

CBA Creation at Army

CBA Creation Flow

- A. Process
 - A. CBA Process Flow at Army
- B. Problem
 - A. How to create a CBA and embed it in the process?
- C. CBA Development
 - A. U.S. Army's CBA Guideline
 - B. Model Baseline
 - A. Walkthrough of TP to create baseline
 - B. Model cost/benefits and evaluation criterion
 - C. Model Alternatives
 - A. Walkthrough of TP to create alternatives
 - D. Analysis and Revise
 - A. Walkthrough of TP of Analysis and ability to revise
 - E. Summary and Report
 - A. Walkthrough of TP on how to create reports
 - F. Capture knowledge for future use

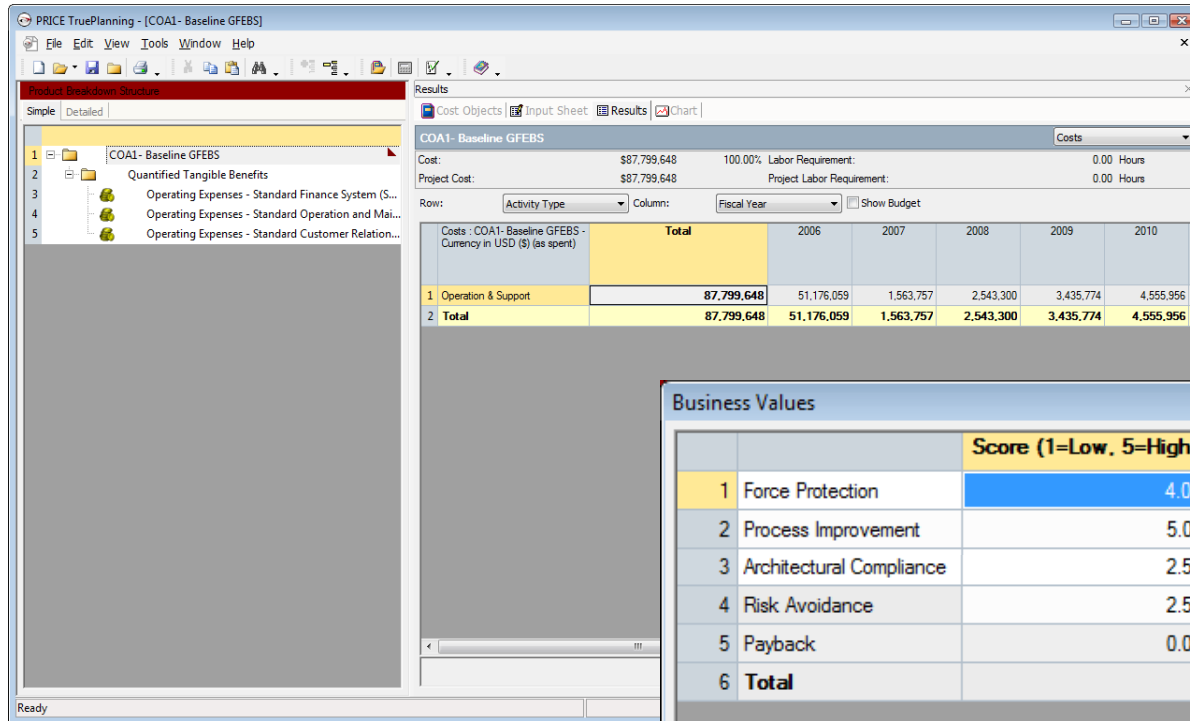
Problem

How to create a CBA and submit it for review?

