



DEFENSE FINANCE AND ACCOUNTING SERVICE

Strategic Plan



FY 22-26



As of September 2021

MESSAGE FROM THE DIRECTOR

I am excited to share our Fiscal Year (FY) 2022-2026 Defense Finance and Accounting Service (DFAS) Strategic Plan! Strategy has become integral to the way we do business at DFAS, and in this plan we continue our focus on the foundational principles on which we were established in 1991, to consolidate, standardize and integrate financial management in the Department of Defense. The following pages reflect the outcomes we intend to achieve as DFAS builds upon progress and successes we have had as a result of our intentional strategic planning.

DFAS is a shared service provider well positioned and ready to carry on collaborative efforts toward continuous improvement alongside our customers. This Strategic Plan emphasizes DFAS' commitment to take our business to the next level in support of the men and women who defend this Nation. By understanding our intended strategic outcomes, we are capable of designing specific Annual Business Plans that move us smartly forward in achieving our mission.

*Institutionalized as part of our culture, our strategy includes using metrics to drive decision-making, tracking savings as part of our budget process, and incorporating the power of data analyses for increased value and relevance for the Department. Our methodical approach toward this strategy has built a plan focused on increasing value by achieving success in four FY 22-26 Strategic Priorities: **Strengthening Customer Partnerships**, **Investing in People**, **Enhancing Performance**, and **Modernizing the Business Environment**.*

The bottom line is that we align our strategy with the National Defense Strategy, Secretary of Defense priorities, the Under Secretary of Defense (Comptroller) Financial Management Strategy and customer focuses in order to increase value for our customers and solve the challenges we collectively face. Through this strategy, DFAS will accelerate our opportunities to continue simplifying and optimizing the end-to-end business environment by reducing the number of systems, increasing data accuracy, and improving non- standard data and processes where it makes sense (because one size does not necessarily fit all). We will also ensure our people are ready for the future.

We will continue to do what is right for our customers, for our workforce, and for the American taxpayer. The work we are doing every day continues to drive excellence in our finance and accounting services, and I am proud of our direction and focus in serving America's heroes.

Audrey Y. Davis
Director



DFAS AT-A-GLANCE

Since our founding in 1991, the Defense Finance and Accounting Service (DFAS) has provided quality finance and accounting services for the Department of Defense (DoD) and its various components. The Secretary of Defense created DFAS to standardize, consolidate, and improve accounting and financial functions throughout the DoD. The intent was to reduce the cost of the Department's finance and accounting operations while strengthening its financial management. Every day we contribute to the national defense through timely fulfillment of the important fiscal responsibilities entrusted to us. We ensure accurate, timely, and reliable financial transactions and information are delivered to decision makers in support of our customers. It is our privilege to provide high quality support to the warfighter today, but it is also our responsibility to play a collaborative leadership role to anticipate and be ready for tomorrow.

During FY 2020, DFAS:

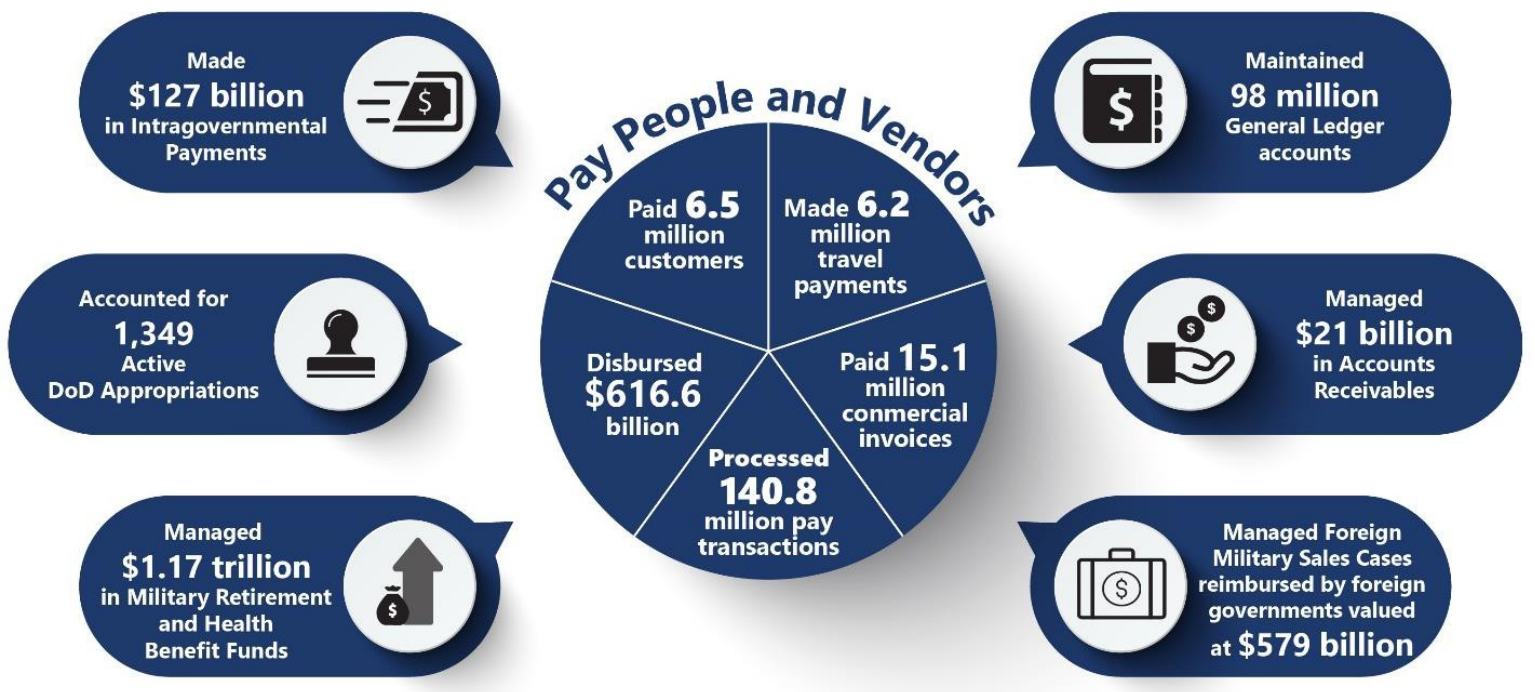


Figure 1: DFAS Statistics



FY 22-26 DFAS STRATEGIC PLAN

This Strategic Plan incorporates our mission and vision, core values, and four strategic priorities. It sets the tone to drive action and achieve desired results by focusing on **Strengthening Customer Partnerships**, **Investing in People**, **Enhancing Performance**, and **Modernizing the Business Environment**. Our strategic priorities position us to play a collaborative leadership role in achieving important DoD priorities [see Figure 3].

FY22-26 STRATEGIC FRAMEWORK

By 2026, DFAS will have...

OUR MISSION

Deliver financial excellence and quality pay services for our customer



OUR VISION

To be a valued partner in financial management by consistently delivering first-class service and products



Figure 2: Strategy Framework Visual



SUPPORTING DoD PRIORITIES

The National Security Strategic Guidance conveys the President’s vision for how America will engage with the world, and provides guidance for departments and agencies to align their actions. Based on that, the DFAS Strategic Plan directly aligns with key Department priorities. The DFAS FY 22-26 Strategic Plan incorporates significant insights from stakeholders and customers, which enables us to address Department and customer needs and ensures DFAS remains a competitive shared service provider. This Plan allows us to stay consistent in our support to the DoD and other stakeholders as they adapt to rapidly changing resource and personnel requirements. As the DoD continues to ensure our Nation retains ready and relevant military capabilities, DFAS remains committed to providing first-class business operations with a special focus on service excellence and customer support. Further, it embodies our commitment to customer partnerships, continuous improvement, and operational excellence in all that we do as a Defense service support agency.



Figure 3: Key Department Priorities
DoD Communication Playbook

Each of the four DFAS priorities align with the three key Department priorities: Defend the Nation, Take Care of Our People, and Succeed through Teamwork as outlined above [see Figure 3]. DFAS supports DoD goals through specifically targeted improvements, ensuring business systems and processes streamline operations and reduce cost, resulting in increasingly value-added DFAS services and products.



DFAS MISSION, VISION, AND VALUES

As one of the world's largest finance and accounting operations, DFAS supports military and civilian customers. Our **mission** statement emphasizes the importance of DFAS' collaborative leadership role in standardizing and improving finance and accounting activities across the DoD. Our mission is the compass by which we steer our course, and our strategy supports efforts to meet and exceed customer expectations now and in the future.

***Deliver financial excellence and quality pay services
for our customer***

Our **vision** statement is the guiding star by which we steer and captures where we must be in the future to meet our customers' needs. Our customers continue to adapt to rapid changes in their mission requirements. At the same time, the Department is focused on targeting business efficiencies which will allow maximum investment in the operational readiness of our military in a resource-constrained environment. To best serve our customers, we must partner to provide leadership in all aspects of financial management. We will help our customers implement innovative technology solutions, build increased audit steadiness, and make cost-effective decisions.

***To be a valued partner in financial management by consistently delivering
first-class service and products***

Our **values** represent who we are and what we do. They are our guiding principles and drivers of the DFAS culture, that help us accomplish our mission and pursue our vision in support of the Department, the Services, and the warfighter.

Integrity: Doing what is right

We strive to maintain integrity in everything we do. This means providing dependable support to our customers and interacting with character and honesty. We emphasize doing what is right in all circumstances, whether seen or unseen.

