

How Financial Management Is Integral to Mission Command

Following this guide to participating in the operations process ensures that a financial manager's command budget accurately portrays the commander's plan.

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The Army published Army Doctrine Publication (ADP) 6-0, Mission Command, in May 2012. The mission command philosophy and warfighting function defined by ADP 6-0 represent a fundamental shift in how commanders are expected to exercise command and control over their units. This article will discuss why financial managers must actively participate in mission command in order to fulfill their mission.

In the past, financial managers were often referred to as “bean counters.” This nickname was justified given the comptroller's historical focus on executing 99.99 percent of the command's budget and preventing Antideficiency Act violations by double-checking to ensure every resourced requirement met the “purpose, time, and amount” fiscal law litmus test.

Because of this budget execution and regulatory focus, however, the questions most often heard by financial managers are do we have any money and do we have the right color of money for this requirement? Although the comptroller's ability to answer these questions is certainly important, even more critical is the financial manager's ability to effectively build, defend, and execute command budgets. To accomplish these tasks, financial managers must be fully integrated into the operations process (plan, prepare, execute, and assess).

To fully understand the role financial managers should play within

the operations process we must define “budget.” For the purposes of this article, budget is defined as an operation plan written in monetary terms. By fully participating in the operations process, financial managers ensure that the command budget accurately portrays their commander's plan. The best way to understand the financial manager's role in the operations process is to view operations process activities as an integral part of financial management's mission set.

Plan

Planning is the initial activity of the operations process. While planning, the staff assesses current and emerging threats, roles, and missions. Once this assessment is complete, the staff will use guidance from the commander and higher headquarters to develop a plan to mitigate threats and accomplish all assigned roles and missions. Financial managers must work closely with the other staff members to identify the requirements needed to execute the plan, such as personnel, force structure, facilities, equipment, and services.

Prepare

For a financial manager, preparing entails building and defending the command's budget estimate. Once all requirements for mission accomplishment are identified and validated, financial managers must work with programmers, requirements owners, and acquisition pro-

fessionals to build accurate budget estimates by appropriation. If total requirements exceed the command's programmed budget guidance, then it is imperative for financial managers to work with the staff to ensure the commander's highest priority requirements are adequately funded.

Prioritizing requirements ensures that the command budget estimate accurately reflects the commander's intent. Including other members of the staff in the prioritization process ensures transparency in the process and will help foster an atmosphere of mutual trust among the staff.

Once the budget estimate is complete, a financial manager must defend it to the approval authority. To do this effectively, he must have a clear understanding of emerging threats and the command's roles and missions. This intimate knowledge of the command plan should have been gained through active participation during planning.

Execute

Execution begins with approval of the command's budget and the receipt of obligation authority. Properly executing a budget is more than writing checks every time someone asks for funding. The General Funds Enterprise Business System (GFEBS) provides the Army with an integrated real-time view of its core business processes, such as order processing and inventory management.

GFEBS links to the Army's other enterprise resource planning (ERP)

systems (Global Combat Support System–Army, the Logistics Modernization Program, and the Integrated Personnel and Pay System–Army) to provide decision-makers with a common database of accounting, inventory, and property management information.

Army ERP systems facilitate information flow between internal and external decision-makers and stakeholders. This type of information can be used to manage logistics supply chain operations by enabling optimization of inventory levels and delivery routes. Accurate data pulled from the Army's ERP systems can help logisticians segment their inventory items by cost and velocity, build key facilities in the best locations, and ensure all classes of supply are available in the right quantities when and where they are required by supported commanders.

Accurate cost data captured during budget execution enables leaders to make informed financial decisions. Such decisions may be counterintuitive. For example, according to an article by Warren Wynns and Fred McNitt published in the Summer 2013 edition of *Armed Forces Comptroller*, the U.S. Transportation Command used budget execution data to determine that, once the total cost of transportation is added into the equation, purchasing fuel from local vendors at a cost of \$9.18 per gallon costs \$46,000 less per tanker than paying \$3.56 per gallon in Kuwait and flying the fuel into Kandahar.

Assess

Army Doctrine Reference Publication 6–0, Mission Command, lists “assess” as a separate and distinct activity within the operations process. For successful financial managers, however, assessment is a never-ending process that is integrated into planning, preparing, and executing.

During the planning phase, financial managers must closely monitor planned roles, missions, functions, and resourcing requirements. This

is vital because resources should never drive the planning process. Availability of funds and authorization to spend those funds for mission-unique requirements, however, are planning constraints that must be considered.

During the preparation phase, financial managers assist the commander in assessing how to most effectively and efficiently resource re-

analytical tools to determine why operations are more or less costly than expected.

Financial managers should also work with commanders and other staff members to determine if the plan is having anticipated outcomes. If not, why? What branches and sequels of the plan are likely to be pursued in order to produce the desired outcomes? Once the commander

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quirements. By providing options for how to best resource the command, financial managers aid the commander in making cost-conscious decisions. Why is this important? Because understanding the true cost and benefits of resources (people, equipment, and services) are vital to estimating and accepting prudent risk.

Since a considerable amount of time is likely to have passed since the command developed its budget estimate and receipt of obligation authority, financial managers must complete an immediate assessment of the current plan. Have reduced funding levels made the current plan unfeasible? Have changes made the current plan too costly? On the other hand, has the fiscal environment made the plan cheaper to execute so that excess funding can be reapplied to high-priority unfinanced requirements?

Financial managers must work with requirement owners to ensure their expenditures are in accordance with the budget, and if not, find out why. Bill payers must also be identified for emerging “must fund” requirements.

As the command begins executing the plan, financial managers should look for and analyze unexpected spending patterns. They should use

makes the decision to modify the original plan, financial managers must act quickly to reallocate resources and request additional funding as needed.

The mission command philosophy and warfighting function represent a new way of thinking that makes the legacy philosophy of command and control obsolete. It is no longer sufficient to build a command budget estimate based on historical data, spend money until it is gone, and then ask for more if needed. To be successful in the current operational environment, financial managers must embrace this new philosophy and actively seek to become integral members of command staffs and active participants in the operations process.

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