Model the baseline

- A. Walkthrough of TruePlanning to create baseline
- B. Model cost/benefits and evaluation criterion

Model the baseline



PRICE TruePlanning - [COA1- Baseline GFEBs]

Product Breakdown Structure

COA1- Baseline GFEBs

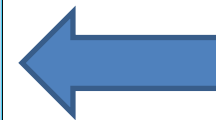
Costs

Cost: \$87,799,648 100.00% Labor Requirement: 0.00 Hours
Project Cost: \$87,799,648 Project Labor Requirement: 0.00 Hours

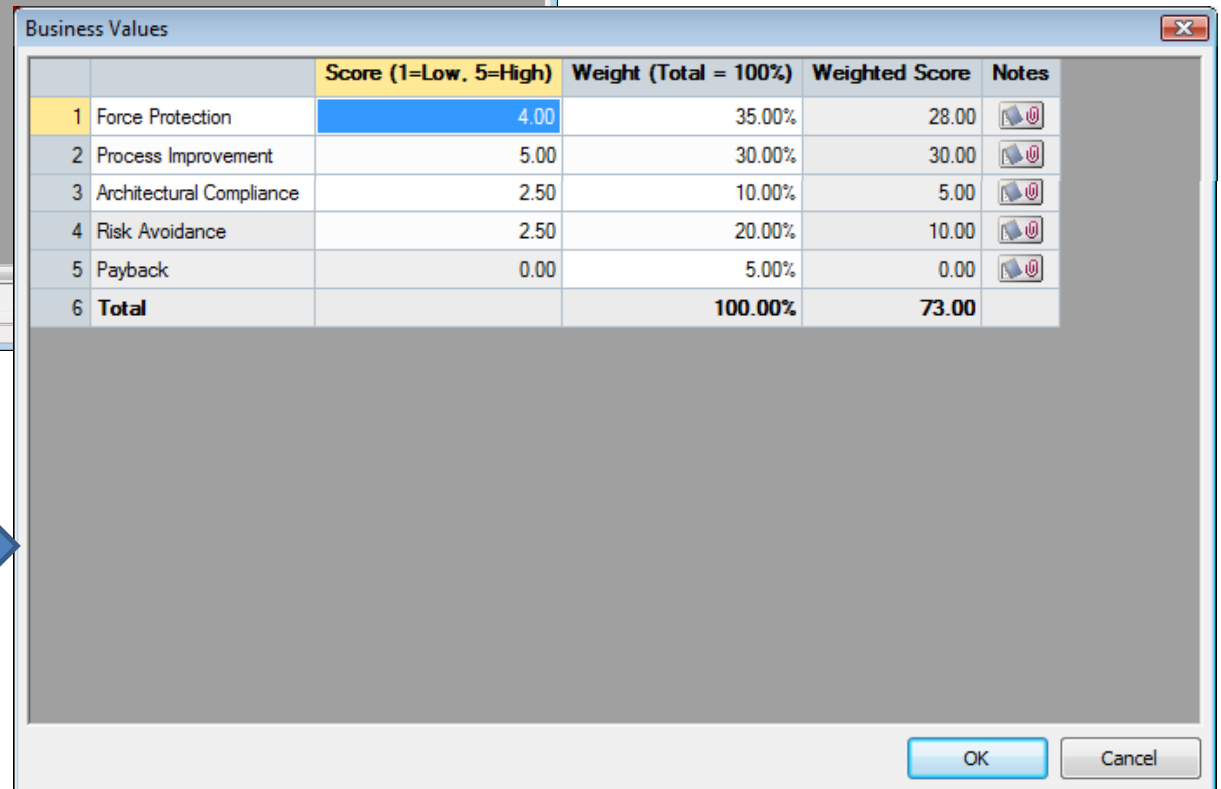
Row: Activity Type Column: Fiscal Year Show Budget

	Total	2006	2007	2008	2009	2010
1 Operation & Support	87,799,648	51,176,059	1,563,757	2,543,300	3,435,774	4,555,956
2 Total	87,799,648	51,176,059	1,563,757	2,543,300	3,435,774	4,555,956

Model current cost
(Mostly operational)



