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AGA Research

Driving Innovation in
Budget Formulation



AGATM

2023 NextWave Federal
Finance Leadership Program
Cohort Capstone Report

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Driving Innovation in Budget Formulation: 2023 NFFLP Cohort Capstone Report

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Background

AGA's NextWave Federal Finance Leadership Program (NFFLP) is a trans-



formative journey that empowers junior government executives and mid-level professionals to develop into the next generation of federal finance executives. Participants examine the efficiencies and effectiveness of current operations and tools and discuss actions to bring about transformative change. The program offers forward-thinking individuals a platform to redefine the government finance function through collaborative cohort ideation, self-reflection exercises, and engagement with federal Chief Financial Officers (CFOs)/Deputy Chief Financial Officers (DCFOs). Participants are encouraged to challenge the status quo, reimagine the finance function, and prepare to advance government finance into the next generation of transformation, equipped with tools and leading practices to build the high performing teams needed for the task.

The 2023 NFFLP cohort applied a people-first perspective to envision four transformative outcomes: Optimized Workforce, Enabled Decision-making, Modernized Stakeholder Experience, and Efficient Stewardship. Six individual, functional organizational personas (Catalyst, Concierge, Oracle, Curator, Guardian and Steward) served to guide participants through numerous case studies throughout three program phases: 1) Better Me, 2) Better Us and 3) Better Working World. The cohort then conducted a transformation simulation, culminating in a four-team capstone business challenge:

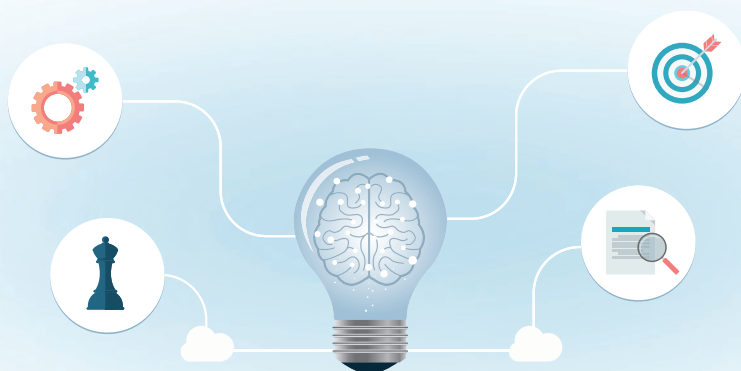
Some public perceptions suggest the government lags in innovation. How can the finance function lead the way to a modern stakeholder experience (internal and external) and stimulate a culture of innovation. As finance executives, design a business case that showcases ways budget reform could advance innovation in government.

During the team project, participants worked closely with program mentors from the Senior Executive Service to gain leadership insights that reinforced lessons learned. Each team integrated their newfound knowledge and experience into a written report and offered an oral executive presentation of their business challenge solution. This paper highlights key observations and recommendations for transformational change from the four teams.

Cohort Observations on the Current Budget Process

Each team fully recognized the gravity of budget formulation and execution processes, especially concerning the ability and capability of the finance function to advance change and build a modern stakeholder experience. Each team's argument emerged according to the diversity of members' gender, race, agency representation, familiarity with the budget process, and use of outcomes derived from both effective and ineffective budget formulation and execution. Team Participants were able to offer insights on the impact of this business case on them as employees, team members, agency colleagues and, most importantly, citizens who benefit from general government innovation. This collective appreciation helped them establish a baseline of understanding of the problem and quickly propose a viable path to implementation with short-, mid- and long-range goals at the general agency and congressional levels. The approach took into consideration perspectives of urgency and long-range strategic planning, both requiring transformational thinking and leadership.

Teams noted that the federal government promotes and supports a variety of innovations — to streamline processes and introduce emerging technologies, but agencies face challenges to get funding to implement their projects. One cause is inconsistency in the budget process, if one exists, across different component



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agencies. Another is the lack of a clear path for program managers to secure funds to pursue innovative efforts. Standardization for incorporating innovation in federal budget formulation would help component agencies access the funds they need for innovation and also ease the process for professionals who formulate agency budgets. If budget formulators used specific tools for the process, as discussed by the cohort, program managers would gain the needed path to funding. Moreover, organizational culture strongly influences the budget formulation process. When leaders generally do not support added funds for innovation, component agency efforts to increase innovation budgets fail. But agency leadership would see value in a standardized process, which could result in an organizational culture that promotes innovation.

Cohort Team Analyses of a Futures View

As a part of the NextWave leadership program, the 2023 cohort learned about taking a “futures view” of digital transformation to clarify the desired operating model of the future and map a path from the current state to get there. For this capstone project, the cohort was asked to design an approach to advance innovation in the federal government through budget reform. As previously mentioned, the cohort was divided into four teams, each one analyzing best practices for budget reform and each taking a different approach to developing a futures view.

Team 1

COHORT MEMBERS

Tonya Hughes-Scruggs, U.S. Coast Guard
Rehana Mohammed, Pandemic Response Accountability Committee
Rahaf Kaylani, U.S. Department of Housing and Urban Development
Erik Gabriel, Appalachian Regional Commission
Kevin O'Brien, Internal Revenue Service

Team 1 took a bold position, and it earned them the “Innovation Award” from program leadership. This team introduced a new way for CFO organizations to drive innovation and advancement in the federal government during the budget formulation process with the Innovation Optimization Tool (IOT). Implementing IOT in government delivers a common methodology to vet innovation proposals and employs the latest AI technologies to increase the likelihood of funding. It also allows agencies to promote innovative ideas to help the federal government advance initiatives that promote efficiency, cost-savings, and new and improved services to taxpayers, and streamline existing processes. The team discussed specific tools and methodologies and outlined how they could help the finance function lead organizations in stimulating innovation.

Team 1 designed the IOT to assess and improve potential innovation projects at the budget formulation stage. Inspired by the Department of Housing and Urban Development’s (HUD) Front-End Risk Assessment (FERA) tool, the IOT provided a structured framework for analyzing innovation proposals and assessing their likelihood of success. The IOT aims to utilize AI tools to build compelling business cases and budget proposals that have a higher probability of being funded. These AI technologies will employ large language models, such as ChatGPT, Microsoft 365 Copilot, or Google Bard; and generative AI, such as Google PaLM 2. **Figure 1** illustrates how the IOT will be used by component agencies and agency leadership once implemented. The IOT is intentionally a low-barrier low-tech and relatively simple and inexpensive to implement. It will help agencies ascertain

