

Concept of Business Operations Scope

The Concept of Business Operations (CBO) deliverable describes the business relationships that will be established between the Modernization Partner and the internal (SFA) and external stakeholder and customer entities involved in the Modernization effort. These relationships will be geared towards establishing and achieving the strategic direction for the SFA, focused on the performance objectives outlined by Congress in the Performance Based Organization Legislation. The CBO utilizes the future SFA organization design for defining Stakeholder Customer-facing entities within the SFA.

Key topics covered in CBO:

- For each stakeholder and customer, the CBO describes the nature and purpose of the relationship as well as the type of interface with the Modernization Partner.
- For each stakeholder the CBO describes the role and responsibilities of the Modernization Partner.

Modernization Stakeholders

Many different Stakeholders have roles and responsibilities in achieving goals and objectives of the Modernization Program

Internal

- COO
- General Managers
- CIO
- CFO
- Enterprise Directors
- Employees
- Labor Partnership Management Council
- Modernization Partner
- New/Legacy Contractors

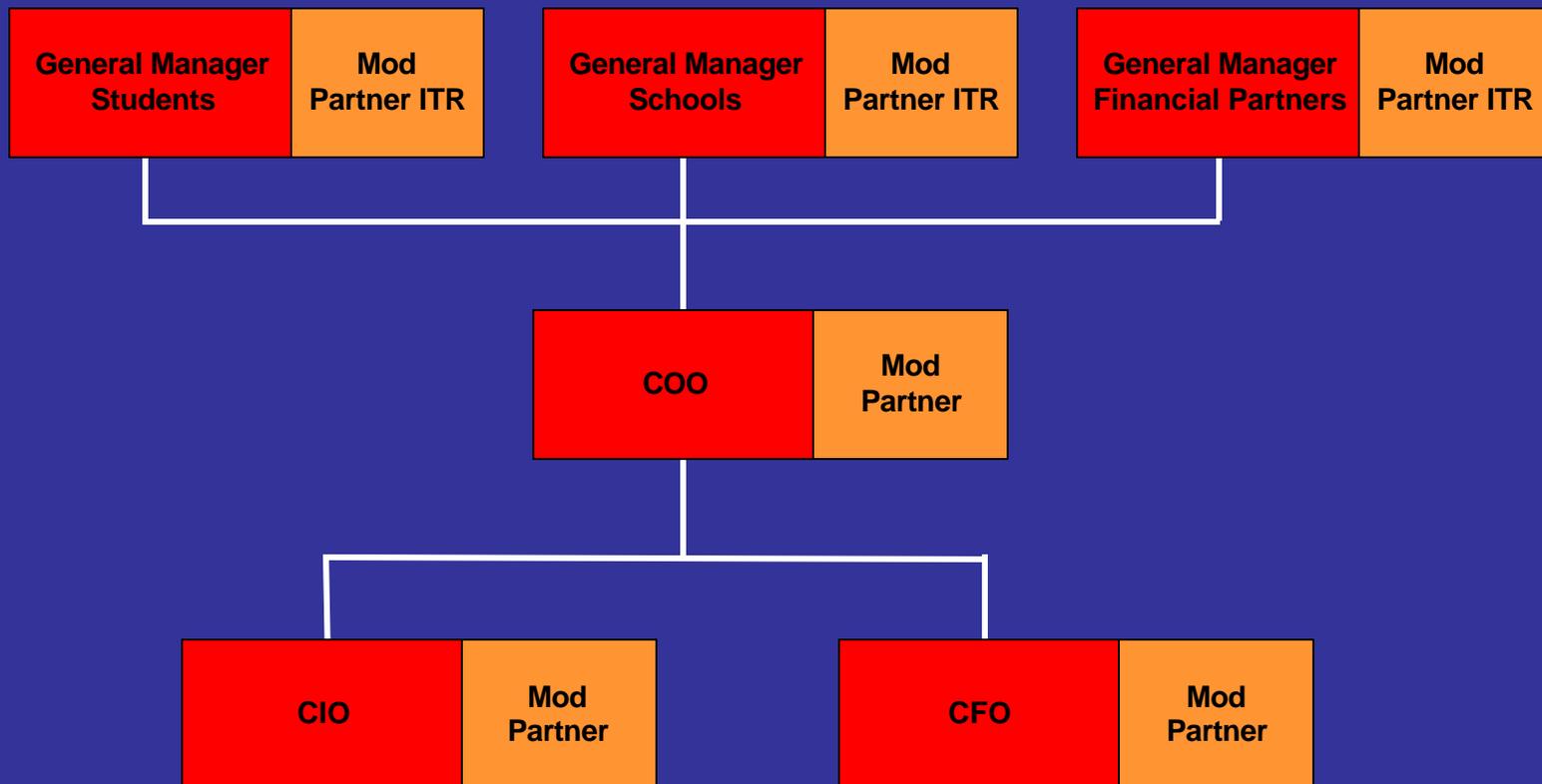
External

- Students
- Schools
- Financial Partners
- Labor Union
- Congress
- Other Federal Agencies
- Associations
- Advisory Boards

Relationships with SFA

Internal

Modernization Partner team members will align with General Managers and Chief Officers to incorporate Best in Business ideas.