Model baseline Non-quantitative measures



Business Values

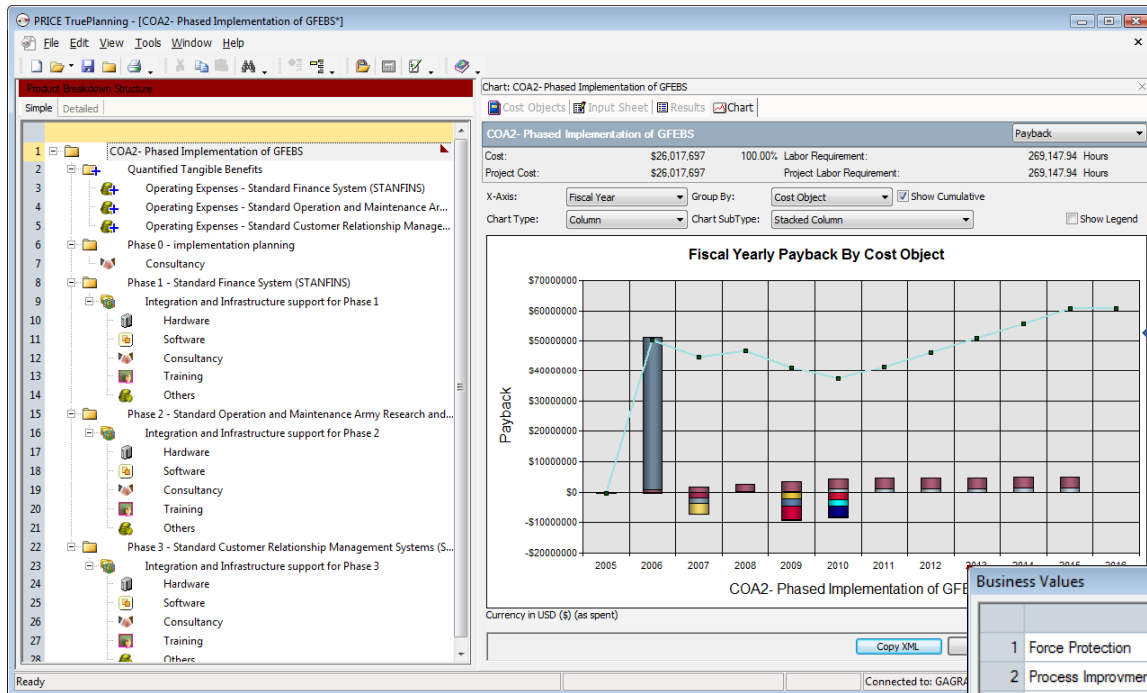
		Score (1=Low, 5=High)	Weight (Total = 100%)	Weighted Score	Notes
1	Force Protection	4.00	35.00%	28.00	
2	Process Improvement	5.00	30.00%	30.00	
3	Architectural Compliance	2.50	10.00%	5.00	
4	Risk Avoidance	2.50	20.00%	10.00	
5	Payback	0.00	5.00%	0.00	
6	Total		100.00%	73.00	

OK Cancel

Model Alternatives

- Walkthrough of TruePlanning to create alternatives
- Model cost/benefits and evaluation criterion for each alternative

