Planning Directive—Army Campaign Plan, March 2004. (Available at <https://akocomm.us.army.mil>. You must request access to the Knowledge Collaboration Center to obtain this guidance.)

5. Explanation of abbreviations and terms. Abbreviations and terms used in this letter are explained in the glossary.

6. Overview.

a. SRS is a strategic management and predictive readiness tool intended to provide the Army leadership with a single system that communicates the Army's mission, vision, strategic objectives, priorities, and focus.

b. Through strategic measurement, SRS enables leadership to monitor progress against that vision.

7. Goals of SRS.

a. To ensure strategic focus through the vertical and horizontal alignment of subordinate scorecards with the Army scorecard. All organizations will know the mission, vision, and strategic objectives of their organizational chain.

b. To provide decision support tools by linking measure performance to supporting data.

c. To communicate risk at appropriate levels by ensuring the visibility of the subordinate scorecards to the Army scorecard.

d. To allow for proactive management through lead indicators and performance.

e. To link readiness to resources.

8. Responsibilities.

a. The Director of the Army Staff (DAS) will—

(1) Ensure that the Kaplan/Norton Balanced Scorecard methodology and SRS become integrated into Army processes as the strategic management tool to align efforts to accomplish the Army's strategy.

(2) Serve as the authority for the Level 0 Balanced Scorecard and all the Level 1 organizations in coordinating their alignment and relationships across Level 1 scorecards.

(3) Chair the SRS Balanced Scorecard performance review sessions to be conducted as a regularly scheduled General Officer Steering Committee (GOSC).

b. The DCS, G-3 will—

(1) Serve as the senior sponsor of the SRS program.

(2) Exercise approval authority for the maintenance of the SRS.

(3) Establish policy and procedures for the SRS process.

DAMO-ODR

SUBJECT: Strategic Readiness System Implementing Instructions

(4) Operate the Headquarters, Department of the Army (HQDA) SRS Operations Center (SRSOC).

(5) Maintain and support the SRS reporting environment.

(6) Appoint the DCS, G-3 proponent for leading the development and management of the SRS program.

(7) Develop and approve interim applications for the continued evolution of SRS.

(8) Create SRS an GOSC to review SRS Balanced Scorecard performance.

c. The HQDA SRSOC will—

(1) Assist in the development and implementation of all policies and procedures required for the operation and maintenance of SRS.

(2) Maintain the SRS reporting environment and implement all approved modifications to the SRS reporting system, including—

(a) Supporting the Level 1 operations centers by ensuring access, retention, and security to perform required tasks for their subordinate organizations with scorecards.

(b) Maintaining overall security and maintenance of SRS-Unclassified and SRS-Classified (SRS-C).

(c) Facilitating the input of proper data linkages that support the measures identified on the scorecard.

(d) Maintaining an SRS user's guide for the system's reporting environment application.

(3) Provide the Chief of Staff, U.S. Army (CSA) and HQDA with reports and analysis as required.

(4) Provide training curriculum and tools to Level 1 operations centers to facilitate all SRS training.

(5) Operate and maintain an SRS help desk via e-mail (Secret Internet Protocol Router Network (SIPRNET) and Nonsecure Internet Protocol Router Network (NIPRNET)) and telephone.

(6) Validate and facilitate approval of Level 0 and Level 1 scorecards—

(a) Upon initial construction.

(b) Upon submission of changes or modifications.

(7) Distribute routine information—including updates to policy, procedures, and uses of the system—via the SRS Web site, newsletter, and e-mail messages delivered to the Level 1 operations centers.

(8) Take all appropriate and immediate action to inform SRS users of system alerts.

(9) Manage all media inquiries that involve the system as a whole or Army SRS.

(10) Respond to requests from Congress, the Department of Defense (DOD), and other Defense agencies regarding SRS.

(11) Support HQDA to integrate SRS into all HQDA readiness documents/procedures/systems.

d. The Chief Information Officer, G-6 will—

(1) Support SRS implementation specified by the current memorandum of agreement with the Chief Technology Office (CTO).

- (2) Host all system hardware and software at the CTO.
 - (3) Authorize the CTO to perform administrative functions from the perspective of data center management (such as backups, performance monitoring, and reboots).
- e. Level 1 organizations will—
- (1) Cascade Balanced Scorecards down to subordinate Level 2, 3, or 4 organizations as they deem appropriate.
 - (2) Manage user access for personnel requiring access to the SRS reporting environment.
 - (3) Maintain their Level 1 scorecards, which include, but are not limited to—
 - (a) Coordination of modifications with the SRSOC.
 - (b) Identification and maintenance of data linkages.
 - (c) Ensuring that measures have current (updated each month, at the least, by the last Friday of that month) and accurate performance data.
 - (d) Reviewing data and ensuring that classified data is handled on SRS-C, as appropriate.
 - (e) Keeping alignment with the Army scorecard (Level 0).
 - (f) Conducting senior leader scorecard reviews.
 - (4) Provide SRSOC with reports and analysis as required.
 - (5) Monitor performance data on their Level 1 scorecards and all subordinate scorecards under their command.
 - (6) Provide SRS training for all subordinate organizations with scorecards in accordance with guidance from SRSOC.
 - (7) Provide technical/functional support for all subordinate scorecards under their command.
 - (8) Establish themselves as the approving authority for subordinate scorecards within their command, to include validation of subordinate scorecards.
 - (9) Develop procedures and manage the change process for subordinate scorecards within their command.
 - (10) Support senior leadership (GO/SES) in conducting Strategic Readiness Update (SRU) using SRS, Mid-Year Review (MYR), and other processes.
 - (11) Provide access to the SRS reporting environment as the local administrator.
 - (12) Disseminate SRS-related messages and activities within their command and lower Balanced Scorecard levels.
 - (13) Provide a point of contact (POC) for all SRS-related activities and additional staff (full/part time) as necessary to accomplish the responsibilities outlined above. This is the minimum recommended staffing. Recommended key roles and functions that may be filled by the same person are as follows:
 - (a) *Level 1 director*. This person coordinates team inputs, obtains resources, manages the operations center activities, and is responsible for the maintenance of overall quality within the operations center.
 - (b) *Level 1 operations center manager*. This person ensures schedule adherence and chairs product reviews and conference calls.
 - (c) *Level 1 operations center staff*. These people support the manager, provide cascaded subordinate core team members with advice and guidance needed to develop quality strategy maps and scorecards, resolve subordinate organization issues, and coordinate all SRS requirements with their HQDA SRSOC counterpart.