Figure 1. IOT Utilization Process

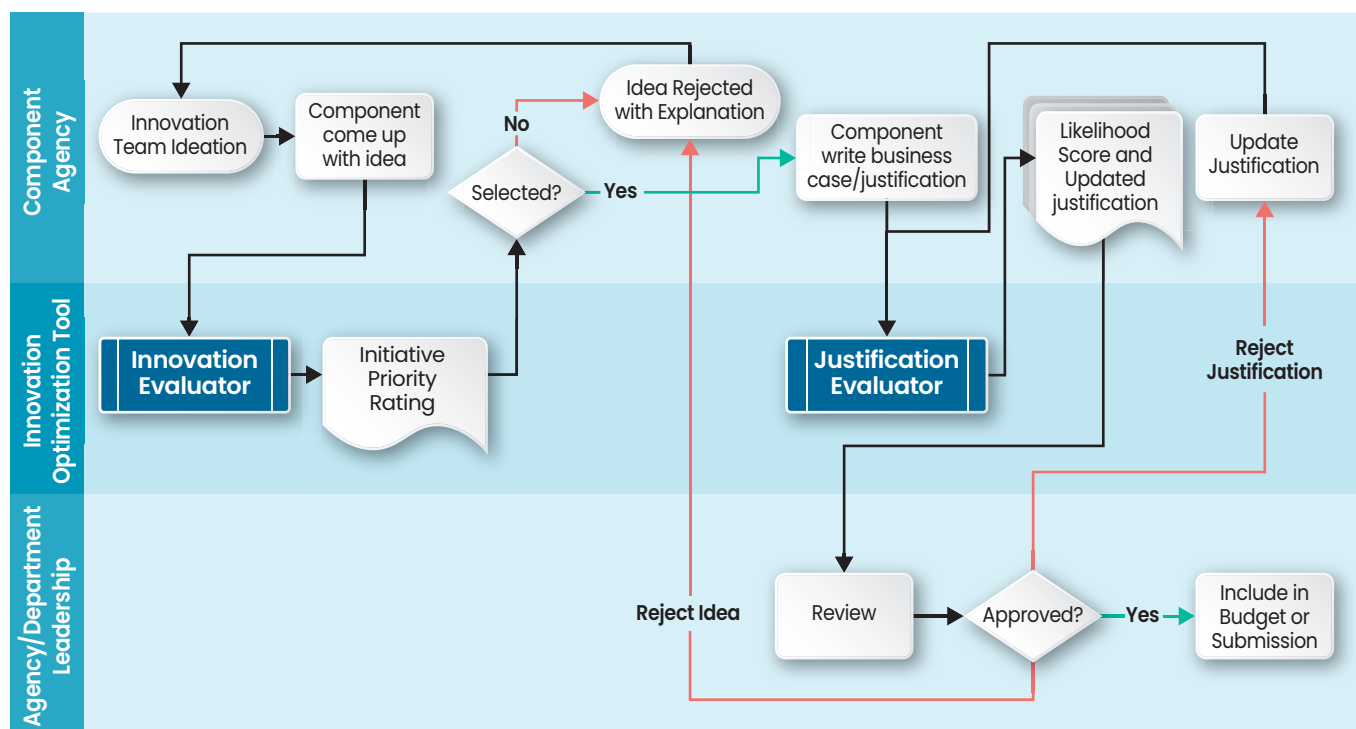
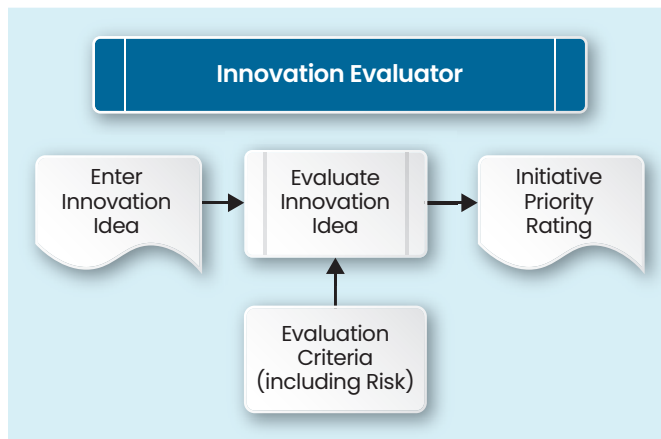


Figure 2. IOT Innovation Evaluator Detailed Processes



whether each operating unit is putting forward the best possible innovative ideas for funding consideration, and it can be developed through SharePoint or other applications the agency already uses to collect input

from operating units. The IOT includes two capabilities: **1) the Innovation Evaluator**, depicted in **Figure 2**, to assess agency innovation proposals for funding, based on draft budgets; and **2) the Justification Evaluator** to review draft justifications for innovations and suggest changes to increase probability of funding success, detailed in **Figure 3**.

The team's plan was to use a systematic approach to engage internal and external parties involved in an innovation to maintain their involvement and meet commitments. The internal stakeholders consisted of the agency component leadership, the agency or department CFO, and the program manager, who collectively possessed knowledge and understanding of the IOT's relevance in measuring and assessing program budget activities and monitoring progress through qualitative data analytics. The external stakeholders from OMB's budget examination team would secure the support of these critical partners for successful implementation. Key personnel with specialized experience to implement the IOT would also be needed, ranging from GS-12 to GS-14 level employees with expertise and knowledge of