Model Alternatives



Model Course of Action (COA)-2

- Cost
- Benefits

Model Non-quantitative measures

Business Values

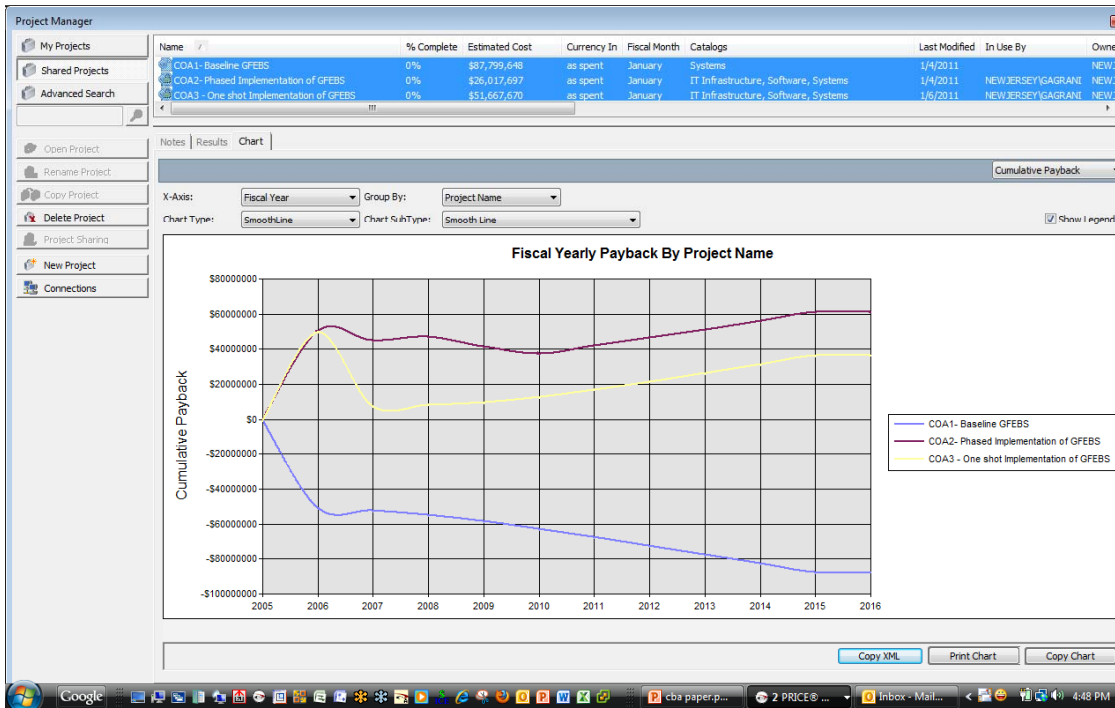
	Score (1=Low, 5=High)	Weight (Total = 100%)	Weighted Score	Notes
1 Force Protection	2.50	35.00%	17.50	
2 Process Improvement	2.50	30.00%	15.00	
3 Architectural Compliance	2.50	10.00%	5.00	
4 Risk Avoidance	2.50	20.00%	10.00	
5 Payback	5.00	5.00%	5.00	
6 Total		100.00%	52.50	

OK Cancel

Analyze and Revise

- Analyze each alternative-
 - Benefit to Cost Ratio
 - NPV , IRR , Pay back report
 - Non-quantitative criteria
- Revise each alternative with new information
 - Speed and consistency in revision
 - Ability to incorporate the new information and details