DAMO-ODR

SUBJECT: Strategic Readiness System Implementing Instructions

(d) *Level 1 data coordinator.* This person coordinates data access and information technology (IT) issues within Level 1 and subordinate units and coordinates the resolution of IT linkages with the HQDA SRSOC IT counterpart.

(14) Ensure that their scorecard incorporates the elements of the Army Campaign Plan (ACP) to support assessment of ACP.

f. Cascaded Level 2, 3, and 4 organizations will—

(1) Request access for personnel requiring access to the SRS reporting environment.

(2) Maintain their scorecards, which include, but are not limited to—

(a) Coordination of modifications with their higher-level operations center.

(b) Identification and maintenance of data linkages.

(c) Ensuring that measures have current (updated each month, at the least, by the last Friday of that month) and accurate performance data.

(d) Reviewing data and ensuring that classified data are handled on SRS-C.

(e) Keeping alignment with the next-higher command.

(f) Conducting senior leader scorecard reviews.

(3) Provide their higher-level operations center with reports and analysis as required.

(4) Monitor performance data on their scorecards and all subordinate scorecards under their command.

(5) Request SRS training for all subordinate organizations with scorecards in accordance with guidance from SRSOC.

(6) Provide technical/functional support for all subordinate scorecards under their command.

(7) Establish themselves as the approving authority for subordinate scorecards within their command.

(8) Develop procedures and manage the change process for subordinate scorecards within their command.

(9) Support senior leadership (GO/SES) in conducting SRU using SRS, MYR, and other processes.

(10) Disseminate SRS-related messages and activities.

(11) Provide, at a minimum, the recommended staffing—a POC for all SRS-related activities and additional staff (full/part time) as necessary to accomplish the responsibilities outlined above. Recommended key roles and functions that may be filled by the same person are as follows:

(a) *Director.* This person coordinates team inputs, obtains resources, manages the operations center activities, and is responsible for the maintenance of overall quality within the operations center.

(b) *Operations center manager.* This person ensures schedule adherence and chairs product reviews and conference calls.

(c) *Operations center staff.* These people support the manager, provide cascaded subordinate core team members with advice and guidance needed to develop quality strategy maps and scorecards, resolve subordinate organization issues, and coordinate all SRS requirements with their next-higher SRSOC counterparts.

(d) *Data coordinator.* This person coordinates data access and IT issues within

respective level 2, 3, and 4 units and coordinates the resolution of IT linkages with their next-higher level SRSOC IT counterpart.

g. The Army Performance Management Coordinator will serve as the Army's focal point for the use of performance measures in the President's management agenda, the DOD scorecard, and budget performance integration.

9. Procedures for SRS.

a. General.

(1) Starting with the Army scorecard, HQDA will initially support up to four levels of scorecard development. All organizations that directly support HQDA will develop a scorecard. These scorecards will be characterized as Level 1 (major Army commands (MACOMs), the Secretariat, and Army Staff (ARSTAF)). The Level 1 organizations will determine the subordinate scorecards that will be developed down to Level 4.

(2) Each scorecard owner is responsible for ensuring that all SRS content and data, to include screen displays, reports, and graphics, are handled in accordance with AR 380-19 and AR 25-1.

(3) All organizations will staff their SRS operations centers as required. No additional resources in terms of manpower or funding will be provided by HQDA.

b. Training.

(1) SRSOC will publish and maintain the program of instruction for all related SRS training.

(2) Before a Balanced Scorecard can be developed by a new organization, personnel must be trained in Balanced Scorecard methodology and reporting environment applications. Organizations must use the approved curriculum.

(3) In order for an organization to input scorecard personnel, those personnel must complete the training program provided by SRSOC.

(4) SRS users must complete information security training in accordance with AR 25-2.

c. Components. A Balanced Scorecard will consist of a strategy map, strategic objectives, measures, targets, and initiatives associated with four perspectives—stakeholder, internal process, learning and growth, and resources. These may or may not be grouped by themes. Strategic objectives and/or measures can be aligned vertically with higher headquarters and horizontally with the strategic objectives and/or measures of other organizations.

d. Validation. Scorecards are validated through the organization's chain of command using HQDA-approved validation procedures before exporting to the SRS reporting environment to ensure that—

(1) The organization has submitted a completed scorecard package.

(2) All data contained in the scorecard are valid for importing or entering into the SRS reporting environment.

(3) Deficient scorecards are returned for correction and resubmitted.

(4) The HQDA validation process includes—

(a) A strategy map.

(b) An IT data linkage template.

(c) The commander's approval letter.

e. Maintenance.

(1) The scorecard owner will initiate changes to the strategic objectives of the

DAMO-ODR

SUBJECT: Strategic Readiness System Implementing Instructions

scorecard and provide guidance for developing initiatives linked to achieving targeted performance improvement for strategic objectives.