The ITR refers to an Information Technology Representative - an individual who will provide technical advice/guidance and serve as a single point of contact for the Modernization program.

Overview

The SFA management team is responsible for achieving business results of decreased unit costs, increased customer satisfaction and improved employee morale. These stakeholders will work directly with the Modernization Partner to define, implement, and achieve not only the business objectives of each General Manager and Functional Unit, but also the business objectives of the Performance Based Organization.

For each of the internal stakeholder entities there will be a key contact established for both the SFA entity and the Modernization Partner. The Modernization Partner will provide functional and technical expertise and will become part of achieving the objectives of the PBO.

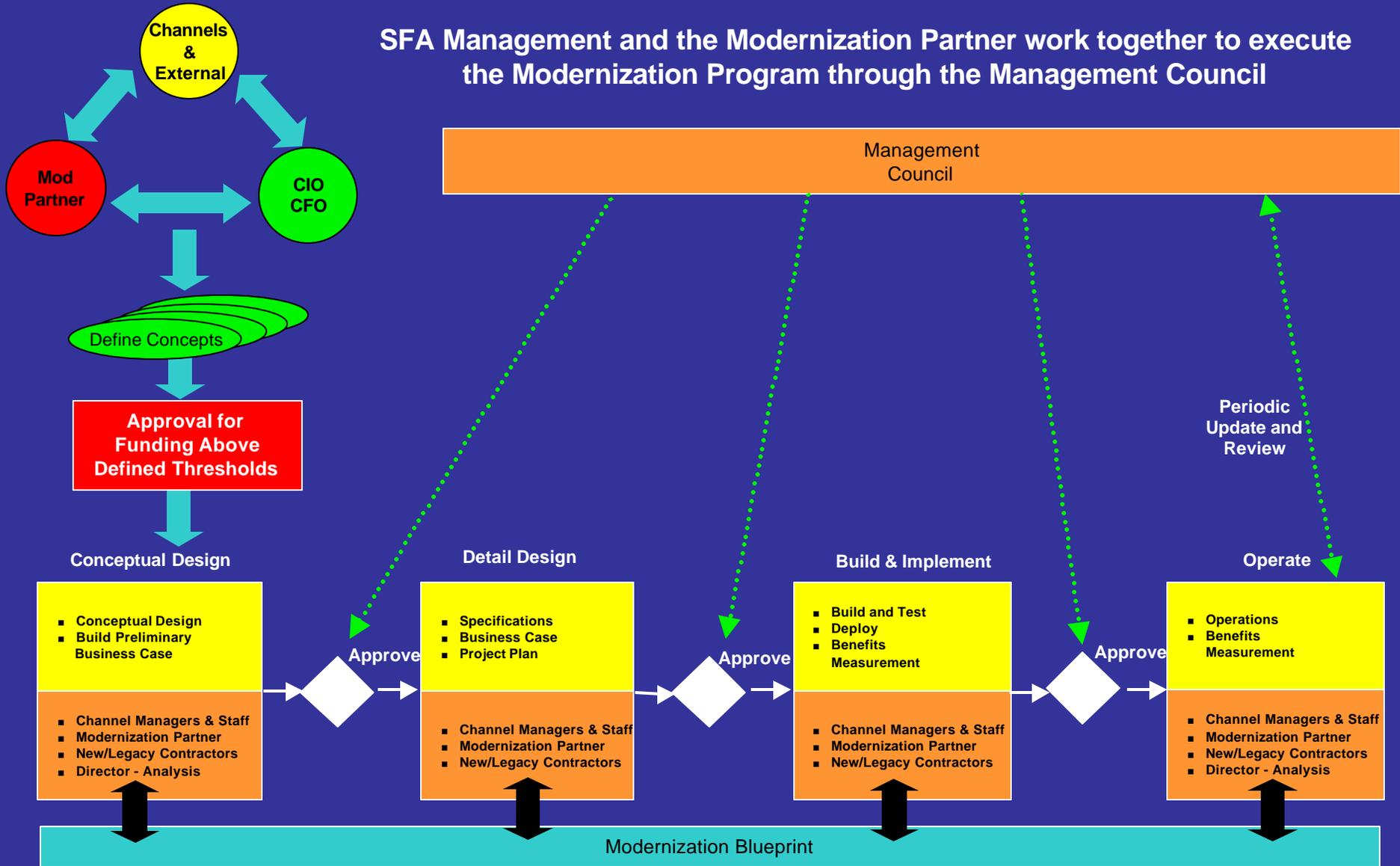
Roles and Responsibilities

- **COO** - The COO will be responsible for defining SFA-wide strategic objectives, approving and monitoring cross-Channel change initiatives, and reviewing and approving budgets with the support of the management council; the Modernization Partner will be responsible for projects delegated by the COO and will assist in communicating the objectives of the PBO internally. The Modernization Partner will assist the COO, GMs, CIO, and CFO in the realization of the vision for SFA. The COO will delegate appropriate authority to the Modernization Partner to pursue Modernization Blueprint initiatives.
- **General Managers** - The GM will be responsible achieving SFA business outcomes and defining the objectives for the Channel; the Modernization Partner will be responsible for specific projects delegated by the GM. The Modernization Partner will join the management team and provide expertise needed to assist the GM in determining the business priorities and goals of the Channel and will ensure they are accurately represented in the Modernization Blueprint. The Modernization Partner will provide management and financial industry expertise to help develop 'concept definitions' for SFA.