Analyze and Revise



Compare Each COA
for Cost and Benefits

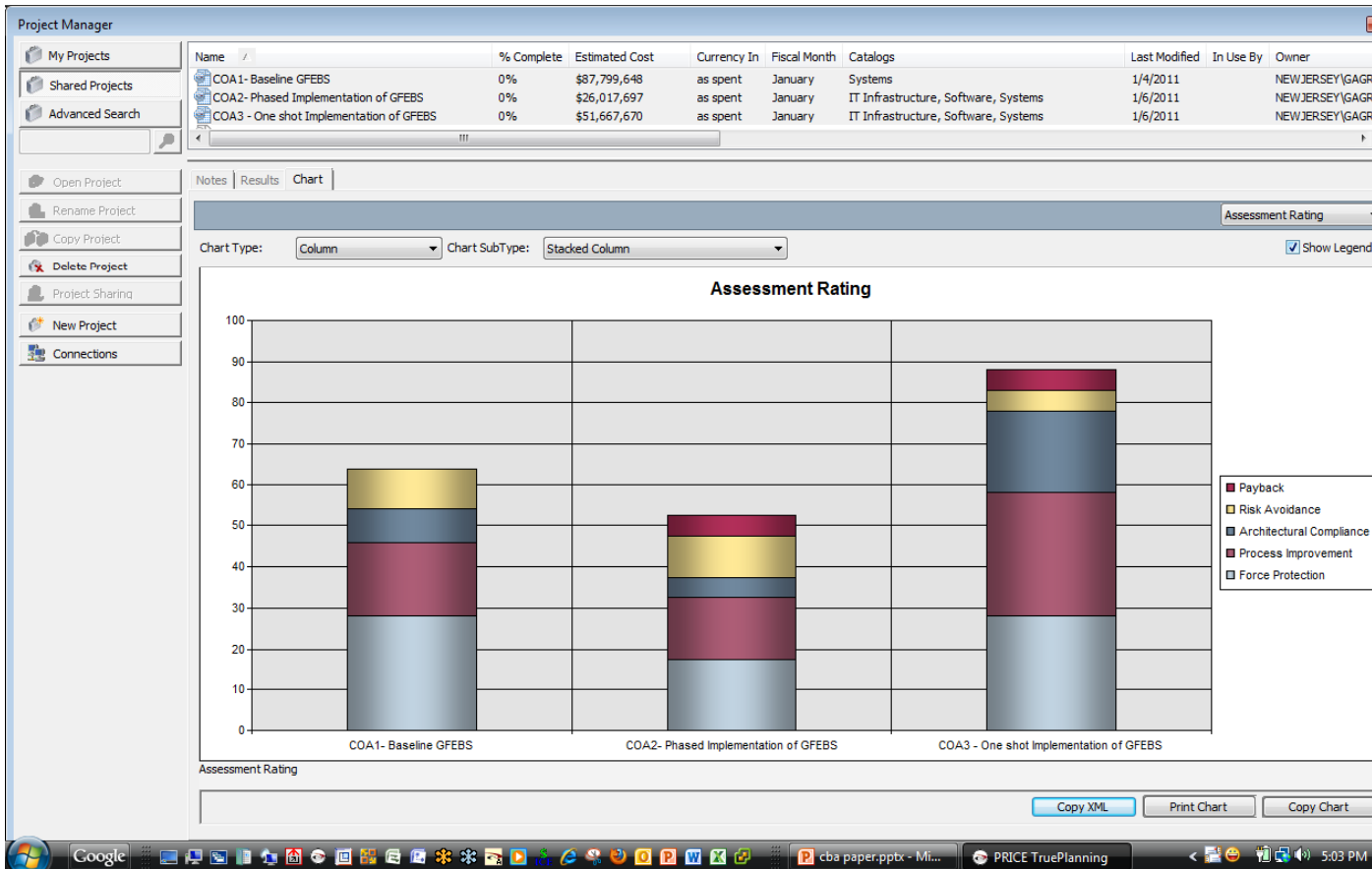
Analyze and Revise

The screenshot displays the Project Manager interface. On the left, there is a sidebar with navigation options: My Projects, Shared Projects, Advanced Search, Open Project, Rename Project, Copy Project, Delete Project, Project Sharing, New Project, and Connections. The main window shows a table of project data with columns for Name, % Complete, Estimated Cost, Currency In, Fiscal Month, Catalogs, Last Modified, In Use By, and Owner. Below this, a 'Results' tab is active, showing a table of financial metrics for three COA projects. The metrics include Internal Rate of Return (IRR), Discount Rate, Net Present Value (NPV), Payback Period, and Benefit-Cost Ratio (BCR) for each project.

