

ORDER

U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

VR1800.1

Date:4/26/04

SUBJ: AVR INTEGRATED PLANNING PROCESS

1. PURPOSE. This order sets up the process for developing Strategic Plans and annual Performance Plans for the Associate Administrator for Regulation and Certification (AVR). The process integrates planning activities with the budget cycle to ensure that adequate resources are available to carry out the plans. (See Appendix 1, for Planning Model and Definitions.)

2. DISTRIBUTION. This order is distributed to AVR division level in Washington headquarters, regions, and centers.

3. BACKGROUND. In 1993 Congress passed the Government Performance and Results Act (GPRA) that mandated planning throughout the Federal government. GPRA requires that every Federal agency develop multiyear strategic plans, annual performance plans, and annual performance reports (see Appendix 2, GPRA Requirements). Effective planning is an ongoing process that aims to produce consistent results. To institutionalize planning within AVR organizations, an integrated planning process is essential. Three components are involved in integrated planning—strategic planning, performance planning linked to budget formulation, and performance management. The primary focus of this order is on implementation of the first two components within AVR. The performance management component, which includes measuring performance according to the plans, is described in Appendix 2 to the extent required to make integrated planning successful.

4. WHO SHOULD READ THIS ORDER. This order is primarily for those who are involved in the planning and budgeting process, including:

- a. All AVR managers, and
- b. AVR Planning and Budget staffs in offices and services.

5. AVR INTEGRATED PLANNING PROCESS. The AVR planning process integrates the planning and budget cycles so that when plans are implemented they are fully resourced. The process includes development and revision activities for multiple plans during a fiscal year. The plans addressed coincide with stages of the budget cycle for the budget year (BY), current year (CY), and prior year (PY). (See definitions in Appendix 3.) The relationship of the planning and budget cycles is depicted in Appendix 4. The AVR integrated planning process consists of 12 tasks divided into two stages: a strategic planning process and a performance planning process. This order provides a flowchart of the planning process (Appendix 5), the details of each task in the process (Appendix 6), and source documents cited in the process (Appendix 7).

a. Steps in the Strategic Planning Process.

(1) Identify, compile, and review supporting documents and other information/data to determine mandates, organizational priorities, trends, and issues. Develop strategic goals and prioritized strategies for review by the AVR management team.

(2) Accept and/or modify recommended goals and prioritized strategies from the Planning Board.

(3) Prepare the AVR Strategic Plan.

(4) Approve and issue the AVR Strategic Plan.

(5) Track, assess, and report on actual organizational performance against identified outcomes in the AVR Strategic Plan.

(6) Review and validate or revise the AVR strategic plan.

b. Steps in the Annual Performance Planning Process.

(1) Identify performance goals and initiatives for the annual AVR performance plan for the budget year.

(2) Resolve shared or crosscutting performance goals and initiatives and obtain approval of the AVR Management Team.

(3) Prepare the AVR Annual Performance Plan.

(4) Approve and issue the AVR Annual Performance Plan.

(5) Revise the AVR Annual Performance Plan for budget year and current year budgets.

(6) Track, assess, and report on actual organizational performance against the AVR Annual Performance Plan.

6. ROLES AND RESPONSIBILITIES.

a. Membership on the AVR Management Team (AVRMT). The AVR management team is the senior management team in the organization. Members are the Associate and Deputy Associate Administrator and their direct reports in AVR Services, Offices, and Staff.

b. Associate Administrator for Regulation and Certification (AVR-1). The Associate Administrator for Regulation and Certification is the process owner for AVR's Integrated Planning Process. AVR-1 ensures that executives accomplish the planning and budget integration activities, and that the strategic and performance plans contribute to the FAA accomplishing its mission and goals.

c. Deputy Associate Administrator for Regulation and Certification (AVR-2). The Deputy Associate Administrator for Regulation and Certification chairs the AVR Planning Board and is the linking member to the AVR management team. AVR-2 ensures that the AVR planning process identifies and addresses organizational crosscutting goals and initiatives.

d. Roles and Responsibilities of the AVR Management Team. The AVR management team provides leadership and direction to the AVR Planning Board in developing Strategic Plans and Annual Performance Plans. Ultimately, the AVR management team ensures that the

strategic and performance plans for current year and budget year budgets are consistent with the FAA's mission, goals, and priorities. The AVR management team supports the integrated planning process in the following ways:

- (1) Meets with the Planning Board to discuss AVR's mission, vision, goals, and priorities as part of the environmental scan in the strategic planning process.
- (2) Considers the goal statements and prioritized strategies recommended by the Planning Board for the AVR Strategic Plan. Approves the recommendations or provides guidance modifying the Board's recommendations.
- (3) Approves and issues the AVR Strategic Plan.
- (4) Provides direction to the Planning Board on overall annual performance goals and initiatives for AVR. This includes a general assessment of what the organization's priorities should be for the fiscal year.
- (5) Considers the performance goal statements and prioritized initiatives recommended by the Planning Board for the AVR Annual Performance Plan. The AVRMT either approves the recommendations or provides guidance modifying the board's recommendations.
- (6) Approves and issues the AVR Performance Plan for the budget year and reviews the current year plan.
- (7) Monitors, in conjunction with the Planning Board, AVR's progress in meeting the goals in the AVR Strategic and Annual Performance Plans. The AVR management team considers recommendations made by the Planning Board for course corrections or interventions if organizational performance falls short of planned performance.

e. AVR Planning Board.

(1) **Membership of the Planning Board.** The Planning Board is comprised of a senior executive from the Flight Standards Service, the Aircraft Certification Service, and the Office of Aerospace Medicine; experienced division managers from the Office of Rulemaking and the Office of Accident Investigation; and the Manager, Planning and Financial Management Branch.

(2) **Planning Board Chair.** The Deputy Associate Administrator for Regulations and Certification, AVR-2, chairs the AVR Planning Board, to ensure the highest levels of commitment to the AVR planning process.

(3) **Requirements for Planning Board Members.** AVR Planning Board members must have the authority to make commitments for their respective organizations. They must have the operational experience or technical expertise to make critical recommendations and decisions. Further, members are expected to know about important AVR programs and be able to articulate organizational priorities. They must also know about programs in the Services, Offices, and Staff that have shared planning initiatives and recognize issues that cut across functions and responsibilities within AVR. Finally, members must have knowledge of industry and governmental trends and concerns that will affect the AVR planning process.

(4) **Roles and Responsibilities of the AVR Planning Board.** The Planning Board carries out the following functions:

- (a) Oversees the AVR Strategic Planning process:

1. Identifies, compiles, and reviews supporting documents and other information to determine mandates, organizational priorities, trends, and issues.
 2. Develops strategic goals and prioritize strategies for review by the AVR management team.
 3. Prepares the AVR Strategic Plan for AVR management team approval.
 4. Develops measures to assess AVR progress in achieving strategic plan goals.
 5. Recommends to the AVR management team course adjustments and corrective actions to the AVR Strategic Plan.
 6. Assesses the validity and reliability of strategic plan outcome measures and make needed adjustments/changes to the measures.
 7. Reviews the strategic plan annually to determine if course corrections are needed and for input to the AVR Annual Performance Plan.
 8. Supports the Planning Team in its implementation of the Planning Process and considers recommendations to improve the process to increase efficiency or meet OMB requirements.
- (b) Oversees AVR Annual Performance Planning Process:
1. Annually reviews the AVR Strategic Plan and individual Service, Office, and Staff performance plans and identifies performance goals and initiatives for the Annual AVR Performance Plan for the budget year.
 2. Identifies and resolves crosscutting performance goals and initiatives with Services, Offices, and Staff.
 3. Recommends Service, Office, and Staff shared objectives for the Annual Performance Plan.
 4. Prepares the AVR Performance Plan for the budget year for AVR management team approval.
 5. Reviews and updates as necessary the budget year performance plan prior to the start of the current year.
 6. Reviews, updates, and finalizes the Annual Performance Plan for the prior year while executing the budget.
 7. Monitors execution of the Annual Performance Plan for the prior year to determine if course corrections are needed.
 8. Identifies, develops, and oversees a continuous improvement process for Annual Performance Plan development and execution.
- (c) Oversees the AVR Planning Team. The Planning Board is responsible for giving direction and guidance to the AVR Planning Team.

f. Planning Team.

(1) **Membership of the Planning Team.** The Planning Team consists of a senior planning officer from each of the AVR Services, Offices, and Staff; a representative or linking member of the AVR Information Technology staff; and a representative of the AVR budget staff.