- **CIO** - The CIO will be responsible for technology planning, supporting the investment management process, development and implementation of integrated technology architectures and standards, effective systems development, and production support ; the Modernization Partner will be responsible for projects delegated by the CIO.
- **CFO** - The CFO is responsible for serving as the financial advisor to the COO and GMs and as the focal point for development and implementation of financial management policies and systems. The Modernization Partner will be responsible for those projects delegated by the CFO.

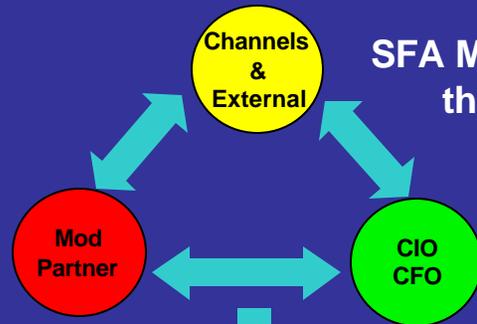
Management Council Approval Check Points

SFA Management and the Modernization Partner work together to execute the Modernization Program through the Management Council



Investment Review Board Approval Check Points

SFA Management and the Modernization Partner work together to execute the Modernization Program through the Investment Review Board



Conceptual Design



Approve



Execution



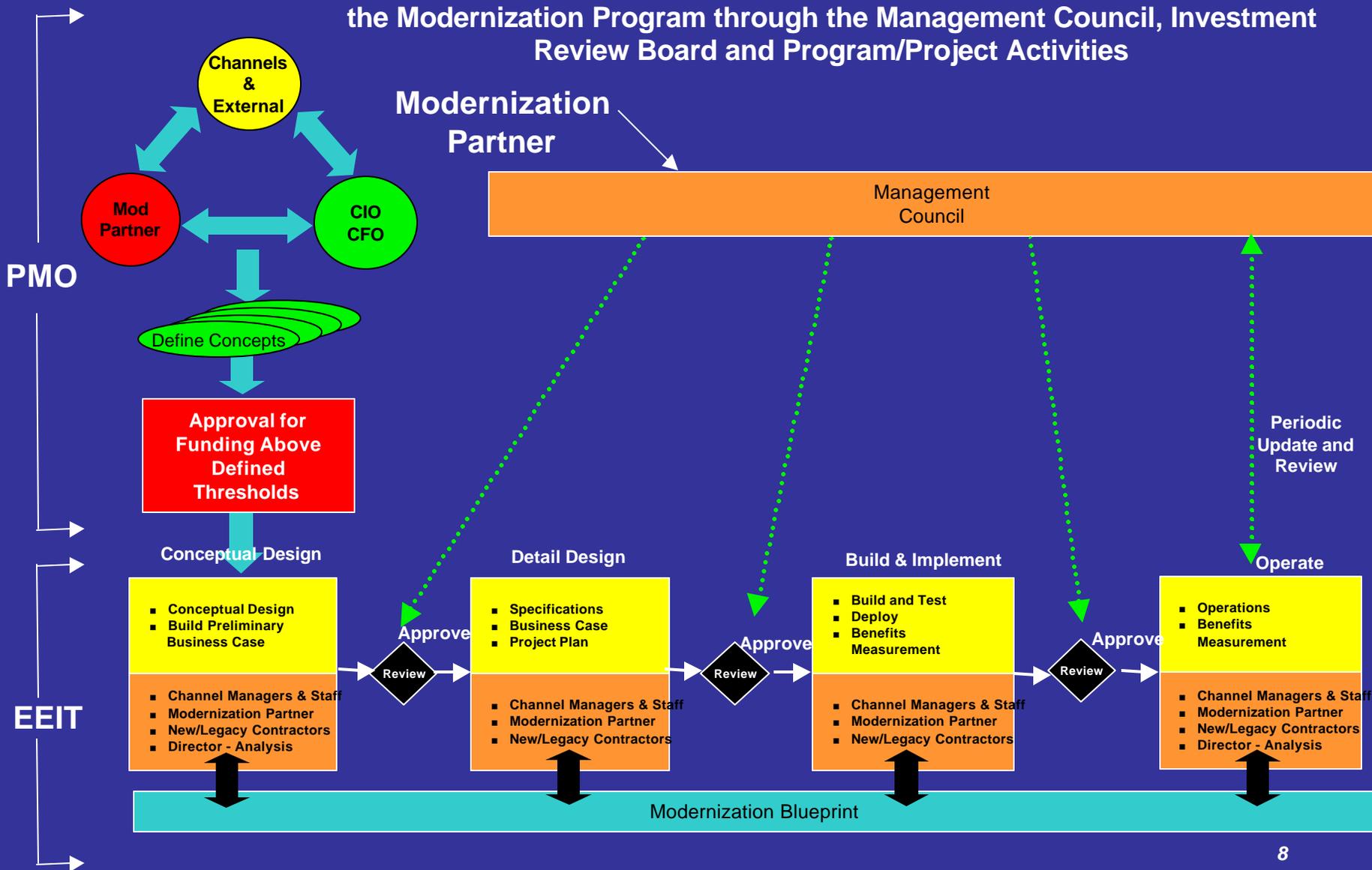
Operate



Role of the Modernization Partner

Internal

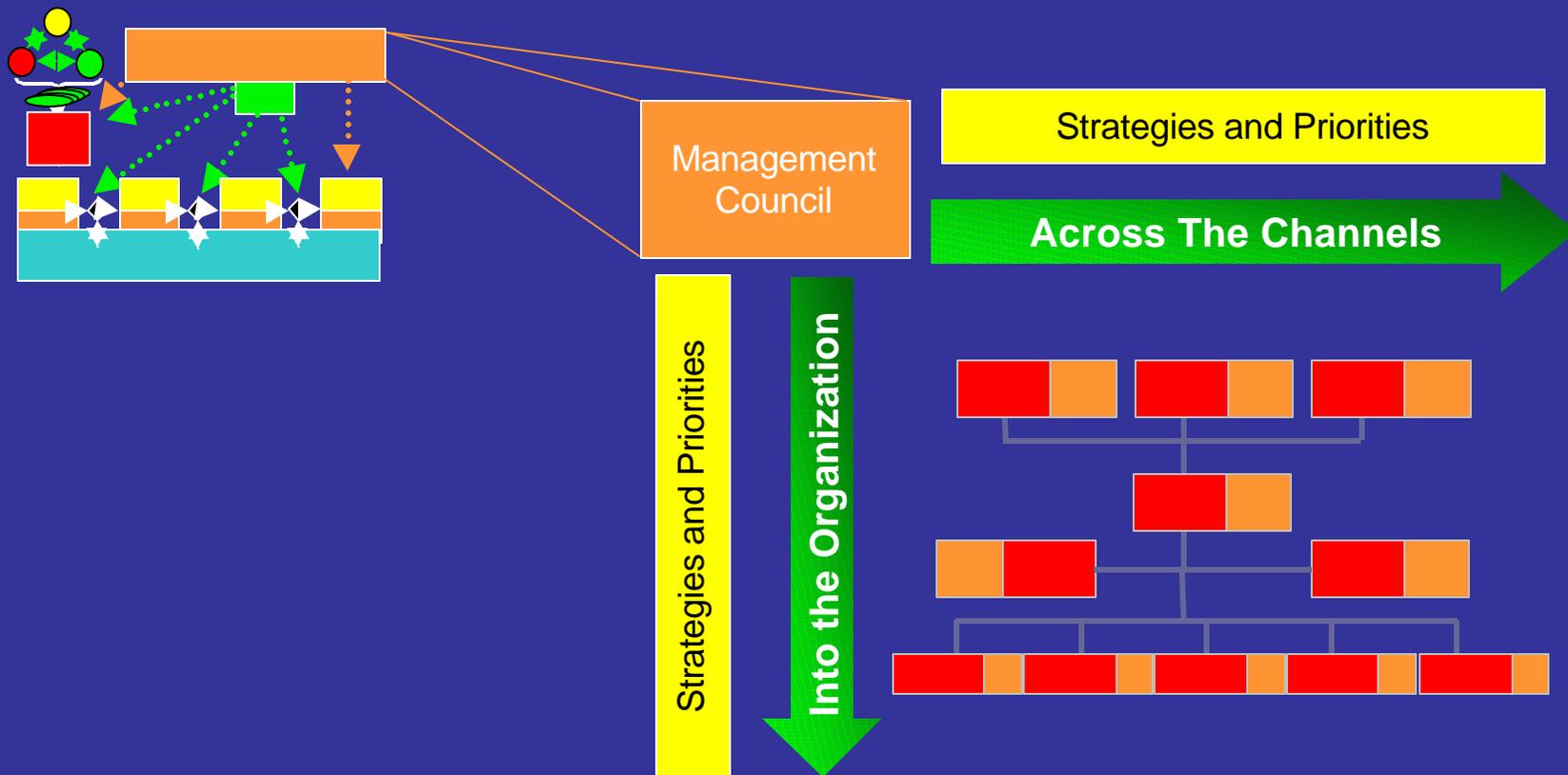
SFA Management and the Modernization Partner work together to execute the Modernization Program through the Management Council, Investment Review Board and Program/Project Activities



Role of the Management Council

Internal

The Management Council develops strategies, assigns priorities and measures benefits across channels and across the SFA organization



Overview

The Management Council will maintain the high-level conceptual vision that supports the achievement of strategic goals and guides the investment decision process.