Figure 3. IOT Justification Evaluator Detailed Processes

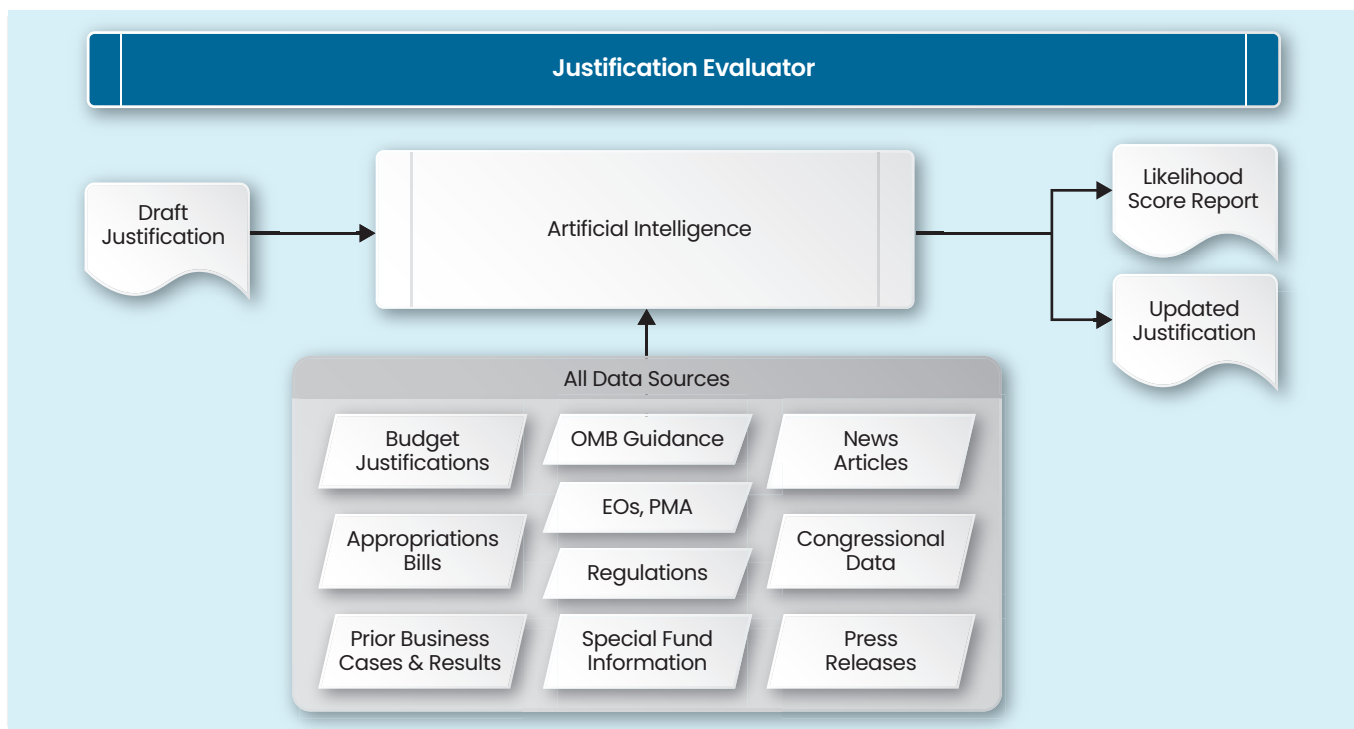
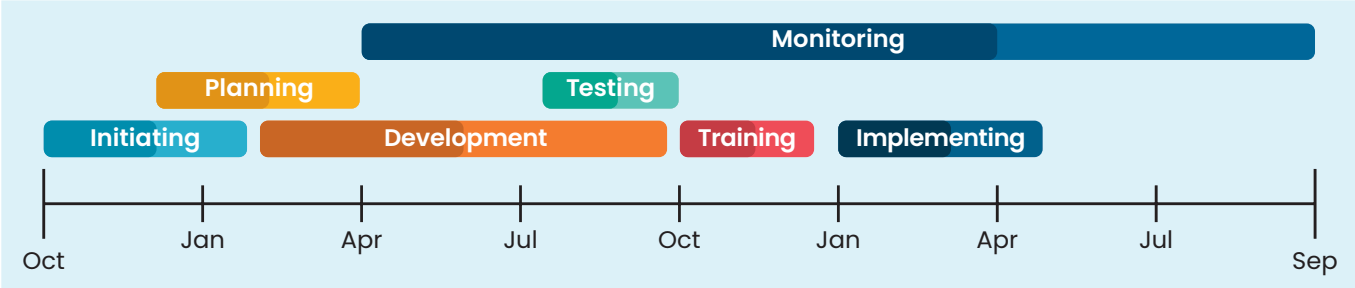




Figure 4. Project Phases



existing programs and processes. The team estimated implementation costs at approximately \$382K, based on the average working hours, and the pay scale of the midpoint of their grade over the lifecycle of the process, 12-24 months.

Both operational and process risks may result from the IOT's implementation — the former from lack of leadership support for its use and the necessary training to implement it in programs; the latter from differences in budget formulation processes among component agencies or a lack of processes. Another potential risk of IOT implementation is project cost overrun, which result from the component agency's current and unique processes and its inability to adapt to the new tools. Implementation of the new process could require additional resources.

Futures View

Team 1 divided implementation into seven project stages, shown in **Figure 4**. The completion of each stage will be a major project milestone, and each stage will include multiple sub-milestones. The diagram also indicates the duration range for each stage and shows how the project phases could overlap and extend over two or more fiscal years.

As an open source, technology agnostic, customizable, and configurable tool, the IOT will help agencies review and rate proposals and generate compelling justifications to increase the likelihood of their funding. The IOT incorporates risk factors, legal and regulatory requirements, policy directives, and the legislative climate in a complex, comprehensive model that Team 1 believes will revolutionize the way federal agencies plan for future innovation projects. With the finance function at the helm, resource management will be a key consideration from the beginning, increasing the likelihood of future success and cultural change. Team 1 suggests the IOT will change the way government does business and will position CFOs as leaders in the innovation space.



Team 2

COHORT MEMBERS

Carla Batist, Federal Emergency Management Agency
Shay Bracey, National Institute of Food and Agriculture
Jayme Boruff, U.S. Army
Stephen Comer, New York Air National Guard

Innovative ideas and technologies are rapidly changing the world in which we live and affecting government, workplaces, schools and other aspects of everyday life. The federal budget cycle lacks the flexibility and agility to adapt to rapid changes needed to cultivate innovation. Many agencies are challenged to provide and sustain the innovative budgetary environment that is critical to the success of a transformative organization. Because the topic of budget reform is broad and complicated, Team 2 chose to approach the problem statement with simplicity. Also, since it is unlikely that any one agency can change the lengthy integrated budget process, the team focused on a solution they believe holds potential for adoption — an innovation performance reserve, carved from an agency appropriation and based on a percentage of the overall agency budget, with adjustments based on the scope of the initiatives to be funded. Initial implementation would leverage historical execution rates, using an agency specific risk-based formula application, and remove a percentage according to risk appetite to be earmarked for the performance reserve.

Team 2 approached the Futures View with a focus on agencies' ability to adapt and implement innovative strategies at the same rapid pace as technology develops. The desired outcomes included an optimized workforce, empowered decision-making, modernized stakeholder experience, and more efficient fiscal stewardship. The availability of innovative software and tools, along with funding disbursed earlier in the normal cycle through the performance reserve concept, will elevate the workforce experience. The competitive advantage in the use of cutting edge financial management technology to navigate massive amounts of data will force multiply the federal worker to deliver sound decision support.

A dashboard that displays in real time key performance indicators, like execution rates, forecasted expenses, and course-of-action modeling, will allow agencies to pivot more decisively to handle emerging requirements in a fast-paced environment.