	Value	Units	Notes
1 Internal Rate of Return [COA1- Baseline GFEBs]	0.00	%	
2 Discount Rate [COA1- Baseline GFEBs]	3.90	%	
3 Net Present Value [COA1- Baseline GFEBs]	(80,764,700)	\$	
4 Payback Period [COA1- Baseline GFEBs]	0.00	Years	
5 Benefit-Cost Ratio [COA1- Baseline GFEBs]	0.00		
6 Internal Rate of Return [COA2- Phased Implementation of GFEBs]	9.80762	%	
7 Discount Rate [COA2- Phased Implementation of GFEBs]	3.90	%	
8 Net Present Value [COA2- Phased Implementation of GFEBs]	54,235,900	\$	
9 Payback Period [COA2- Phased Implementation of GFEBs]	1.08	Years	
10 Benefit-Cost Ratio [COA2- Phased Implementation of GFEBs]	3.33		
11 Internal Rate of Return [COA3 - One shot Implementation of GFEBs]	4.09374	%	
12 Discount Rate [COA3 - One shot Implementation of GFEBs]	3.90	%	
13 Net Present Value [COA3 - One shot Implementation of GFEBs]	30,225,400	\$	
14 Payback Period [COA3 - One shot Implementation of GFEBs]	2.33	Years	
15 Benefit-Cost Ratio [COA3 - One shot Implementation of GFEBs]	1.70		

Compare Each COA for NPV, IRR, Pay back period and BCR

Analyze and Revise

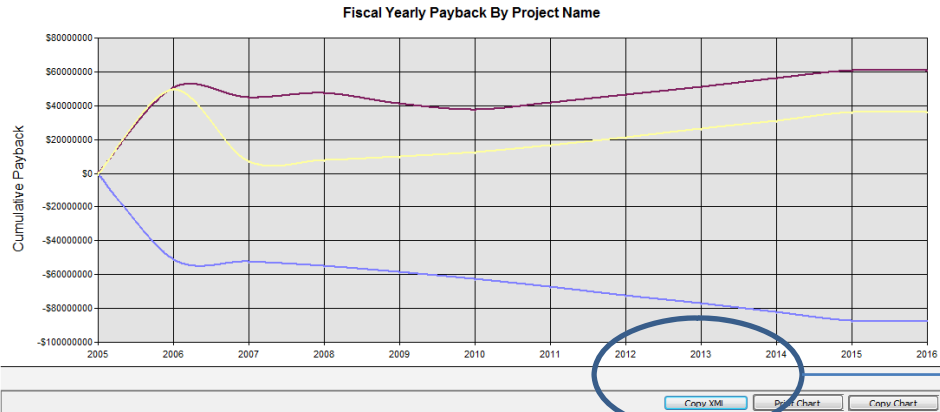


Compare Non-quantitative measures

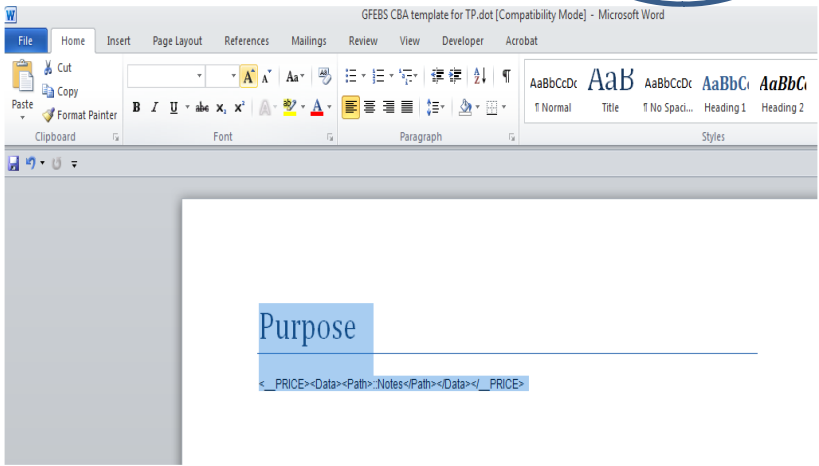
Summary and Report

- Report each COA in a summary
- Compare each of the evaluation parameters
- Walkthrough of creating word report