(2) **Planning Team Chair.** The AVR Planning Officer position resides in the Planning and Financial Management Branch, AVR-13, of the Executive Staff. The Planning Officer is the chair of the Planning Team. He or she carries out the following functions:

(a) Advises the AVR Planning Board on planning issues.

(b) Serves as the lead of the AVR Planning Team and as the primary liaison for AVR with Agency and DOT planning staffs.

(c) Consults with other AVR and FAA organizations on performance measurement.

(d) Tracks and reports on AVR performance under the FAA and AVR Strategic Plans and the DOT and AVR Annual Performance Plans.

(3) **Roles and Responsibilities of the Planning Team.** The Planning Team assists the Planning Board with the following:

(a) Develops, reviews, coordinates, and prepares the AVR Strategic Plan and the Annual Performance Plans.

(b) Incorporates the AVR Strategic and Annual Performance Plans into budget documents as necessary.

(c) Tracks Strategic Plan and Annual Performance Plan information and reports the information to the AVR Planning Board for its use in evaluating strategic and performance plan accomplishments.

(d) Updates to the AVR Strategic Plan, changes to the organizational performance plans, and enhancements to the AVR integrated planning process.

7. DEFINITIONS. Appendix 3, Definitions, and Appendix 8, Acronyms and Routing Symbols, explain the terms and acronyms used in this order, as well as in the planning process.

8. FORMATS AND REPORTS. This order provides sample formats in Appendix 9 to use when requesting information and documenting decisions.

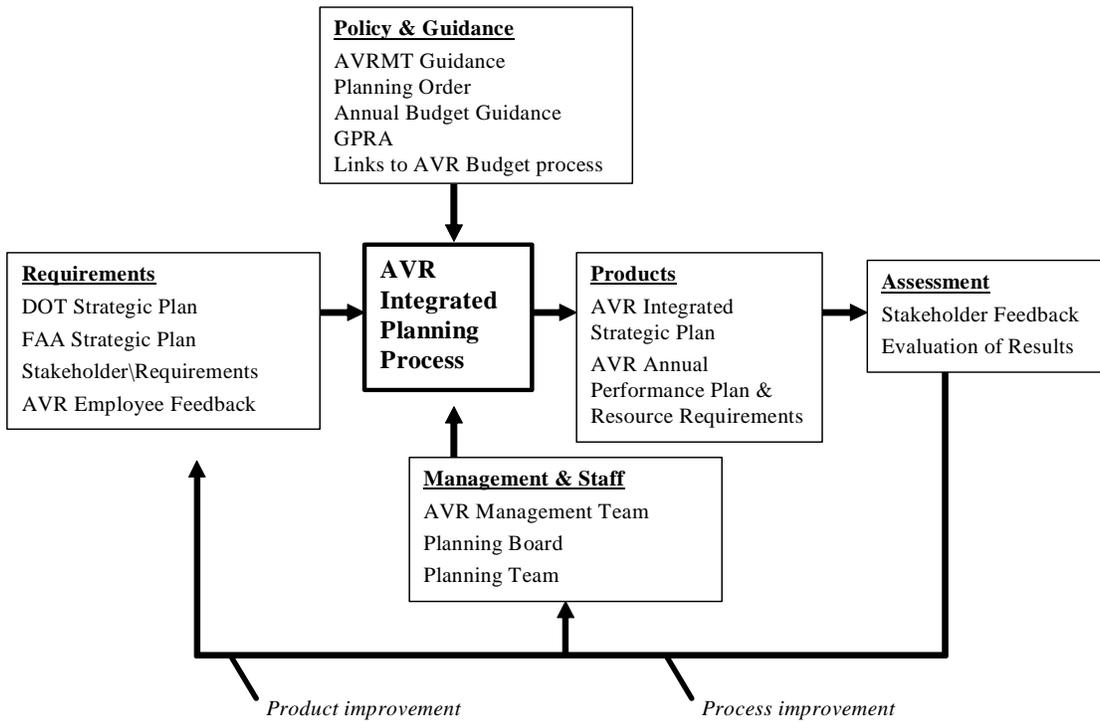
9. AUTHORITY TO CHANGE THIS ORDER. The Associate Administrator for Regulation and Certification, AVR-1, in accordance with the Federal Labor Management Relations statute, has the authority to change this order.