The Management Council consists of the COO, General Managers, CFO, and CIO. This management council will provide a cross-Channel, cross-Organization view of projects across the 'Silos', creating an enterprise view of capabilities and improvements to be proposed.

The Management Council will also receive periodic updates of Operational Systems and Projects to review status and confirm that benefits continue to be achieved.

The Modernization Partner is responsible for supporting the activities of the management council by providing expertise in meeting management, on-request facilitation support, and executing delegated tasks and projects.

SFA Investment Review Board

Internal

The Modernization Partner supports the IRB in the allocation of resources to achieve strategic goals and priorities.



Criteria

- Alignment with SFA strategic goals and business objectives;
- Reasonable expectation of tangible benefits;
- Conformance to existing technical architecture or planned enhancement to Blueprint architecture;
- Executable programmatic approach that provides business value; and
- Use of commercial best practices.



Overview

The Investment Review Board (IRB) will provide project analysis and review, assessing business case and priority relative to SFA performance objectives

The GMs and Chief Officers are responsible for making recommendations to the IRB for new development projects that achieve SFA strategic goals. The Investment Review Board is responsible for translating the Management Council's vision into implementable projects. Their role is to control the limited resources of SFA for new development by approving projects that best support SFA's strategic goals.

The Investment Review Board meets periodically and includes the COO, the GMs, and the CIO and CFO supported by their Modernization Partner team members. The board is supported by a Decision Support Group that includes the Modernization Partner. The Modernization Partner is responsible for providing advice on which projects should be approved based on:

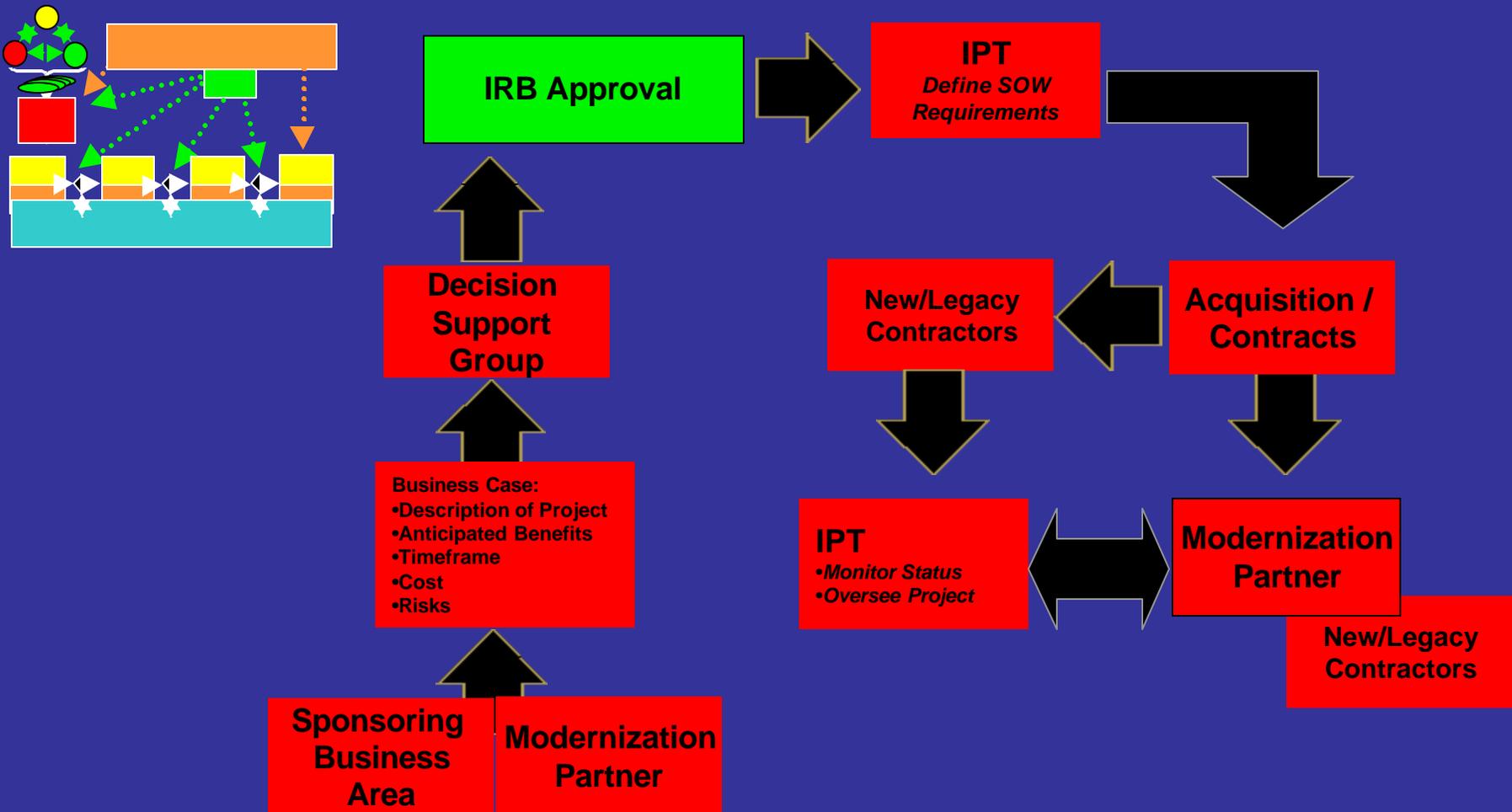
- Alignment with SFA strategic goals and business objectives;
- Reasonable expectation of tangible benefits;
- Conformance to existing technical architecture or planned enhancement to Blueprint architecture;
- Executable programmatic approach that provides business value; and
- Use of commercial best practices.