(2) Measure owners will ensure measures meet the intent of strategic objectives and that valid, reportable metrics are available to determine performance.

(3) The measure performance reporter is the primary source of input to the scorecard in the reporting environment. He or she is responsible for regularly updating performance data. Measures should be kept current by updating measure data monthly, at least, by the last Friday of that current month.

(4) The measure performance reporter is also responsible for reporting SRS reporting environment malfunctions, recommending functionality changes, and posting approved changes during designated change windows in coordination with the appropriate-level operations center.

(5) It is the responsibility of every unit/organization to update performance measures, whether deployed or nondeployed, as set forth in their scorecard.

(6) During instances of deployment, users can access their SRS measures remotely under the following conditions:

(a) If users have access to the NIPRNET or SIPRNET, they may log on to either Army Knowledge Online (AKO) or AKO-Secret and access SRS remotely.

(b) If users do not have NIPRNET or SIPRNET access, performance updates may be sent electronically using other methods, such as e-mailing to their respective SRS operations center.

f. Responsibilities for data linkage maintenance. Level 1 and cascaded operations centers are responsible for the following with regard to data linkage maintenance:

(1) Collect, aggregate, and integrate data to support the measure “actual value” population.

(2) “Push” data to the HQDA SRS Support Center data collection team. This includes the measure “actual value” and its supporting drill-down information.

(3) Develop supporting, drill-down information for the measure “actual value.”

(4) Formulate logic and algorithm to support the measure “actual value” calculation.

(5) Monitor network connectivity to insure that the timely and complete data linkage feed remains in place between the HQDA-based SRS support hardware and the distance-sending hardware.

(6) Monitor sending raw data or actual value database structures and notify the SRS Support Center of any changes to the structure. This will help ensure accurate and timely delivery of the necessary data components when network connectivity issues are not a problem.

g. Scorecard modifications.

(1) The SRSOC will designate and manage the opportunities for changing scorecards for Levels 0 and 1.

(a) Changes will occur sequentially to maintain the integrity of scorecard alignment.

(b) The Army’s Level 0 scorecard will precede all other change windows.

(c) The SRSOC will publish a message identifying the procedures for change window opportunities.

(d) Level 1 operations centers will designate and manage the opportunities for changes to cascaded units.

(2) Scorecard modifications may be made on the following basis (due no later than 90 days after the event) with the approval of the higher-level commander/scorecard owner:

(a) Once annually in conjunction with program objective memorandum/budget process.

(b) In the event of one of the following at the discretion of the commander:

- Major changes of the Army scorecard and/or higher headquarters scorecards.
- Restructuring of the organization.
- Change in Active Army/Reserve Component integration.
- Reorientation in the time-phased force deployment data.
- Major change in operational plan.
- Significant change in mission.
- Creation of a significant attachment or cross attachment whose scorecard will affect strategic alignment of the parent organization.
- Change of command of the unit/organization. We recommend a 90-day freeze with new commanders.

(3) The procedure for modifying scorecards is as follows: A Council of Colonels will convene to staff initial change recommendations. A GOSC will convene to recommend changes to the Army, Level 0, and Level 1 scorecards for approval by the CSA. Recommendations for changing the functionality or enhancing the SRS reporting environment may be submitted to the HQDA SRS operations center at any time.

(a) *Communication.* Change windows for each scorecard level are disseminated through Level 1 SRS operations centers.

(b) *Realignment.* Realignment must be conducted at each subordinate level after each change window if alignment is affected.

(c) *New changes (themes, objectives, measures, and initiatives).* All changes to a scorecard must be disseminated to subordinate organizations and those organizations whose alignment is affected.

(d) *Revalidation.* All organizations are responsible for revalidating changes to a subordinate organization's scorecard.

10. Conferences. The SRSOC will conduct a minimum of one SRS Senior Leaders Conference and one SRS Operations Center Conference per year to discuss the program, current issues, opportunities, and the way ahead for the Strategic Readiness System.

11. Summary. The SRS is the Army's strategic management and predictive readiness assessment tool. Because this is an evolving initiative, changes to functional Army regulations, policies, and systems will occur to reflect this evolution.

DAMO–ODR

SUBJECT: Strategic Readiness System Implementing Instructions

Appendix A

Balanced Scorecard Methodology

A–1. Concept

a. Introduced in 1992 by Drs. Robert Kaplan and David Norton, the Balanced Scorecard is widely used by for-profit and not-for-profit organizations worldwide and has become the centerpiece of many strategic management systems. Harvard Business School recognized the Balanced Scorecard as one of the most influential management concepts developed during the past 75 years.

b. At the highest level, a Balanced Scorecard is a framework that helps organizations translate strategy into operational objectives that drive both behavior and performance. More specifically, the Balanced Scorecard is a multidimensional framework for describing, implementing, and managing strategy at all levels of an organization by linking objectives, measures, and initiatives to that organization’s strategy. It provides an enterprise view of an organization’s overall performance by integrating financial measures with other key performance indicators around customer preferences, internal clinical and business processes, and personal learning/development and tools.

c. A Balanced Scorecard is *not* simply a measurement dashboard. Remember the old adage, You get what you measure. In order to successfully measure strategy, the scorecard takes the extra step of linking strategy with operations, a link often broken during the pressure of day-to-day activities.

d. Critical scorecard components include—

(1) A concise visual articulation of a unified strategy in the form of a “strategy map.” This map organizes your key strategic objectives within four causally-linked scorecard perspectives—financial (resources), customer (stakeholder), internal processes, and learning and growth (people)—to ensure that *all* of the critical aspects of the strategy are considered. Without this first step, an organization is at serious risk of measuring and managing *out of balance*, or nonstrategically.