Report



Copy XML Tag



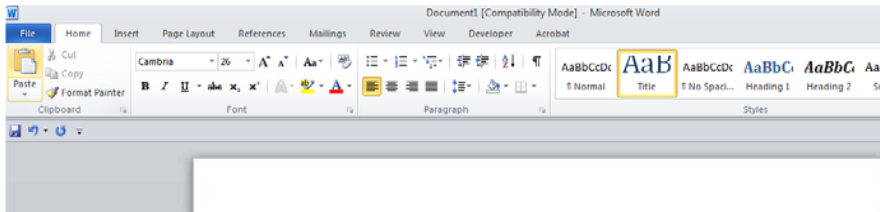
Courses of Action (COAs)

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<_PRICE><Chart><Path>COA1- Baseline GFEB</Path><Path>COA2- Phased Implementation of GFEB</Path><Path>COA3 - One shot Implementation of GFEB </Path><Report Name="Assessment Rating"><ShowLegend>Yes</ShowLegend></Report></Chart></_PRICE>
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<_PRICE><Chart><Path>COA1- Baseline GFEB</Path><Path>COA2- Phased Implementation of GFEB</Path><Path>COA3 - One shot Implementation of GFEB</Path><Report Name="Cumulative Payback"></Report></Chart></_PRICE>
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<_PRICE><Results><Path>COA1- Baseline GFEB</Path><Path>COA2- Phased Implementation of GFEB</Path><Path>COA3 - One shot Implementation of GFEB </Path><Report Name="Metrics"></Report></Results></_PRICE>
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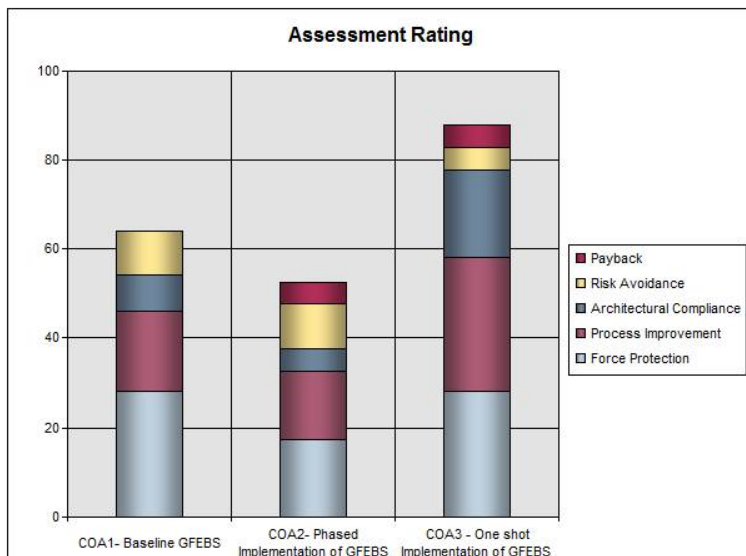
Report



Purpose

General Fund Enterprise Business System, or GFEBIS is the Army's web-enabled financial, asset and accounting management system that standardizes, streamlines and shares critical data across the active Army, the Army National Guard and the Army Reserve

Courses of Action (COAs)



	VALUE	UNITS	NOTES
Internal Rate of Return [COA1- Baseline GFEBIS]	0.00	%	
Discount Rate [COA1- Baseline GFEBIS]	3.90	%	
Net Present Value [COA1- Baseline GFEBIS]	-80,764,700	\$	
Payback Period [COA1- Baseline GFEBIS]	0.00	Years	
Benefit-Cost Ratio [COA1- Baseline GFEBIS]	0.00		
Internal Rate of Return [COA2- Phased Implementation of GFEBIS]	9,807.62	%	
Discount Rate [COA2- Phased Implementation of GFEBIS]	3.90	%	
Net Present Value [COA2- Phased Implementation of GFEBIS]	54,235,900	\$	

Capture Knowledge for future needs

- Completed CBAs stored in Army's knowledge base
- Next phases of CBA process at Army..

Q&A

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