The Investment Review Board will delegate to the Modernization Partner the authority to conduct sufficient due diligence for a sound recommendation.

New Project Contracting Process

Internal

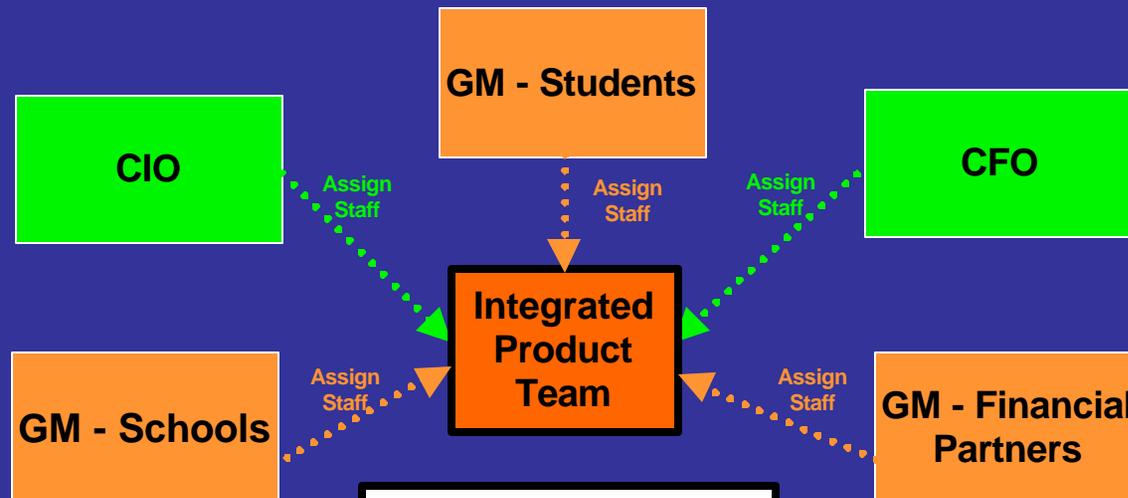
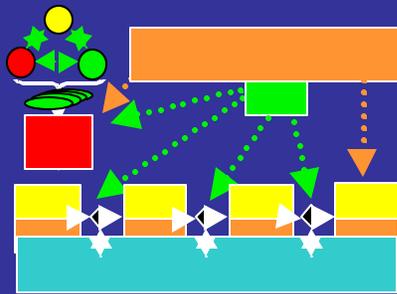
New projects will be driven by an Integrated Product Team from affected SFA business areas in response to IRB approved business cases. The IPT will define SOW requirements, monitor status, and oversee the project.



Integrated Product Teams

Internal

Integrated Product Teams (IPT) will be organized to collaborate on new development projects. These will be comprised of members of all SFA business areas that have an interest in the outcome of the project. IPTs will be responsible for ensuring new products deliver the desired outcomes for SFA business units.



IPT's will be led by sponsoring Functional Unit.

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Participation by:
New/Legacy Contractor
Modernization Partner
IV&V

Overview

The goal of the Integrated Product Team (IPT) is to support the PBO customer service objectives by involving the SFA business channels and the SFA enterprise service areas in the systems development lifecycle and IT infrastructure upgrades.

Roles and Responsibilities

- **General Manager** - Responsible for appointing a channel IPT leader and IPT members. Channel leader will notify CIO and other channels that an IPT is forming to develop a new process or modify an existing process or product. IPT leader is responsible for notifying appropriate contractors and ensuring their attendance at all IPT meetings.
- **CIO** - Responsible for appointing OCIO IPT members. CIO will lead all enterprise-wide projects. CIO will also oversee IV & V contractor, as well as Quality Assurance for all projects in the channel.
- **CFO** - Responsible for appointing OCFO IPT members. Any appropriate contractors should be notified and their attendance at IPT meetings ensured.
- **Modernization Partner** - The Modernization Partner serves as the 'prime' contractor, staffing with New/Legacy Contractors as necessary to fulfill IPT projects.
- **IV&V** - The IV&V contractor will ensure that developed IPT projects fulfill the business objectives of SFA.
- **New/Legacy Contractor** - The New/Legacy Contractors are acquired through the Modernization Partner, providing deep content expertise, systems design, systems build and systems deployment.