10. CONTACT INFORMATION. For additional information on this order contact the Executive Staff, AVR-10, at 202-267-9664.

Nicholas A. Sabatini
Associate Administrator for Regulation and Certification

APPENDIX 1. AVR INTEGRATED PLANNING PROCESS MODEL AND DEFINITIONS

AVR Integrated Planning Process Model



Definitions of the AVR Integrated Planning Process Model

1. AVR Integrated Planning Process. The AVR Integrated Planning Process is the formal, documented method for all Services, Offices, and Staff within AVR to develop integrated strategic and performance plans. This process also ensures that the plans reflect the mission and goals of the organization.

2. Management and Staff. A number of teams and individuals within AVR organizations have significant roles and responsibilities in carrying out the AVR Planning Process. It is essential that all those involved have a clear understanding of functional responsibilities and of interrelationships for the efficient operation of the planning process model.

a. AVR Management Team. The AVR management team is the senior management team in the organization. Membership consists of the Associate and Deputy Associate Administrators and the direct reports in the Services, Offices, and Staff.

b. Planning Board. The AVR Planning Board develops the AVR Strategic and Performance plans. Membership consists of senior executives in AIR, AFS, and AAM; division managers from ARM and AAI; and the manager of the AVR Planning and Financial Management Branch. The chair of the board is the Deputy Associate Administrator for Regulations and Certification, AVR-2.

c. Planning Team. The Planning Team helps the Planning Board develop the Strategic and Performance plans for AVR. Membership consists of the planning officers in the Services, Offices, and Staff; and representatives from the AVR-10 budget and information technology (IT) branches. The lead for the Planning Team is the AVR Planning Officer.

3. Policy and Guidance. Several policy and guidance documents describe the AVR Planning Process and how the process is implemented throughout the organization. Documenting AVR planning activities will promote consensus on planning objectives and better standardization in product development.

a. AVR Management Team Guidance. The AVR management team lays out the vision, goals, and priorities for AVR and provides general guidance to Services, Offices, and Staff on what is required to support the AVR mission.

b. Planning Order. This FAA order describes the AVR Planning Process and includes information on functional responsibilities, a detailed description of the planning process, definitions of terms, alignment of the planning and budget processes, and sample forms used in planning.

c. Annual Budget Guidance. Budget guidance may come from a variety of sources: OMB, DOT, and the FAA budget office are the main ones. Guidance may define available resources, constraints, priorities, key Administration or departmental initiatives, reporting requirements, and other information to prepare a budget.

d. GPRA. The Government Performance and Results Act requires Federal agencies to identify in strategic plans how they will deliver high-quality products and services to the American public. Agencies must establish strategic and annual goals, define how goals will be achieved, measure their performance, and evaluate outcomes.

e. Links to AVR Budget Process. The alignment of the planning and budget processes is essential to assure that planning goals and strategies are in place to support/justify budget requests.

4. Requirements. Requirements drive the planning process. They are found in a number of sources. For the planning process to produce quality products, requirements must be well-defined, clearly understood, and linked at all levels of planning.

a. DOT Strategic Plan. The DOT Strategic Plan defines the mission, vision, and goals of the department and establishes specific goals for the FAA.

b. FAA Strategic Plan. The FAA Strategic Plan defines the mission, vision, and goals of the FAA and establishes specific goals for the AVR organization in support of the FAA mission.

c. Stakeholder Requirements. Stakeholder inputs are considered in the early stages of the planning process. Of particular importance are crosscutting requirements that would drive a shared solution to a problem.

d. AVR Employee Feedback. Employees are also stakeholders for these plans. Their feedback, through a variety of tools, can help clarify the requirements of other stakeholders within and external to the FAA.

5. Products. Plans are the products of the process. They guide AVR managers and staff in the attainment of organizational goals. As such, they must be flexible and adapt to new mandates, emerging technology, and changing requirements.

a. AVR Integrated Strategic Plan. The AVR Integrated Strategic Plan defines the long-term vision and goals of AVR and integrates goals and strategies of AVR organizations to better achieve the AVR mission.

b. AVR Annual Performance Plan and Resource Requirements. The AVR Performance Plan defines the annual performance goals and initiatives in support of the AVR Strategic Plan and estimates the resource requirements to attain those goals. It ensures integrated planning and budgeting for more efficient accomplishment of those goals.