(2) The optimal balanced set of strategic performance measures includes leading and outcome indicators balanced across the four scorecard perspectives. These measures help determine progress against strategy early so that strategic action can be taken to keep the organization on course.

(3) Strategic initiatives/projects are mapped to the organization’s strategy to enable prioritization and thereby ensure optimal resource allocation. Only if strategic initiatives are managed appropriately can an organization hope to reach its targets.

(4) A Balanced Scorecard implementation plan, which outlines how to roll out the scorecard across your organization—how to use the scorecard in management meetings to learn from the measures and act on the results.

A–2. Strategy-focused organization

a. The Balanced Scorecard is one component of a strategy-focused organization, which places strategy rather than tactics at the heart of management systems to achieve significant performance improvements rapidly, reliably, and in a sustainable manner. A strategy-focused organization uses the Balanced Scorecard as the framework to ensure strategic focus.

b. The nature of many public-sector organizations—indeed, their very mission—leads to

strategic conflict between the goals of mission delivery and financial outcomes (viability or profitability). The strategy-focused organization concept provides a framework to help organization overcome this conflict. It—

(1) Provides a framework to ensure that management teams clarify and gain consensus around a single unified strategy.

(2) Links strategic and operational decision-making.

(3) Provides a balanced set of industry-specific measures to monitor strategic performance.

(4) Provides direction for regularly scheduled strategic and operational meetings so that discussions are focused on strategy, not just on tactics, thereby supporting strategic learning.

(5) Enables more objective, less politically driven, strategic resource allocation and improves real-time decision-making.

(6) Creates a vehicle to assign and enforce accountability by leadership and management against performance objectives and measures.

(7) Supports the communication of strategy throughout the organization, thereby creating both a common language and a “line of sight” between individuals and the strategy they support.

c. A strategy-focused organization has five key stages of development (see fig A–1).

(1) *Mobilize change through leadership.* Ensure that strategy is at the center of all processes through leadership’s example (for example, communications, meetings, decision-making).

(2) *Translate the strategy into operational terms.* Development of a balanced set of strategic measures.

(3) *Align the organization to the strategy.* Cascade the Balanced Scorecard to departments/divisions and support units to achieve “line of sight” on the strategy throughout the organization and to ensure common and supporting measures.

(4) *Make strategy everyone’s job.* Ensure acceptance of and coordination with the strategy by aligning team/individual goals with the strategy rather than with narrower tactical goals.

(5) *Make strategy a continual process.* Ensure the linkage between strategy and operational processes and systems by using the Balanced Scorecard framework to organize, enhance, and coordinate these processes and systems (for example, planning, budgeting and resource allocation, annual planning cycle, reporting, leadership meetings).

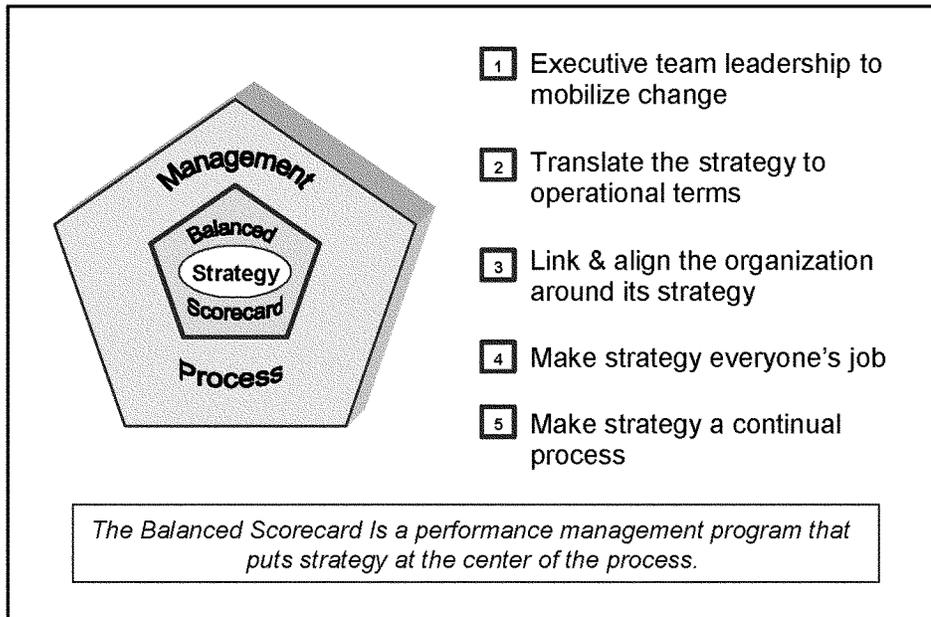


Figure A-1. The five principles of a strategy-focused organization

Appendix B SRS and Balanced Scorecard Integration

B-1. The Balanced Scorecard

a. The conceptual architecture of the SRS has two primary parts: first, the Balanced Scorecard (including strategy map) and second, the IT data linkages that populate the scorecard with performance data (see fig B-1).

b. The basic format for the development of a scorecard is the strategy map, which is a pictorial representation of the organization's mission, vision, and strategic objectives (see fig B-2). Each strategy map is comprised of perspectives that run horizontally and contain the strategic objectives, which are represented as ovals with short word statements. There are four perspectives: stakeholder, internal process, people/learning and growth, and resources. The mission/vision statement is on top of the strategy map. Several strategic objectives may be grouped by a common topic or theme.