Overview

If other internal stakeholders are not directly involved with a particular modernization project, they are affected by it and coordination and communication are a requirement to ensure that the project is able to deliver the anticipated value. For some of these internal stakeholders, it will be important for SFA to take the lead in communication and coordination. The Modernization Partner will ensure that SFA is supported in this. For others, it will be more appropriate for the Modernization Partner to take the lead role in coordination and communication.

Roles and Responsibilities

- **Enterprise Directors** - The Modernization Partner will work with the Enterprise Directors in each of their respective areas to execute the modernization program processes to help the SFA achieve its strategic objectives and goals
- **Employees** - The Modernization Partner will develop plans and messages and provide information concerning the Modernization Initiative to the employees and assure they have the skills to adapt to the Modernization organization
- **Labor Partnership Management Council** - Working through the SFA, the Modernization Partner will work with the LMPC to establish and accomplish the its goals and objectives and ensure they are accurately reflected in the Modernization Plan

Communications

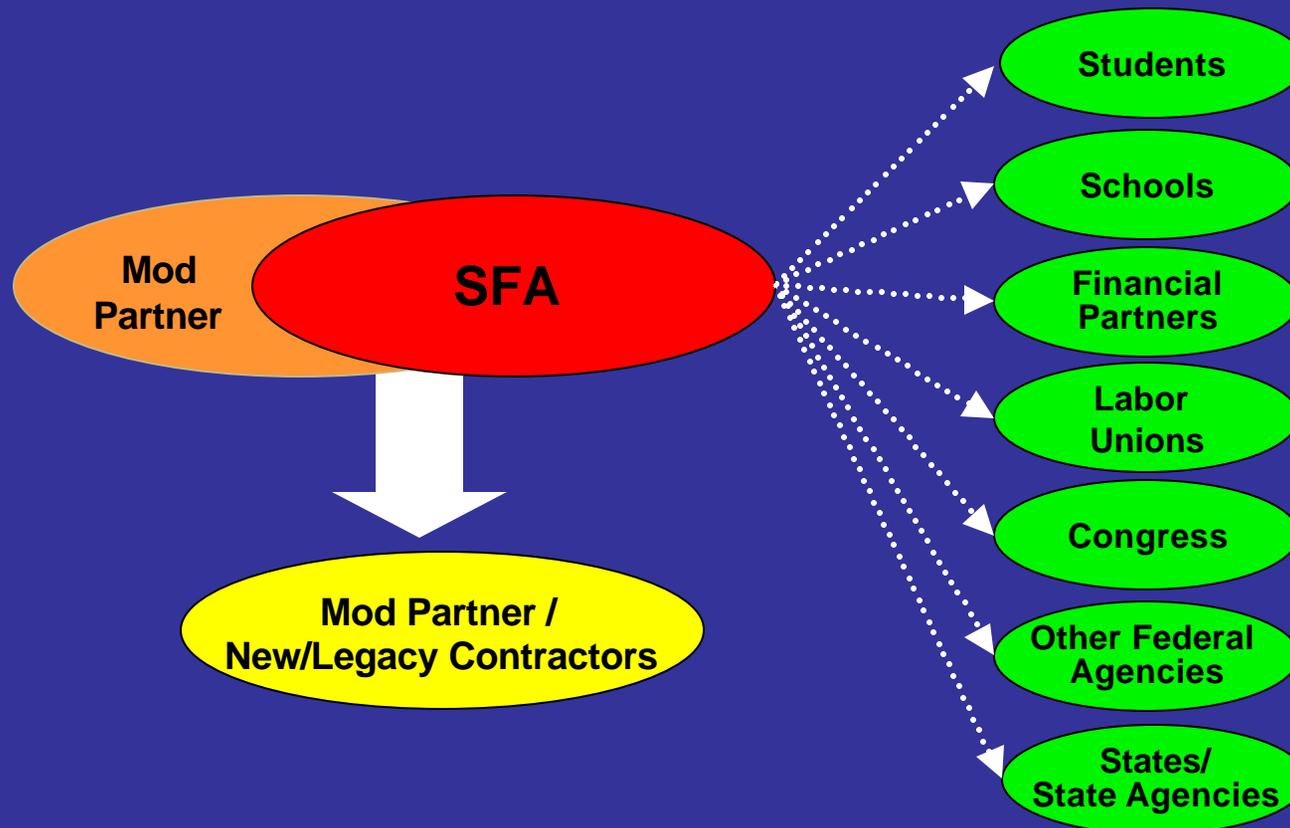
There are several communication points planned between the Modernization Partner and SFA

- **Provide Monthly Modernization Partner Status**
- **Provide Executive-level support to GMs, CIO, and CFO**
- **Meet with and support the Management Council**
- **Meet with and support the Investment Review Board**
- **Meet with and support the Decision Support Group**
- **Meet with and participate in the Integrated Product Teams**
- **Participate in IT Enterprise Support Group**
- **Weekly updates to the internal SFA Web site**
- **External Communications to Stakeholders**
- **On-line availability of:**
 - **Requirements**
 - **Program Approach**
 - **Issues**
 - **Project Status**

Relationships with SFA External Stakeholders

External

- SFA will be the interface to external groups with support provided by the Modernization Partner.
- The Modernization Partner will support that function and will be one of several New/Legacy Contractors at a given time.