6. Assessment. Continuous improvement of the planning process and the strategic and performance plans depends on accurate and timely feedback from stakeholders who use the plans and from organizational planners involved in the process.

a. Stakeholder Feedback. Stakeholders are individuals or organizations within AVR, other FAA organizations, external governmental agencies, and entities of the aviation industry

that have an interest in or use AVR's products or services. Their needs are translated into specific requirements.

b. Evaluation of Results. The planning processes and its products must periodically be measured and evaluated to ensure they meet the desired level of quality.

7. Product improvement. Changes intended to improve the quality of the strategic and performance plans to meet customer needs.

8. Process Improvement. Changes intended to improve the internal AVR process for developing strategic and performance plans.

APPENDIX 2. GPRA REQUIREMENTS FOR PLANNING

1. Strategic Planning.

a. Strategic planning is a systematic process through which an organization agrees on and builds commitment among key stakeholders to priorities, which are essential to its mission and responsive to the operating environment. A strategic plan is a framework for carrying out senior management's strategic thinking, direction, and action leading to the achievement of consistent and planned results. GPRA requires that a strategic plan have six elements. These are:

- (1) A comprehensive mission statement;
- (2) A description of general goals and objectives (an elaboration of how the organization is carrying out its mission—i.e., strategies);
- (3) A description of how the goals and objectives will be achieved (i.e., operational processes; skills and technologies; human, capital, information, and other resource requirements);
- (4) A description of the relationship between performance goals in the annual performance plan and the general goals and objectives in the strategic plan (linkage between the strategic goals and the annual performance goals);
- (5) Identification of factors that could affect achievement of the general goals and objectives (environmental scan); and
- (6) A description of program evaluations used, and the schedule for future evaluations.

b. Strategic plans should cover a minimum of 5 years and should be reviewed and updated periodically, but no less than every 3 years.

2. Performance Planning.

a. Performance planning is the means by which the Strategic Plan is made operational. While strategic planning requires visionary and directional thinking, performance planning requires short-term, specific thinking. The intent of GPRA is not only to link strategic and performance planning, but also to link performance planning to budget formulation. Under GPRA the agency's annual performance plan becomes the foundation for justifying the annual budget request to Congress. Beginning with the FY 2004 budget formulation cycle, the Office of Management and Budget (OMB) reinforced that linkage by moving closer to performance-based budgeting. Under GPRA, an annual performance plan must contain the following elements:

- (1) Performance goals (primarily focusing on outcomes and relating to the strategic goals);
- (2) Performance measures;
- (3) A description of how the performance measures will be, or were, verified and validated;

(4) A description of the operational processes, skills, and technologies, and the human, capital, information, or other resources that will be needed to meet the performance goals (i.e., budgetary linkages);

(5) A description of any special programs, projects, and initiatives that will be undertaken in order to achieve the performance and strategic goals. (Note: These may be multiyear undertakings. The annual performance plan should spell out what parts of the multiyear efforts are expected to be funded and accomplished in the budget year.); and

(6) A discussion of prior accomplishments under previous performance plans.

b. GPRA places a great deal of emphasis on performance goals that measure outcomes; however, this does not mean that annual outputs (i.e., products and services provided to customers) are to be ignored. Other types of performance goals that should be considered relate to improving operational efficiency and quality of outputs. In its annual guidance, OMB may add to or refine the requirements defined in GPRA. This OMB guidance must be taken into account when developing the performance plan for the fiscal year the guidance is issued.

3. Performance Management.

a. With the exception of annual performance reports and program evaluations, GPRA does not mandate specific elements of a performance management process; however, such a process is integral to a successful planning process. The key components of a performance management process are:

(1) Management control systems (e.g., tracking performance, program evaluations);

(2) Management reports (e.g., periodic status reports, annual performance report);

(3) Organizational and unit results;

(4) Individual and team results;

(5) Corrective actions (e.g., continuous process improvement, etc.); and

(6) Reward systems.

b. The detailed task descriptions found in Appendix 6 outline the requirements for management control systems and management reports as they relate to the integrated planning process in AVR.

APPENDIX 3. DEFINITIONS OF TERMS RELATED TO PLANNING

This section provides definitions of terms that are used through this order.

1. **Budget Terms.**

a. **Prior Year (PY)** — Prior year refers to the stage of the budget process in which the agency is actually spending the money.

b. **Current Year (CY)** — Current year refers to the budget that is currently being reviewed by Congress. This budget is prepared in the spring and summer so that it can be approved by the end of the fiscal year, September 30. (Prior year + 1.)

c. **Budget Year (BY)** — Budget year refers to the stage in which the agency is internally working on its budget. (Prior year + 2.)