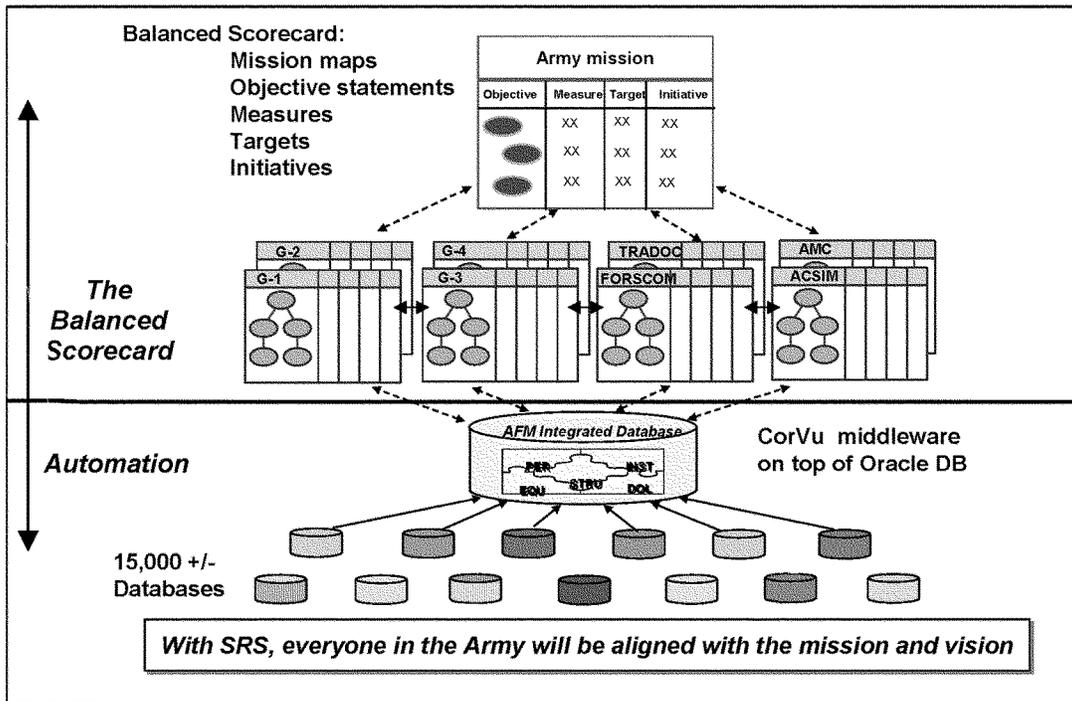


Figure B-1. SRS architecture

(1) In the development of the scorecard, each organization first articulates its mission and/or vision, which should align to its higher headquarters' mission, vision, and strategic objectives.

(2) The organization then identifies its *stakeholders*, or customers—the people or groups that it serves. Then the organization develops its *core competencies*—those things that they must do well to serve their stakeholders.

(3) Next the organization analyzes its internal processes and delineates the key things it must do—its strategic objectives—to accomplish its core competencies. Each strategic objective occupies its own bubble on the strategy map and can be linked to a core competency.

(4) The next step in the development of the strategy map is the identification of the strategic objectives in the *people/learning and growth* perspective—what the organization has to do for its own people in order to have the motivated competent workforce to accomplish the internal processes.

(5) The last step in the actual construction of the strategy map is identifying those strategic objectives the organization has in the resources perspective.

DAMO-ODR
SUBJECT: Strategic Readiness System Implementing Instructions

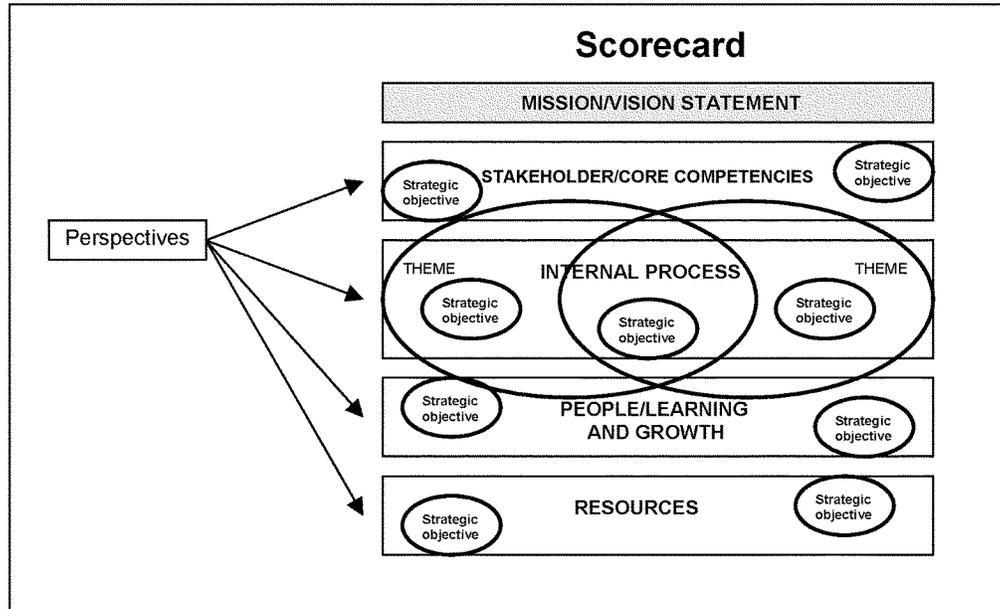


Figure B-2. Strategy map

(6) Each strategic objective has at least one measure associated with it. The measure describes how the performance against the strategic objective will be monitored—it is a description of the measurement, including the unit of measure, but does not include the described level of performance, which is called a target. Target setting is the next distinct and discreet step in the process. A target indicates the level of performance that is expected for each measure.

(7) Now the scorecard is ready to use—and this can happen whether or not it is *automated*, or linked in a computerized fashion. The only thing needed is performance data. The performance data *populates* the scorecard so the organization can now see how it is performing against its targets. (Fig B-3 illustrates the components of a Balanced Scorecard.)