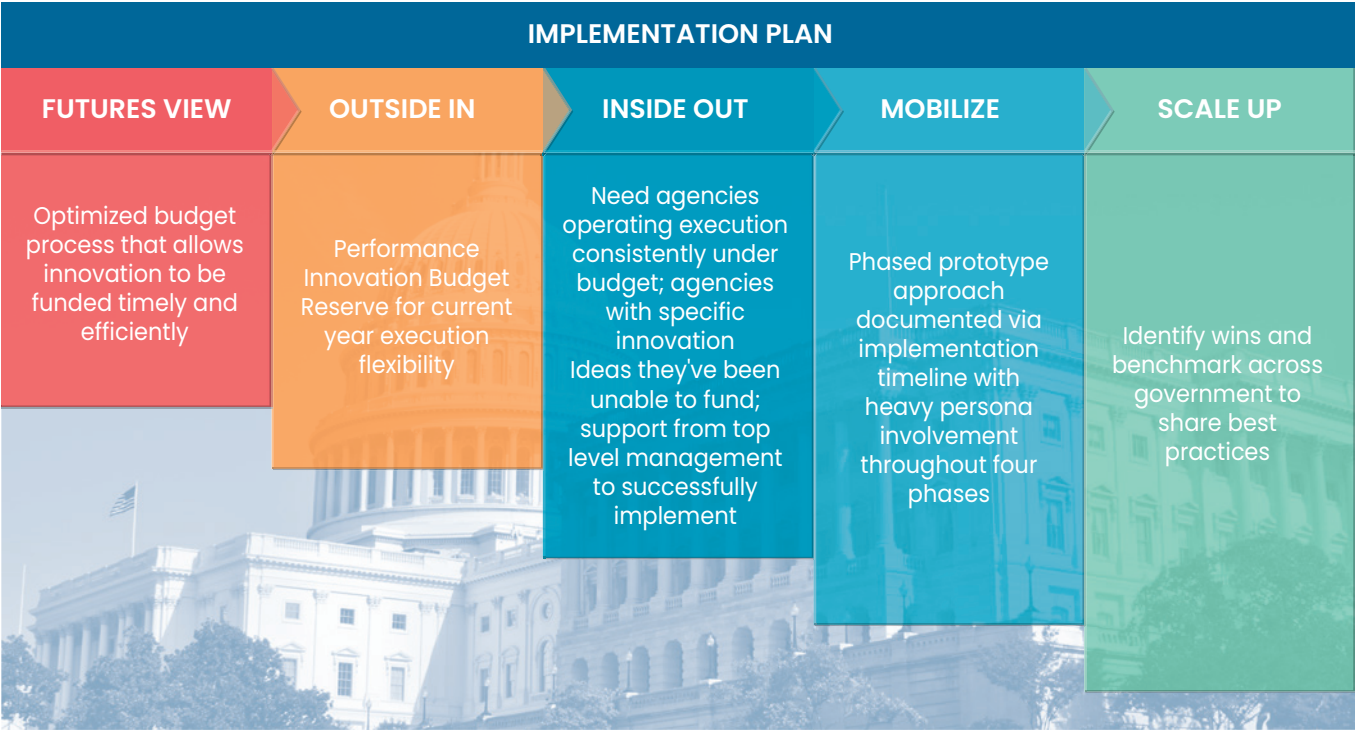
Team 2 considered outside forces that would impact the Future View:

- Social — political opposition, public trust and confidence, special interests.
- Technological — data quality and availability, system integration, data security.
- Economic — budget challenges, return on investment (ROI).
- Environmental — competition for resources, regulatory issues.
- Political — legislative hurdles, bureaucracy, public opinion.





Figure 5. Implementation Plan



The external stakeholders Team 2 considered were Congress, the public, special interest groups, the Government Accountability Office and other evaluators. The journey to the Futures View would involve enacting new or modified legislation to support the infusion of a reserve fund into the budget cycle for appropriation. Regulators would need to clearly define the purpose, governance

structure, criteria for allocation, and performance evaluation metrics. It would also require engagement with policymakers, including those who align with the vision of incorporating innovation into government budgeting. To begin this journey, Team 2 proposed one agency conduct a pilot or test to demonstrate proof of concept and ROI for greater public awareness, as shown in **Figure 5**.

Team 3

COHORT MEMBERS

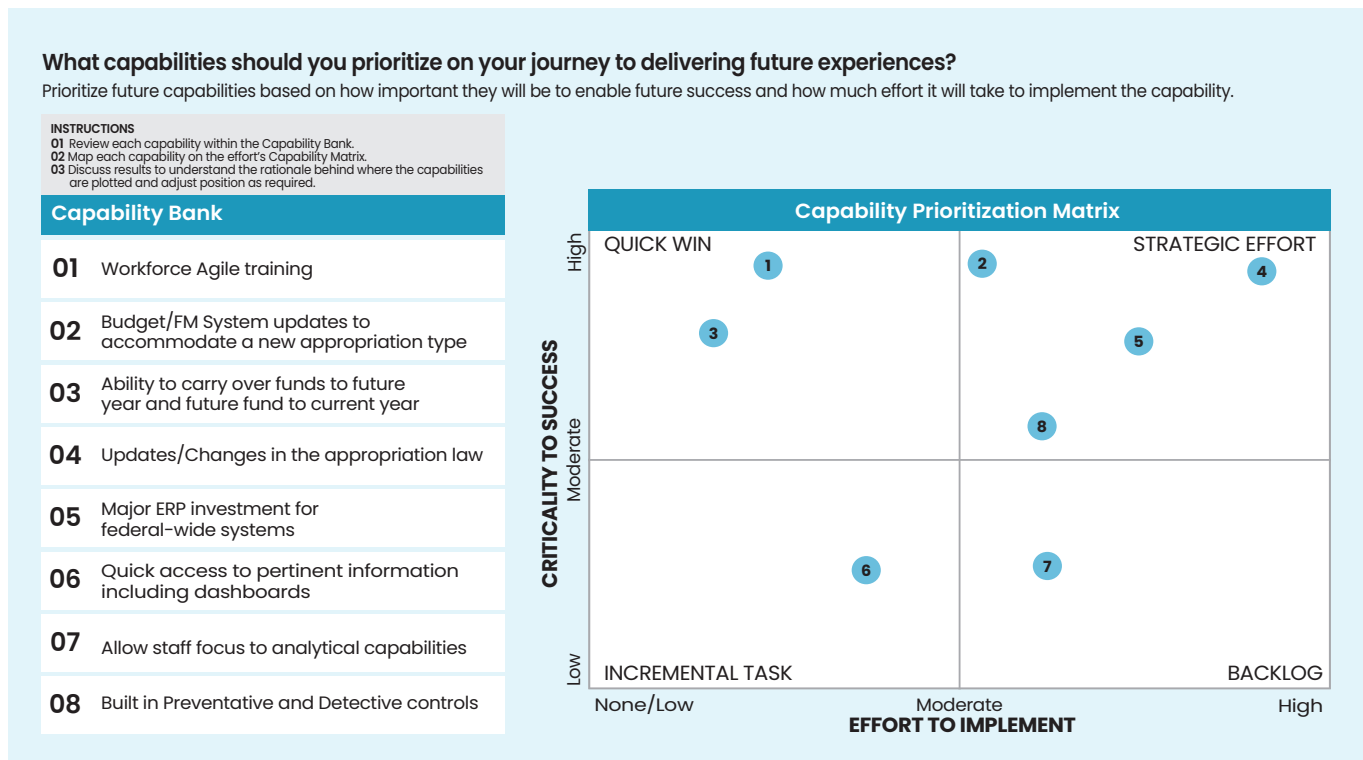
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Nitin Mahabal, National Science Foundation
Randolph Singh, U.S. Courts
Jesse Strubert, U.S. Department of Energy
Jovandra Sanderlin, U.S. Environmental Protection Agency

Team 3 began their business case approach with an opportunity statement: *“The United States Government could have greater success in stimulating a culture of innovation to improve the lives of its citizenry by undergoing a series of budget reformations. These budget reformations, which over time, would afford agencies a greater ability to balance operations and maintenance along with quick investments in innovation. Budget reformation could change the culture of government, in general, and the government’s financiers could lead the way.”*

Team 3 emphasized achievement of actionable results by compartmentalizing the use case into three time-bound phases — short-term (within 1 year), medium-term (1-2 years), and long-term (2 or more years), then developed a journey map to showcase the impact of stakeholders and their persona types along each phase. Each phase further identified an appreciation of stages of readiness and participation.