2. **Crosscutting Initiatives** involve shared responsibility and participation of more than one Service, Office, Staff or organization to be successful.

3. **Customer** is the individual, department, organization, etc., to whom you deliver your products or services. Customers can be internal or external.

4. **Efficiency Measures** are based on output measures. Their purpose is to track the cost of producing the organization's outputs in relation to available resources. Such measures require a reliable means to assess the cost of all the resources required to create each unit of output. These are also referred to as productivity measures.

5. **Environmental Scan** is an assessment/analysis of the industrial, social, technological, economic, and political trends/forces that may impact an organization. This information is used to determine strengths, weaknesses, opportunities, and threats.

6. **Goal** is the objective toward which an endeavor is directed.

a. **Strategic goal** is an elaboration on the organizational mission statement, developing with greater specificity how the organization will carry out its mission.

b. **Performance goal** is a target level of performance expressed as a tangible, measurable objective, against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate.

7. **The Government Performance and Results Act of 1993 (GPRA)** was designed to emphasize, within government, the need to account for how well an agency's resources were being spent to accomplish the mission of that agency. The means by which this should be accomplished is defined in GPRA as a long-term strategic plan, annual performance plans and annual performance reports, and program evaluations. The purpose of program evaluations is to function as a performance management assessment tool.

8. **Initiatives** are the short-term programs, projects, or activities that support the successful achievement of performance objectives. They are implementing actions for the strategy.

9. **Milestones** are key steps or stages in the development and deployment of initiatives. They are the means of accounting for progress toward the completion of the initiatives they support.

10. **Performance Indicator** is a particular value or characteristic used to measure output or outcome.

11. **Performance Measures.**

a. **Outcome measures.** Outcome measures are an attempt to assess how effective an organization is at achieving its mission. An outcome is the result of a program activity compared to the desired purpose. These are also known as effectiveness measures. In the regulatory, compliance, and enforcement environment in which AVR functions, outcome measures can be divided into two subgroups — intermediate and end outcomes.

(1) **Intermediate outcome measures.** Intermediate outcome measures assess changes in attitude, behavior, and condition that are expected to eventually lead to the desired outcome. In the case of AVR, attitude measures would be associated with customer satisfaction with the regulations and directives we issue, the professionalism of our personnel, the timely issuance of certification documents, and the applicability of the testing procedures to real world experience. Behavior measures would involve increased partnership agreements, sharing of operational data to improve operations, increased attendance at, or participation in, agency-sponsored educational opportunities for aviation maintenance personnel and general aviation (GA) pilots, and improved acceptance rates of aviation medical examiner (AME) medical examinations. Condition measures would be improved use of inspection resources, improvements in the operational uses of information technology, and the mitigation or elimination of known causal factors.

(2) **End outcome measures.** End outcome measures assess the long-term results we achieve, such as reduced fatal aviation accidents.

(b) **Output measures.** An output is a specific activity performed to support an outcome. An output measure is the most common and, usually, the most easily obtained measure. Output measurement is a simple count of the products and services an organization produces in a given time period.

(c) **Process measures.** Process measures focus on the internal efficiency of the planning process and how it responds to organizational objectives and customer needs.

(d) **Quality measures.** Quality measures are related to the timeliness, completeness, and value to the customers of the products and services the organization creates. Statistical quality methods and customer satisfaction surveys are examples of resources that can be used for evaluating the successful achievement of quality measures.

12. **Performance Plan** is a multi-use document as envisioned by GPRA. In its initial form the annual performance plan forms the basis of the justification in the annual budget requests. It lays out what the organization expects to achieve during the fiscal year in question and what will be required in terms of resources to achieve it. It must be linked to the organization's strategic plan.

This linkage is made through the performance goals, which must be closely related to the strategic goals. Once the annual resource allocations have been received, the performance plan (amended if necessary) becomes the standard against which the organization's performance is measured.

13. **Performance Report** is either a stand-alone document or part of a performance plan. In any case, GPRA requires that a discussion of prior accomplishments—or failures—be presented with the Annual Performance Plan.

