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Budget Builders

MCSC financial managers peer ahead to meet tomorrow's challenges

Eric Morris is a financial management analyst who would like to have more time to analyze. What would seem to be a major part of his job is more like a luxury. Instead, he and other workers in the Marine Corps Systems Command (MCSC) Directorate of Financial Management (DFM) toil long hours as they manually load data into programs more than 10 years old.

In a world where MCSC would typically spend \$2.6 billion per year in investment accounts, that would seem a daunting chore. However, that was eight years ago in the "good old days" before terrorist attacks and warfare on two faraway fronts. In fiscal year 2008, with only a minimal increase in the number of financial management people in the directorate, MCSC spent more than \$22.2 billion.

Marilyn Thomas, MCSC's Deputy Commander for Resource Management, would like to say the huge increase in workload with roughly the same number of people is a sign of efficiency. In truth, she said, "Our people are working longer to get the job done. We've got a lot of dedicated people in this command. They're doing their work at great cost to them and their families."

Amid the higher operations tempo to support Operation Enduring Freedom and Operation Iraqi Freedom, DFM workers have to manage multiple budgets for urgent universal needs statements, Mine Resistant Ambush Protected (MRAP) vehicles, upcoming MRAP-All-Terrain Vehicles, along with the Next-Generation Intranet, Expeditionary Fighting Vehicle, Global Combat Support System and a host of other programs in development or production.

"From the financial management standpoint," Thomas said, "we need to make sure we have people with the skills and resources that our Product Group Directors, Program Managers and Program Executive Officer need."

They each have different stakeholders and reporting requirements, and we have to be versatile to support each of them.”

In the immediate future, she added, there is the war of today and the conflict of tomorrow. “We have to react quickly to Afghanistan,” she said. “Then there’s the war of the future that we’ve yet to fight. With all that ahead of us, we can’t afford to respond to the challenges today without an eye toward the challenges of the future.”

Automation, Ms. Thomas said, offers hope for an overburdened workforce. Marcia Case, Director of Financial Management, agreed. “The more we can automate,” she said, “the better for the community as a whole. We want to be less focused on transactions and provide analyses for program managers. Today, all our budgets are created from spreadsheets, which is a manual process that can have errors. Rather than spending so much time checking math, that process could all be automated. Then we could spend time making sure we have good budget profiles and justification.”

The solution to MCSC’s budget and execution tracking needs might lie on distant shores. Computers at Groton, Conn., provide the brainpower for the Navy’s Aegis weapons system, and they can be tapped into to help MCSC automate its budget process hundreds of miles away, according to Nelson Hernandez, the MCSC Financial Management Improvement Project Lead. When he was Director of Naval Sea Systems Command’s (NAVSEA) Research, Procurement and Shipbuilding Division, he oversaw the development of many of the automated budget and execution tools MCSC will be adopting. He saw first hand how such an automated system brought radical, and welcome, change to the NAVSEA budget and execution processes.

“The budget modules improved the speed and quality of budget submissions,” he said of his time at NAVSEA. “At the same time, we realized significant savings.”

The streamlined process – developed by applying Lean Six Sigma principles to the budget preparation process – results in fewer errors and thus eliminates unneeded phone calls, emails, rework and frustration. According to Hernandez, this results in improved quality and timeliness of the budget submission.

Before the software was brought on line, it took five weeks to prepare and submit Budget Objective Classification System exhibits. The software shortened the process to two days and “eliminated math and coding errors, and that’s what we can expect here.” The software upgrade is projected to be in place in less than two years, and according to Ms. Thomas, it cannot come soon enough.

Besides software, DFM is tackling and planning to take on other high-visibility budget issues. This includes the resetting or rebuilding of stateside forces while supporting those stationed overseas, and doing it in a coordinated way, and providing financial management needed to support forces as they come out of Operation Iraqi Freedom and go into Operation Enduring Freedom in Afghanistan. DFM is also addressing sustainment costs

of all programs procured for the Global War on Terrorism, and completing all the procurement and support to the Corps as it reaches 202,000 Marines, which will happen within a few months – two years earlier than expected.

Ultimately, Thomas added, “We need to support a clean audit opinion.” That means MCSC must provide credible and auditable financial records and show that previously identified deficiencies have been corrected.

Any of these tasks, she said, would be a tall order. Taken together, she explained, they pose a great challenge to the DFM workforce.

Having seen what the planned automation can do, Hernandez is optimistic, even anxious about having the system up and running. “There’s the quality of life,” he said. “Automation will reduce everyone’s workload, stress and improve job performance. We achieved tremendous worker support at NAVSEA because we made their lives easier.”

At the same time, change of any kind – even from time-consuming manual systems to less stressful and more efficient software – can face resistance. As Hernandez noted, this is human nature. At NAVSEA, he recalled, there was initial reluctance to change to the unknown.

That might not be a factor at MCSC. “User acceptance at Systems Command has been phenomenal,” he said. “It’s very satisfying and pleasing that the community has been so receptive.”

Part of the reason might be that others at MCSC have seen automation in action and hope for its swift arrival at MCSC. Eric Morris, the Financial Management Analyst, worked for 18 years at Naval Air Systems Command at Patuxent River, Md.

“I’ve gone through automation and seen how it works,” he said. “It’s a tough change, but once there, you can definitely see the incredible benefits.”

Today, Morris and other analysts use the antiquated Financial Information Management System (FIMS) and Automated Funding Document Management System (AFDMS) to support Marine Corps Systems Command execution. Procurement requests are entered at several different places, each subject to operator error.

“Plus,” he said with a twinge of frustration, “neither FIMS nor AFDMS connects to anything.”

In place of FIMS and its companion AFDMS will emerge an Intranet-based structure. “This will do a lot of the reports and give us clear visibility of all funding, rather than just produce document numbers,” Morris said. “We’ll be able to analyze budgets, fix funding documents, monitor execution, review exhibits and complete drills all with increased speed and accuracy. I see great improvement in Marine Corps Systems Command’s ability to retain critical resources, thus improving its ability to support critical needs of the warfighter.”

With the Command's full plate of tasks, Case added, DFM workers will not suddenly have free time on their hands. Rather, she said, they would have more time available to perform their primary tasks – such as analysis – and not burn overtime and family time in the process.

"Our people are our biggest strength," she said. "Our challenge is to get them the tools they desire to get the job done in the most efficient way. That means we have to address how to adjust to an increased volume of work with the workers we have today."

By Jim Katzaman, MCSC Corporate Communications



The Directorate of Financial Management team is "working longer to get the job done," said Marilyn Thomas (front row, far left), Marine Corps Systems Command's Deputy Commander for Resource Management. "We've got a lot of dedicated people in this command." (*Marine Corps photo by Bill Johnson-Miles*)

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