The team examined implementing agile development and modal contracting techniques to rapidly introduce minimal viable products. Medium-term analysis

Figure 6. Capability Prioritization





recognized modernizing internal budget practices would demand stakeholder support to leverage revolving fund accounts, as well as flexible appropriations authorities. Long-term and strategic planning investments would support work with Congress and appropriators to promote public engagement, predictive analysis for future budget requirements, and real-time budget and spend automations for investments in generative AI, robotic processes, and machine learning. The team further recommended Congressional budget reform from the 12 appropriation bills framework to the guidelines for Continuing Resolutions. Within each stage, Team 3 also identified outcomes they felt each stakeholder community would accept and support, from citizens, industry, academia and media to government watchdog agencies and important bond rater communities. Such recognition would promote public trust and confidence in the transformational investments.

Team 3 conducted an ideation exercise to capture a Capability Vision of offerings and their subsequent prioritization. Each team member shared personal experiences as users of budgetary resources, participants in budget formulation, and support staff to budget

execution, monitoring and controls. Through the diverse lenses and experiences, the team identified commonalities in their challenges and needs for enhanced services and offerings, and they projected desired capabilities into a capability bank from which they developed a Capability Prioritization Matrix. The team then mapped criticality to success against the effort to implement such transformational changes, as shown in **Figure 6** on the previous page.

Team 3 worked closely with their SES mentors to gauge appetite and readiness to absorb transformational changes as short-term, mid-term and long-term implementation goals, illustrated in **Figure 7**. They discussed cost and benefit categories to identify where investments would need to be made to achieve the transformation agenda, an exercise that revealed money would be needed not only in technologies and staffing, but also in operationalizing real-time data for informed decision-making. Team 3 predicted significant investment would be required in staff training, since many proposed benefits showed lack of efficiencies in audit, internal controls, and demonstrating transparency.

Figure 7. Transformation Roadmap

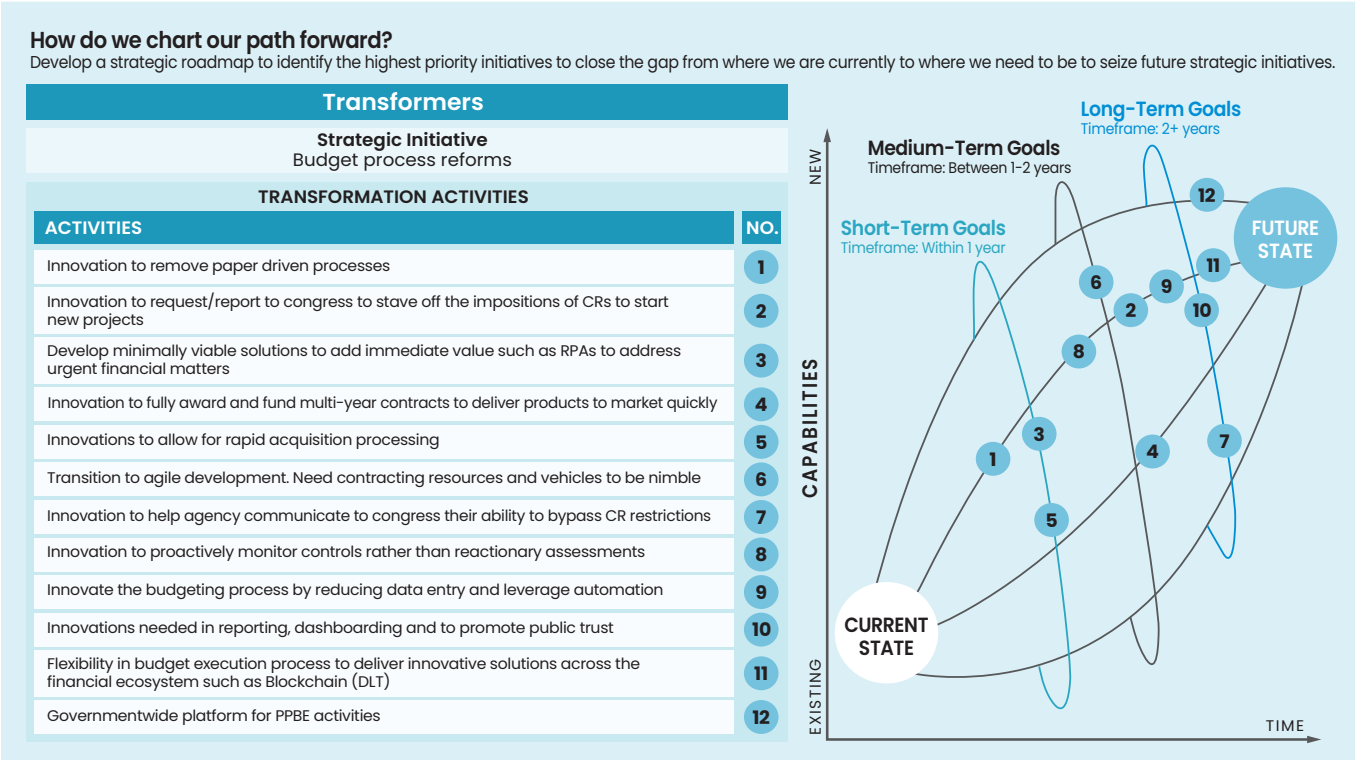
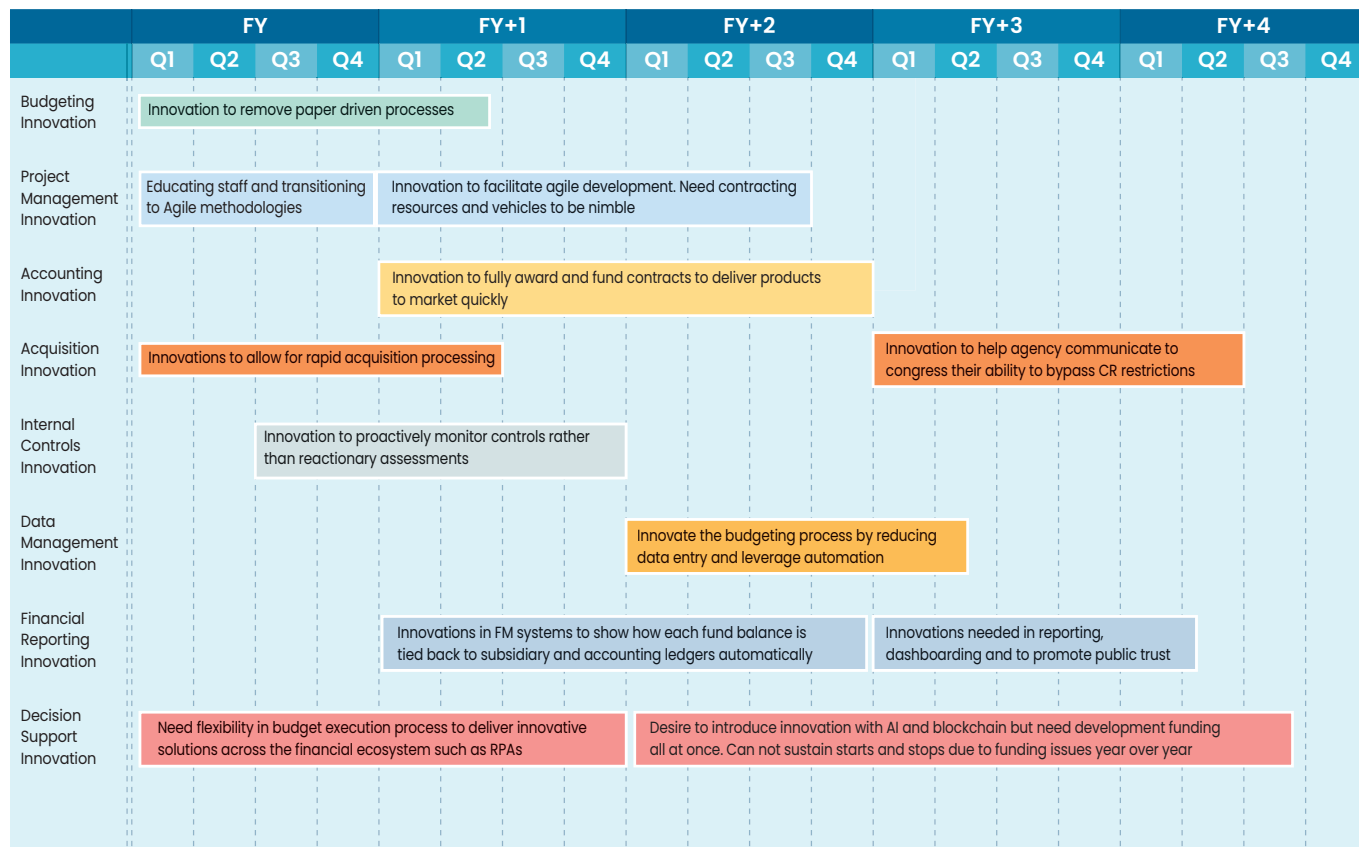