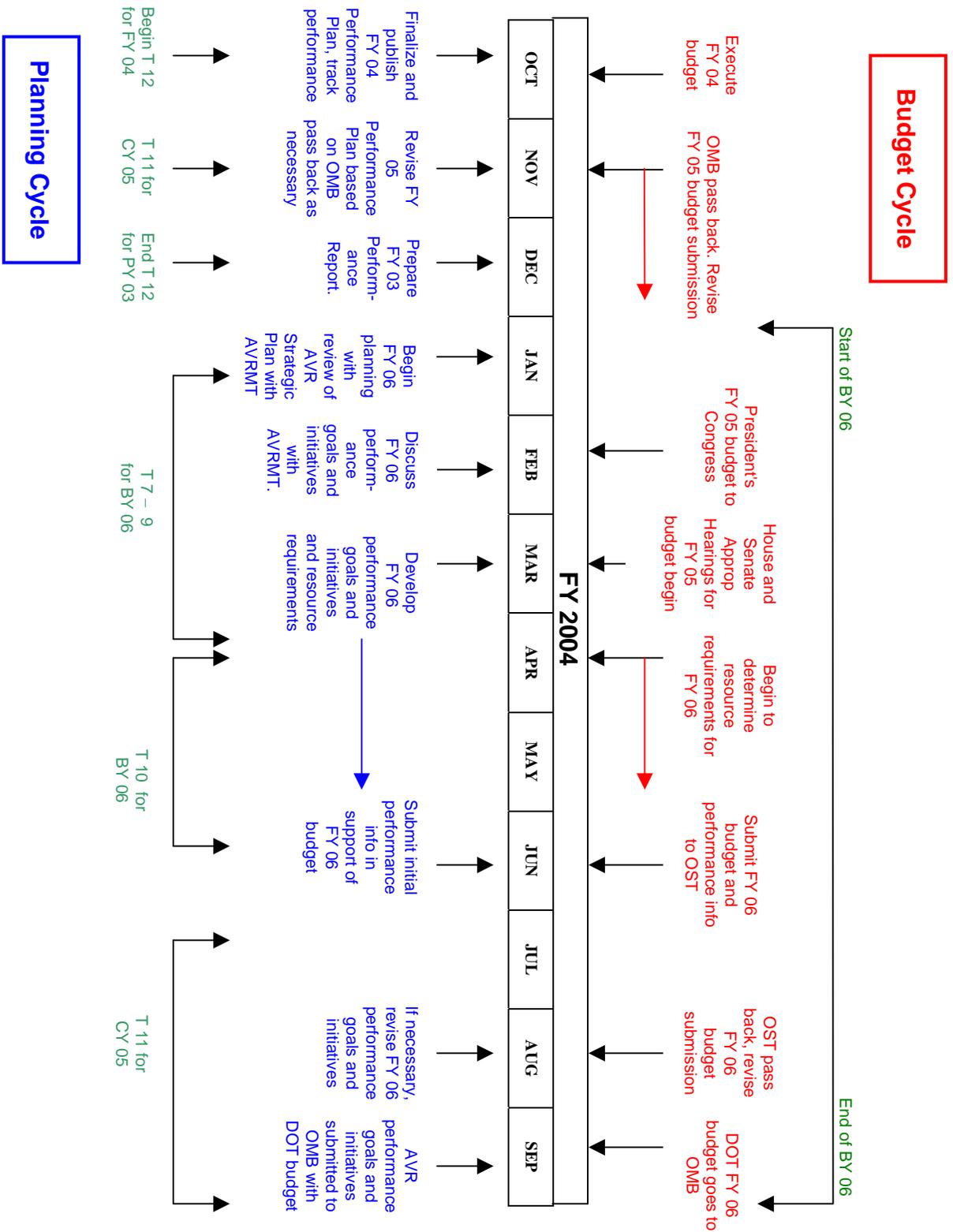
14. **Stakeholder** is an organization or individual that will have a significant impact on, or will be significantly impacted by, the product or service you provide; e.g., several Headquarters Divisions may be stakeholders for training being developed.

15. **Strategic Plan**, as defined by GPRA, is the means by which an organization aligns its mission(s) with its programs and activities. It functions as a tool for setting priorities and allocating resources consistent with those priorities. Strategic plans should guide the formulation and execution of the organization's budget.