(8) Performance against target is delineated by shading the strategic objectives (the ovals) green, amber, and red. The system automatically changes the color indicator based on performance. If performance does not meet target, then the organization may have to produce an initiative, which is a specific action plan to improve performance.

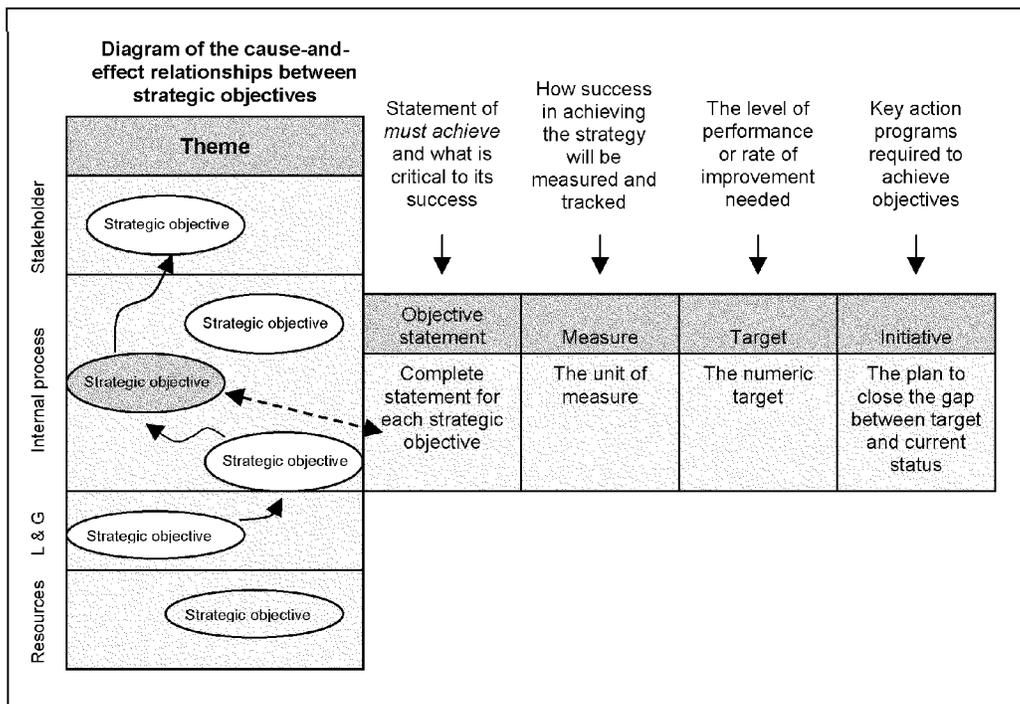


Figure B-3. Balanced Scorecard components

B-2. The application

a. Because the reporting environment software is Web-based, personnel with access to the tool may access information from anywhere in the world. Army officers use the Balanced Scorecard to conduct regular strategic resourcing review meetings with their GOs, senior civilian leaders, and other team members. The SRS Balanced Scorecard enables each team to evaluate recent unit performance in a way that cuts across organizational silos (for example, logistics, operations, medical, training, and other staff areas). People from different organizations within the Army have easy access to scorecard data and can align quickly around issues that connect the various organizations. Put simply, the scorecard enables the Army to “get the right people in the room” when issues arise.

b. The Army Balanced Scorecard provides leadership with accurate, objective, predictive, and actionable readiness information to dramatically enhance strategic resource management. For the first time in its history, the Army has an enterprise management system that integrates readiness information from active and reserve field and staff—enabling the Army to improve support to combatant commanders, invest in soldiers and their families, identify and adopt sound business practices, and transform the Army. This reporting system markedly improves how it measures readiness by gathering timely information with precision and expands the scope of the data considered. The Army is further developing this system to leverage leading indicators and predict trends—avoiding issues that affect readiness before they become problems.

c. In addition to the benefits realized at the top-level leadership, individual commands have extracted tremendous value from the Balanced Scorecard. The individual units have

DAMO-ODR

SUBJECT: Strategic Readiness System Implementing Instructions

been able to more effectively meet their mission-essential task lists and simultaneously focus on readiness and overall transformation toward the objective force of the future.

B-3. The automation

a. Once the scorecard has been constructed and all of the objectives, measures, and targets are in place, then the reporting system must be populated with performance data on a regular basis so that performance can be measured against the targets set by the leadership for each of the strategic objectives.

b. The process is as follows:

(1) First, during the construction of the scorecard, the scorecard builders indicate those areas or activities that are strategically important to measure with the strategic objectives, which are placed in their appropriate perspectives.

(2) Second, the scorecard builders indicate how to measure performance against the strategic objectives by providing the measures.

(3) Third, the scorecard builders provide the performance targets—the level of achievement they want to attain.

(4) Fourth, the scorecard builders populate the scorecard with performance data on a frequency they believe appropriate in order to measure performance against the strategic objectives.

c. The scorecard can be used in a nonautomated format, but given the size and complexity of the Army, the decision was made in the beginning to fully automate the SRS reporting system. The SRS reporting system is automated using a middleware program provided by CorVu.

d. Performance data can be entered into SRS in three ways:

(1) Automated linkage to a database.

(2) Manual input via a spreadsheet submitted in a prescribed format.

(3) Manual input direct from the terminal.

e. It is possible to link strategic objectives on one scorecard to strategic objectives on another scorecard. This linkage indicates a direct cause-and-effect relationship between the strategic objectives.

f. It is possible to link measures from one scorecard to another. When measures are linked, it indicates a direct cause-and-effect relationship between measures. This linkage indicates that values from one measure feed the values for another measure.

g. An SRS user's guide is maintained within the SRS reporting system (<https://akocomm.usarmy.mil/SRS>) and is available for download in the "common shortcuts" menu. Help desk personnel are available Monday through Friday, 0730–1700 Eastern Standard Time. The SRSOC phone number is (703) 693-8977 or DSN 223-8977.