Figure 8. Implementation Roadmap



Team 3 suggested examples of social, technological, economic, environmental or political (STEEP) factors that could have an impact on budget reform and also advance government innovation. Because appreciation of STEEP

factors could impact or influence adoption of innovation, the team proposed an actionable implementation roadmap of transformational initiatives, grouped by financial functions as shown in **Figure 8**.



Team 4

COHORT MEMBERS

Shepherd Brown, National Aeronautics and Space Administration
Leroy Chester, Internal Revenue Service
Sonia Jolly, Internal Revenue Service
Charlie Lopez, U.S. Army
Joslyn Marshall, U.S. Department of Agriculture

Team 4 worked closely with their SES mentor to develop a holistic approach for government to benefit from driving innovation throughout CFO organizations by leveraging existing, more siloed initiatives, such as the President’s Management Agenda (PMA) and the CFO Council’s CFO of the Future Now, which began with this opportunity statement:

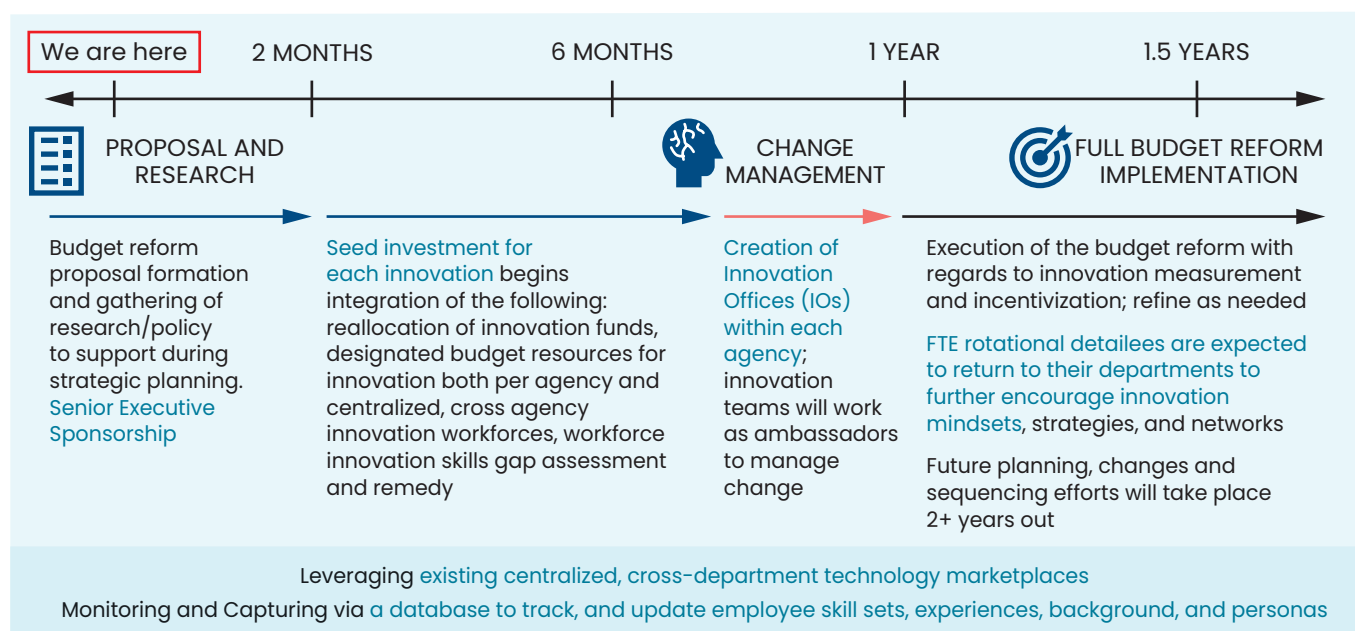
“Consistent with PMA and CFO of the Future Now, converge siloed department innovation offices into a governmentwide effort to foster a culture of innovation by all (i.e., not just R&D or IT shops) while leveraging existing technology marketplaces, shared services, and pandemic lessons learned to modernize stakeholder experiences.”

The team then developed a six-initiative solution that proposes an SES sponsor for the Office of the CFO or similar financial organization who would drive innovation through

the organizational culture by means of collaboration, centralization and dissemination of thoughts, tools and techniques. Ultimately this approach would yield more technological or innovative and allow the organization to operate more efficiently. To accomplish it, the team proposed budget reform focused on seed investments for innovation, reallocation of current innovation funds, designated budget resources at the agency and centralized government levels to drive cross-agency innovation, and an upskilled workforce able to implement innovative solutions.

The third and fourth initiatives in Team 4’s solution focused on building innovation offices (IOs) within each department to identify priority areas where automation could be introduced to optimize routine finance tasks, such as data entry, accounts payable, and procurement, by leveraging existing governmentwide solutions to enhance technology and innovation through shared services.