Service: Remain a trusted financial partner

We are constantly aware of and dedicated to our role in serving our Nation and the warfighter. We must understand our customers and have an unflinching commitment to their needs.

Innovation: Creating better ways to do business

We cannot trust that current practices will continue to provide the highest quality service and products as we move into the future. We recognize we must encourage creative approaches and solutions as a part of our culture.



FY 22-26 STRATEGIC PRIORITIES AND OUTCOMES

To guide progress toward FY 26 strategic goals, DFAS identified four Priorities. These Priorities were selected based on leadership assessments, customer inputs, Comptroller priorities, and mandates from the President and Secretary of Defense. The Priorities and corresponding Outcomes define the FY 26 future state and intended strategic results. **By defining what success looks like**, they provide areas to be improved or gaps to be filled and serve as the foundation for the development, alignment, and execution of annual business plans. To provide visibility and sponsorship, senior executives across DFAS act as Priority Champions and Priority Outcome leaders.



Strengthen Customer Partnerships: DFAS strives to deliver financial excellence and quality pay services to our customers. We take pride in being a valued partner and seek to strengthen those partnerships through innovative, customer-oriented solutions. We will focus on advancing and strengthening auditable, repeatable, sustainable, and data-driven business processes to ensure better decision making, oversight, and data integrity.

Description: *Implemented innovative customer-oriented solutions that improve efficiency and partnership*

Outcomes: By FY 26, DFAS will have . . .

- A. Partnered with customers to modernize pay services and enhance connections between Human Resources and pay functions to drive efficiency.**
- B. Ensured efficiencies are achieved through continued standardization of business systems and processes.**
- C. Supplied financial insights where areas of DFAS expertise are well-matched to customer needs.**
- D. Enhanced audit support in partnership with our customers to achieve the Department's audit strategy.**





Invest in People: Employees are DFAS' most important asset. In support of our people, we will utilize creative approaches to help employees perform their jobs smarter and more efficiently. We will evolve with changing technologies by providing access to advanced tools and training while also focusing on maintaining our culture of collaboration and innovation in the new digital workplace.

Description: *Adopted skill sets and practices to align Agency expertise in advisory, finance, and accounting services with the needs of the financial management community*

Outcomes: By FY 26, DFAS will have . . .

- A. *Expanded skills in advanced digital technologies, data analytics, and core financial expertise, resulting in delivered solutions and insights that enable customers to achieve mission priorities.*
- B. *Identified and matured elements necessary to ensure our workforce is positioned for success in executing the DFAS mission in an expanded digital business environment.*
- C. *Integrated broad range of flexibilities and best practice processes and policies to inform, recruit, develop and retain a talented workforce in ways that increasingly value diversity and accelerate DFAS mission success.*



Enhance Performance: DFAS will continuously improve productivity and customer service and remain a competitive shared service provider; through continued enhanced oversight and monitoring of key cost, schedule, and performance metrics. We will successively work to identify, resolve and implement solutions that drive efficiencies and effectiveness for our customers. We will continue delivery of valuable and reliable services.

Description: *Achieved cost, schedule, and performance targets with delivery of efficient value-added services*

Outcomes: By FY 26, DFAS will have . . .

- A. *Achieved enhanced Finance Services through implementation of initiatives to increase efficiency and modernize the environment.*
- B. *Achieved enhanced Accounting Services through implementation of initiatives to increase efficiency, modernize and strengthen controls.*
- C. *Achieved enhanced Commercial Pay Services through implementation of initiatives to increase efficiency and strengthen controls.*





Modernize the Business Environment: DFAS demonstrates expertise in adapting to a continuously changing landscape by modernizing systems and processes, streamlining, and standardizing. Our actions allow the realization of cost savings while continuing delivery of benchmark-level services to our customers.

Description: *Reformed processes and systems to strengthen DFAS as a valued and competitive member of the financial Community*

Outcomes: By FY 26, DFAS will have . . .

- A. *Matured IT services and strengthened cyber security efforts to provide a modernized, compliant, and secure environment.*
- B. *Streamlined and simplified DFAS services through continued standardization of business processes and systems.*
- C. *Established integrated Robotics Process Automation/Artificial Intelligence toolsets and capabilities leveraged throughout the agency for process improvement.*

ANNUAL BUSINESS PLANS

The strategic priorities are supported by specific annual goals reflected in our Annual Business Plans (ABP). The ABPs define the roadmap to achievement of the priority outcomes by outlining goals and key milestones along the way, ensuring a clear path to success over time. The yearly goals help focus the Agency's efforts so DFAS has a clear and actionable way forward.

To achieve the goals, a portfolio of initiatives is developed, executed, and monitored by senior executives and progress is reported to the DFAS Strategic Council, the oversight body for strategy execution. Each year, DFAS conducts a strategy refresh to review Agency direction and strategic priorities, validate ABP goals, and ensure initiatives are properly aligned and resourced in support of goal achievement.