Glossary

Section I Abbreviations

Section I Abbreviations

ACP
Army Campaign Plan

AKO
Army Knowledge Online

AR
Army regulation

ARNGUS
Army National Guard of the United States

ARSTAF
Army Staff

CSA
Chief of Staff, U.S. Army

CTO
Chief Technology Officer

DAS
Director of the Army Staff

DCS, G-3
Deputy Chief of Staff, G-3

DOD
Department of Defense

GO
general officer

GOSC
General Officer Steering Committee

GPRA
Government Performance and Results Act

HQDA
headquarters

DAMO-ODR
SUBJECT: Strategic Readiness System Implementing Instructions

IT
information technology

MACOM
major Army command

MID
management initiative directive

MYR
Mid-Year Review

NIPRNET
Nonsecure Internet Protocol Router Network

POC
point of contact

SES
Senior Executive Service

SIPRNET
Secret Internet Protocol Router Network

SRS
Strategic Readiness System

SRS-C
SRS-Classified

SRSOC
SRS operations center

SRU
Strategic Readiness Update

USAR
U.S. Army Reserve

Section II
Terms

Actual value
Numeric quantifier for a measure for a specific period.

Automated
No human interface once process is set up. Allows for direct linkage to source database or datasheet that enables automatic updates to SRS software on a periodic basis.

Alignment

Ensuring that strategic objectives at all levels of an organization support the overall strategy, that all levels of the organization have focused their resources and efforts on the strategic activities needed to achieve the organization's mission and vision.

Backend to backend

Refers to client user database shipping values or data to calculate values to SRS software database.

Balanced Scorecard

A tool that translates an organization's mission and strategy into a comprehensive set of performance measures that provides the framework for a strategic measurement and management system. A Balanced Scorecard consists of a strategy map, objective statements, measures, targets, and initiatives.

Balanced Scorecard Collaborative (BSCoI)

A professional services firm, led by the founders of the Balanced Scorecard, Dr. Robert Kaplan and Dr. Dave Norton, that facilitates the worldwide awareness, use, enhancement, and integrity of the Balanced Scorecard as a value-added management process.

Business as usual

An SRS internal value set equal to the minimum value for the measure. It is used to calculate the normalized score.

Calculated

An actual value that is based on other SRS measures in an algorithm.

Calculated linkage

An internal SRS software method that supports both inbound data feeds and outbound information flows.

Cause-and-effect relationship

In the context of the Balanced Scorecard, a cause-and-effect relationship identifies relationships among objectives and the overall strategic outcome.

Core competencies

The key outcomes delivered to stakeholders. They represent what will be achieved when the strategy is successfully implemented.

Data linkage

Method of updating values in the SRS database using external data sources.

Database linkage

A link where the source and/or link is a database.

Datasheet

An MS Excel, .csv, .txt, or other flat file type extract used to support an SRS inbound data feed or outbound measure drilldown.

Datasheet linkage

A data link where the source and/or link is a datasheet.

DAMO–ODR

SUBJECT: Strategic Readiness System Implementing Instructions

Design center express

A modified design center used to create cascaded Balanced Scorecards.

Drill-down data

Raw data files or standalone documentation supporting measure values. Drill-down data does not directly update actual measure values.

Effective date

Date through which reported data are measured.

E-mail notification

An automated e-mail sent to measure performance reporters to assist in manual entry of actual values.

Governance

Rules defining how the Balanced Scorecard will be implemented, including modification, maintenance, and reporting.

Hyperlink

A connection from a measure to a file extension, Web site, or Knowledge Collaboration Center location that supports an outbound data feed.

Hypothesis

A supposition about cause-and-effect relationships between objectives. A hypothesis involves the anticipation of an effect and a means of observing whether it is correct. Strategy is based on a hypothesis: If we do A, then B will result. A strategy map depicts the hypothesis behind an organization's strategy.

Inbound data feed

Input data that populates (updates) SRS measure actual values.

Initiatives

Key action programs developed to achieve objectives and close gaps between measures performance and targets. They are specific and occur over a fixed time period, have action officers responsible for accomplishing them, and have a budget. Multiple initiatives may support a specific objective.

Lag indicator/lag measure

Measures to determine the outcome of an objective that indicates performance at the end of a period. For example: missions flown and vehicle availability.

Lead indicator/lead measure

Measure that indicates whether an objective will be achieved; can be used to correct problems so the objective will meet its targeted performance level. For example: maintenance contact hours. (Also called a *driver measure*.)

Level 0

Army Enterprise level.

Level 1

Next level of command, staff, and secretariat under the Army Enterprise level (Level 0).

Levels 2, 3, and 4

The SRS levels of the subsequent subordinate organizations in a chain of command.

Manual

Measure reporter entering data directly to SRS.

Measure

Statement of how success in achieving an objective will be identified. Measures are written statements of what we will track and trend over time, not the actual targets that must be achieved. A measure should include a statement of the measure unit. For example: maintenance hours or training spaces available. (Also called a *performance indicator*.)

Measure alignment

Coordination effort made to align or standardize like unit measures within the SRS.

Measure data

Actual values.

Measure owner

A Balanced Scorecard user responsible for the content of the specific measure. There is only one measure owner per measure.

Measure performance reporter

User responsible for updating the measure values for a specific measure. There is only one measure performance reporter per measure.

Measures team

Team responsible for identifying scorecard measures and recommending targets.