Figure 9. Team 4’s Implementation Timeline



This model would include assembling teams of Full Time Equivalents (FTEs) from across government to collaborate on challenges and serve as innovation ambassadors within their own agencies. Moreover, the team recommended agencies formulate memorandums of understanding to allow FTEs to rotate through other agencies to learn innovative solutions and teach other agencies about their organizations' innovations. The collaborative effort would help agencies develop governmentwide strategies and networks that leverage existing solutions for cost savings in organizations and the entire government.

For the final initiative in their solution, Team 4 focused on developing repositories, databases and tracking tools to capture information on innovations, employee skill

sets, experiences and background to quickly identify best practices as well as current employees who are subject matter experts in specific challenge areas. They developed an implementation timeline, illustrated in **Figure 9**, which focused on incremental progress to foster change and established a change management process that included assembling IOs and directives for working closely with change ambassadors to manage culture shift and change by preparing, planning, implementing, monitoring and ultimately tracking the process and success of changes. Team 4 also discussed risks and mitigation strategies by using the STEEP factors presented in **Figure 10**.

Figure 10. Risk Mitigation According to STEEP Factors

STEEP Factor	Potential Risk	Mitigations
Social	IF innovation efforts or projects fail to produce intended positive outcomes on time and/or within budget (i.e. failures), THEN innovation efforts will be stifled.	<ul style="list-style-type: none"> ● Capture data and document reasons why for case study use by future endeavors — failure, if lessons are learned/captured, is a necessary ingredient in an innovation/learning ecosystem or culture. ● Obtain leadership buy-in; Identify/shape quick-win outcomes to gain early momentum.
Technological	IF technology and innovation aren't strongly linked to Department strategic goals, THEN there won't be as much of a sense of urgency to drive change/reform.	<ul style="list-style-type: none"> ● Link PMA, OMB, Treasury, GAO, and CFOC to Department strategy goals, at echelon. ● Demonstrate ROI cost savings results from technology and innovation initiatives achieved through economies of scale (FMQSMOs, GMQSMOs, etc.)
Economic	IF there is initial funding shortfall, THEN there won't be initial and future funding for the innovation efforts.	<ul style="list-style-type: none"> ● Seed funding to start (examples FTEs for detail). ● Economies of scale from governmentwide effort, ROI from efficient processes.
	IF the innovations efforts are successful, there is a fear of job loss or job change for the employee(s) impacted.	<ul style="list-style-type: none"> ● Reskilling, upskilling and shifting resource skills. ● Change management for employees and culture.
Environmental	IF there is significant fear of calculated risk-taking inherent in innovation, THEN success rate may be low, resulting in fear of impact on performance reviews/promotions.	<ul style="list-style-type: none"> ● Culture of failure and change mindset for fail first, forward, and fast without repercussions.
Political	IF there is lack of rank-and-file buy-in or belief in their leadership supporting/championing innovative efforts, THEN innovation efforts will be inhibited.	<ul style="list-style-type: none"> ● Designation of innovation officer/champion. ● Training on innovation, creativity, fixed vs. growth mindsets. ● Leadership listening sessions.
	IF there is lack of leadership buy-in or belief that rank-and-file workforce can become innovative or meaningfully contribute toward innovation, THEN innovation efforts will be slowed.	<ul style="list-style-type: none"> ● Training on innovation, creativity, fixed vs. growth mindsets (Carol Dweck).



Conclusion

The 2023 NextWave cohort expressed passionate belief in greater success in the federal government through a culture of innovation to improve the lives of all Americans. The cohort outlined several achievable goals for budget reform that could be implemented in a measured approach over time. The implementations would help agencies balance operations and maintenance along with investments in innovation. The goals include:

- Transformational leaders who would introduce innovations to leverage the strategic better me, better us, and better world framework. With the finance function poised to lead the way in facilitating a modern stakeholder experience and culture of innovation, budget reform could change the general culture of government.
- Because of their role in the budget and funding process, CFOs have a critical role in encouraging innovation in government. They also have an opportunity to serve as leaders in the government innovation space. Innovative ideas are important, but no good idea can succeed without appropriate resources and funding to implement it.
- Change can be enacted at all levels of government, though complete budget reform will take time. To find ways to deliver innovation dollars in a more timely and effective way to agencies, the cohort focused on lower level solutions that can be enacted expeditiously, such as the IOT, the innovation performance reserve, a methodology to demonstrate actionable results, and a collaborative departmental approach hinging on CFO involvement, seed money, innovation offices, and repositories to share best practices.



Author Biographies

Rahaf Kaylani is senior advisor to the CFO and Deputy CFO at HUD, having served the department in overseeing financial operations and management of HUD funds, implementing enterprise risk and fraud risk management in grant operations, and helping to lead HUD’s financial transformation. She holds a bachelor of arts degree and a master’s degree in international politics from the George Washington University, as well as an MBA from American University.

Jayme Boruff, CPA, CGFM, CDFM, currently serves as sensitive activities and journal voucher audit priority lead for the U.S. Army Accounting and Audit Operations in the Army Financial Management Command. Bringing to this role nearly 20 years of wide-ranging financial experience in the Department of Defense and Defense Finance Accounting Service, she oversees Army audit facilitation and remediation to ensure material weaknesses are downgraded. She holds a bachelor’s degree in accounting from Purdue University and an MBA from Indiana University.

Randolph N. Singh is chief of the financial management portfolio at the Department of Administrative Services, Administrative Office of the U.S. Courts. He holds a bachelor’s degree in electrical engineering from the University of Rochester and graduate certificates in management information systems from the Simon School of Business Administration in Rochester and IT project management from the George Washington University School of Business. He is a graduate of the Senior Executive Fellow program at Harvard University’s John F. Kennedy School of Government and holds the Lean Six Sigma Green Belt certification and the ITIL certification in IT service management.

Shepherd Brown, PMP, CICA, is acting branch chief for the Financial Policy and Compliance Branch of NASA OCFO’s Policy Division, where his main focuses are financial policy, enterprise risk and fraud risk management, payment integrity, internal controls and DEIA. Prior NASA, he worked as a management consultant in support of NASA, HUD, the Office of Justice Programs, the Department of Veterans Affairs, the Architect of the Capitol, the U.S. House of Representatives, the U.S. Patent and Trademark Office, FEMA, and the Florida Division of Emergency Management to manage projects and programs, assess and strengthen internal controls, assess improper payments, and develop policies and procedures. He holds a bachelor’s degree in accounting from the University of Maryland, Eastern Shore.

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Team 3
Nancy Glasgow, Army Nitan Mahabal, NSF Randolph Singh, U.S. Courts Jesse Strubert, Energy Jovandra Sanderlin, EPA
Team 4
Shepherd Brown, NASA Leroy Chester, IRS Sonia Jolly, IRS Charlie Lopez, Army Joslyn Marshall, USDA



Executive Steering Committee Biographies



Byron M. Adkins, Jr. is the Director of the Interior Business Center (IBC) within the U.S. Department of the Interior. As the Director of IBC, he is responsible for leading the delivery of shared services across three lines of business (Financial Management, Human Resources, and Acquisitions) to support Interior offices and bureaus, as well as over 150 other federal agencies. He oversees over 40 service lines that generate over \$300 million in revenue, and he manages a workforce of 900 employees located in Washington D.C., Herndon, VA, Denver, CO, and Sacramento, CA.