Overview

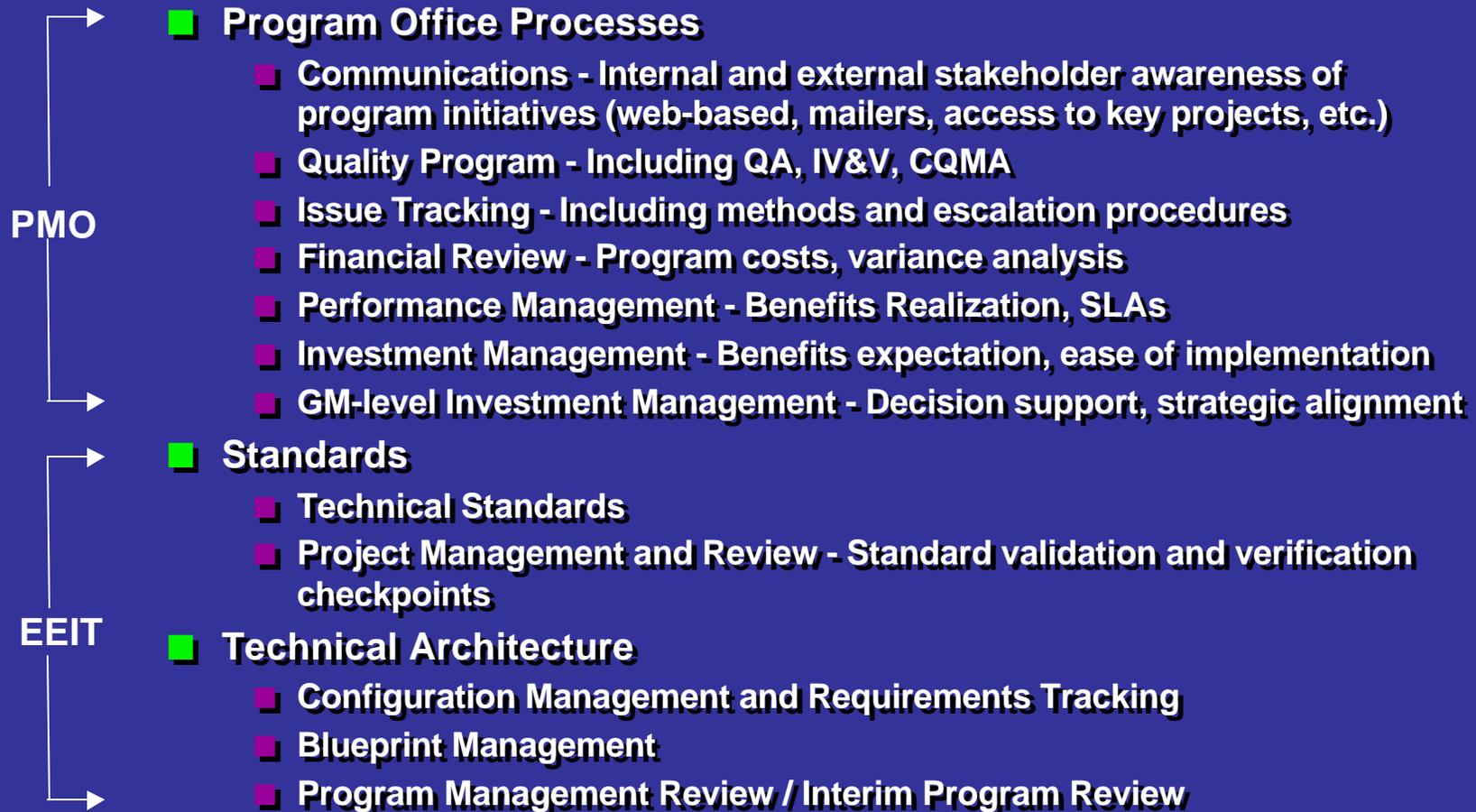
This group of stakeholder entities should interact with the Modernization Partner through the SFA. This is not intended to limit the working relationships between external stakeholder entities and the Modernization Partner. However, in order to maintain the consistency of the relationship between the SFA and the external stakeholder entities, it is necessary for the SFA to provide the initial point of contact for external stakeholder entities.

Roles and Responsibilities

- **SFA** - Will be responsible for the relationship with external stakeholders. Authority to interact with these stakeholders will be delegated to the Modernization Partner, when appropriate.
- **Modernization Partner** - Will be responsible for supporting SFA in its relationship with the external stakeholders. When tasked the Modernization Partner will interact with these stakeholders on behalf of the SFA. In addition, the Modernization Partner may be one of the New/Legacy Contractors on a specific project.

Modernization via Processes

The Modernization Partner will work with SFA to develop processes designed to increase the rigor and discipline throughout the investment and management process.



Results of Modernization Relationships & Systems

The Modernization Initiative at the SFA seeks to integrate business relationships and systems to deliver improved customer service, reduced unit costs, and improved employee satisfaction.