Metric data

Information used to calculate measure; data such as drill-down data.

Mission

Statement of what a unit or organization is expected to accomplish for its stakeholders.

Mission map

See *strategy map*.

Objective

Statement of strategically important action to be accomplished by an organization—typically arranged in verb-adjective-noun format. (Also called a *strategic objective*.)

Objective statement

Provides additional explanation of strategic objectives to promote understanding of what is meant by each objective.

Operations center

Unit organized to manage and support the implementation of the Balanced Scorecard at its level organization and subordinate levels.

DAMO–ODR

SUBJECT: Strategic Readiness System Implementing Instructions

Outbound information feed

Output data that supports SRS measure actual values supporting information/drilldown through a hyperlink or measure drilldown.

Perspectives

A set of (usually) four viewpoints to a strategy as represented by key constituents/stakeholders of that strategy. Viewed horizontally, each perspective represents the set of objectives desired by a particular stakeholder (stakeholder, internal process, learning and growth, and resources). The perspectives, when taken together, permit a complete view of the strategy and “tell the story of a strategy” in a clearly understandable framework.

Planned

SRS internal value set equal to the target value. It is used to calculate the normalized score.

Predictability

The predictive modeling effort that will enable executive decision-makers to answer the questions “ready for what?” and “what if?” across the full spectrum of SRS performance management and readiness through time.

Pushing data

User database tapping SRS to insert actual values.

Resources

Those inputs (people, dollars, infrastructure, installations, institutions, and time) that are changed by the people and internal processes to outputs.

Score

Normalized value for a measure. For SRS, the calculation is done using planned and business-as-usual values.

Scorecard

See *Balanced Scorecard*.

Scorecard owner

Balanced Scorecard user with overall responsibility for content of scorecard.

ST_PROC

A field in the database used by automated data linkages that uniquely identifies a measure.

Stakeholder

The perspective that is at the top of the Army strategy map. It represents the groups or individuals that have a stake in the outcome of the organization.

Strategic destination

The future structure of the organization. It represents how the organization will be structured to deliver its core competencies to its stakeholders.

Strategic objective

A critical, strategic-level action that the Army must accomplish to ensure it achieves its fundamental missions. It is typically arranged in verb-adjective-noun format. (Also called an *objective*.)

Strategic plan

One source document for developing a Balanced Scorecard. The Balanced Scorecard translates the strategic plan into measurable objectives, performance targets, and specific initiatives to improve performance when required.

Strategic Readiness System (SRS)

A strategic management and predictive readiness system intended to provide the Army leadership with a single tool that communicates the Army's mission, vision, strategic objectives, priorities, and focus.

Strategy

Description of how the organization is attempting to achieve its overall mission/vision over the next 3 to 5 years, as represented by the organization's strategic themes and objectives.

Strategy map

A visual representation of an organization's strategy and the relationship between the desired outcomes and the intermediate strategic objectives that result in successful execution. A strategy map consists of perspectives, themes, and strategic objectives.

Theme

Collection of similar objectives, characterized by a common purpose or goal.

Vision

A concise written statement defining the mid-/long-term (3 to 5 year) strategy of the organization. The vision is the summary statement of how the organization wants/intends to be perceived by the world.

By order of the Secretary of the Army:

PETER J. SCHOOMAKER
General, United States Army
Chief of Staff

Official:



JOEL B. HUDSON
Administrative Assistant to the
Secretary of the Army

Distribution:

This publication is available in electronic media only and is intended for the following addressees:

HQDA (SAAA)
HQDA (DAIM)
HQDA (SAAL)

DAMO-ODR

SUBJECT: Strategic Readiness System Implementing Instructions

HQDA (SAFM)
HQDA (SAMR)
HQDA (DAAR)
HQDA (DACH)
HQDA (SAIS)
HQDA (NGB)
HQDA (DAEN)
HQDA (SAPA)
HQDA (DAPE)
HQDA (DAMI)
HQDA (DAMO)
HQDA (DALO)
HQDA (DAPR)
HQDA (SAUS)
HQDA (DASG)

COMMANDERS

U.S. ARMY MATERIEL COMMAND
U.S. ARMY CRIMINAL INVESTIGATION COMMAND
EIGHTH U.S. ARMY
U.S. ARMY FORCES COMMAND
U.S. ARMY INTELLIGENCE AND SECURITY COMMAND
U.S. ARMY MILITARY DISTRICT OF WASHINGTON
U.S. ARMY MEDICAL COMMAND
MILITARY SURFACE DEPLOYMENT AND DISTRIBUTION COMMAND
U.S. ARMY TRAINING AND DOCTRINE COMMAND
U.S. ARMY CORPS OF ENGINEERS
U.S. ARMY, EUROPE AND SEVENTH ARMY
U.S. ARMY, PACIFIC
U.S. ARMY SPACE AND MISSILE DEFENSE COMMAND
U.S. ARMY SPECIAL OPERATIONS COMMAND

CF:

HQDA (SACW)
HQDA (SAIE)
HQDA (SALL)
HQDA (DACS)
HQDA (SAGC)
HQDA (DAPM)
HQDA (SAAG)
HQDA (SADBU)
HQDA (SASA)
HQDA (SAIG)
HQDA (DAJA)
NETCOM (NETC)
USACE (CSSC-Z)
USMA (CSA)

USAPD

ELECTRONIC PUBLISHING SYSTEM
OneCol FORMATTER WIN32 Version 214

PIN:

DATE: 03- 2-04

TIME: 13:03:30

PAGES SET: 24

DATA FILE: C:\wincomp\l220-04-1text.fil

DOCUMENT:

SECURITY:

DOC STATUS: NEW PUBLICATION