Prior to IBC, Mr. Adkins served as the Director for the Office of Facilities and Environmental Quality (OFEQ) in the Office of the Secretary, U.S. Department of Commerce. In this position, he oversaw Departmental policy, programs, and operational functions for real property, sustainability and environmental management, and facility services. Additionally, he was responsible for all operations and maintenance for the Herbert C. Hoover Building (HCHB) as well as the \$1B HCHB Renovation and Modernization Project.

He has also served in several leadership positions both at the Department of the Interior and the USDA and served as a legislative assistant on Capitol Hill.



Carrie Hug is the Chief Financial Officer (CFO) for the Federal Motor Carrier Safety Administration (FMCSA) within the Department of Transportation where she oversees budget formulation and execution, financial operations and reporting, and grants management. Prior to joining FMCSA, she was an Assistant Inspector General (AIG) within the Office of Audit Services, Office of Inspector General, Department of Health and Human Services, and oversaw human and financial resources; audit policies, planning, and implementation; statistics and data analytics; and performance and financial statement audits.

Before becoming an AIG, Ms. Hug served in many other capacities including the Director of Accountability at the Recovery Accountability and Transparency Board, Acting Deputy Assistant Secretary for Accounting Policy at the Department of the Treasury, Chief of the Accounting Standards and Grants Branch at the Office of Management and Budget within the Executive Office of the President, Deputy CFO of FMCSA, and as a manager at Grant Thornton, LLP.

Over the years, her duties have included overseeing governmentwide accounting and grant policies, collaborating on the Federal Financial Report of the United States Government, providing support for investigations, directing management services and acquisitions, and implementing financial and cost accounting systems.



Mobola Kadiri is the Deputy Assistant Secretary of the Navy (Financial Operations), Office of the Assistant Secretary of the Navy (Financial Management and Comptroller). She is responsible for the day-to-day operations of the organization, including its regional offices, and supporting the Assistant Secretary of the Navy (Financial Management and Comptroller), in accomplishing her full responsibilities for Department of the Navy (DON) accounting and financial operations. In addition, Ms. Kadiri is responsible for general oversight of the DON's Financial Improvement and Audit Remediation (FIAR) program and serves as the DON's Chief Accounting Officer.

Prior to her current assignment, Ms. Kadiri was the Director for FIAR directorate within the Department of Defense (DoD), Office of the Under Secretary of Defense (Comptroller) (OUSD(C)).

Ms. Kadiri was responsible for executing the Department-wide audit remediation strategy and providing audit guidance to the Military Departments, Other Defense Organizations, and Defense Activities. She leads changes to impact programs, people, technology and processes to drive efficiency and strengthen the internal controls across the organization in support of the Department's audit and audit remediation goals.



Stephen Kunze is the Deputy Chief Financial Officer for the Department of Commerce. He is responsible for: financial management and accounting throughout the Department, preparation of the Department's annual consolidated financial statements, the development and implementation of a modern Department-wide integrated financial system, for managing the Commerce Working Capital Fund, financial management policy and for ensuring the Department's compliance with financial management laws and regulations.

Mr. Kunze joined the federal government with IRS in 1987 as a Presidential Management Intern in the Chief Financial Officer's organization. Stephen was later nominated to the Excellence in Government Fellows program, an intensive results-oriented leadership program, in 1996.

Mr. Kunze's passion for mentoring and developing staff led him to be the co-chair of the U.S. CFO Council's Workforce of Tomorrow working group. This group developed the first strategic workforce plan for the federal financial management community. Mr. Kunze's efforts on this team resulted in the Office of Management and Budget elevating the working group to an Executive Steering Committee of the CFO Council to reflect the increased emphasis needed to ensure support for the financial management workforce today and into the future.



Appendix

The solutions are based on the following persona perceptions applicable to the use case.

THE CURATOR: Any budget reform will trickle down to the curators of the organization. The finance and accounting teams must create efficiencies in the funding process and be able to report the data in a meaningful way. New funding methods may cause an initial learning curve for the curators, but they will be able to utilize best practices from other agencies that already use multi-year or no-year funding and tailor the finance functions to meet agency-specific needs. Any change in legislation will also come with new reporting requirements, so the curators must be agile and active in producing necessary reports.

THE STEWARD: The proposed shift will be welcomed by the steward, who makes sure funds are used efficiently across the organization. The steward would take change in stride and work to assist the organization in making better decisions about innovation. With greater flexibility in technology funding, the steward could make sure the necessary teams get the needed funding and that sufficient funding is available to manage the entire project. The steward keeps the project on schedule and within budget.

THE GUARDIAN: Several risks arise when implementing any changes, and the guardian can help manage them. The new technology developed by the changes can help the guardian identify potential risks and mitigate them. The technology can employ automation, analytics and monitoring to assist with compliance and flag any outliers in the data that should be reviewed. The guardian can also use industry best practices for technology that is already used in the private sector and adjust the enterprise risk management system within the agency as appropriate. As the government becomes a leader in innovation as part of its long-term goals, the guardian can advocate for technology and help others manage risk.







THE CATALYST: The catalyst helps the agency manage necessary changes with a strategy for success. The catalyst will streamline the process, lead the changes in the organization, and strive to create a culture of change in which all offices within an agency are on board with any modifications. The catalyst can assemble and lead a “tiger team” to devise a strategic program and help the rest of the agency stay on track to meet goals.

THE ORACLE: The oracle thrives in helping an agency make informed decisions. The oracle can use the data already captured at the agency to forecast projects and determine innovations that will work best for the agency. Analytics can help the oracle determine whether a project should be funded and estimate the best ROI for it. Changes in policy will lead to questions about various technologies, and the oracle can help determine which innovation would offer the greatest benefit to the organization.

THE CONCIERGE: Myriad stakeholders, both internal and external, will be affected by proposed changes. The concierge can help address stakeholder concerns and assist with clear communication of the changes. The concierge acts as a promoter of the changes, helps convince stakeholders to engage in the process, collects feedback as needed from stakeholders, and promotes additional recommendations for future improvements.

Figure 11 on the next page shows how the above personae are affected by change.

Figure 11. Personae and the Impact of Change

Personae	How They Are Affected by Change
The Curator 	Excited to see innovation will be agile and able to adjust to changes in the agency and its needs and the political environment.
The Steward 	Delighted to support innovation, as it will allow the agency to optimize the use of funding received, measure the outcome of the innovation from funds received, and create fund requests with a higher approval rate.
The Guardian 	Initially skeptical but will come around when it is clear the automation in the innovation will reduce human bias in and improve information for decision-making.
The Catalyst 	Excited to see the innovation used to execute strategic programs and maximize rapid realization of its value.
The Oracle 	Pleased to see the development of a tool that will improve information for decision-making and serves as a creative approach to problem-solving.
The Concierge 	Delighted to see a tool that will improve customer and stakeholders experiences with the formulation process.



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