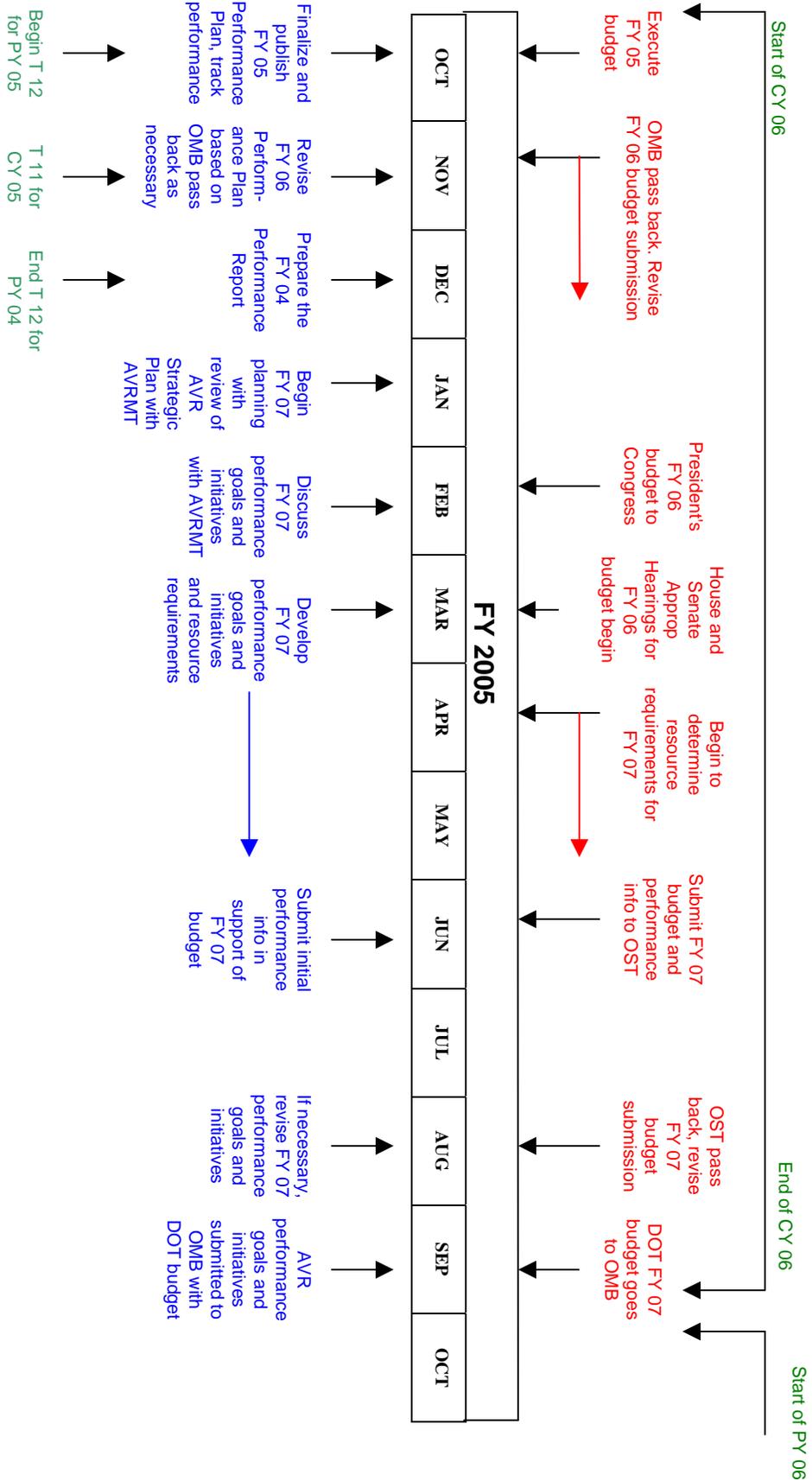
16. **Strategies** are plans of action by which an organization attempts to achieve its strategic goals. For example, a strategic goal of AVR might be to reduce the time required to evaluate and certify designees. As a strategy, each Service using designees might streamline the designee appointment process. In revising the process each Service achieves the AVR performance goal, but the timeframes may still vary by type of designee:

- a. AIR: DER appointment goal — 45 days
- b. AFS: DAR appointment goal — 36 days
- c. AAM: Medical Examiner appointment goal — 52 days

APPENDIX 4. SAMPLE AVR PLANNING-BUDGET CYCLE

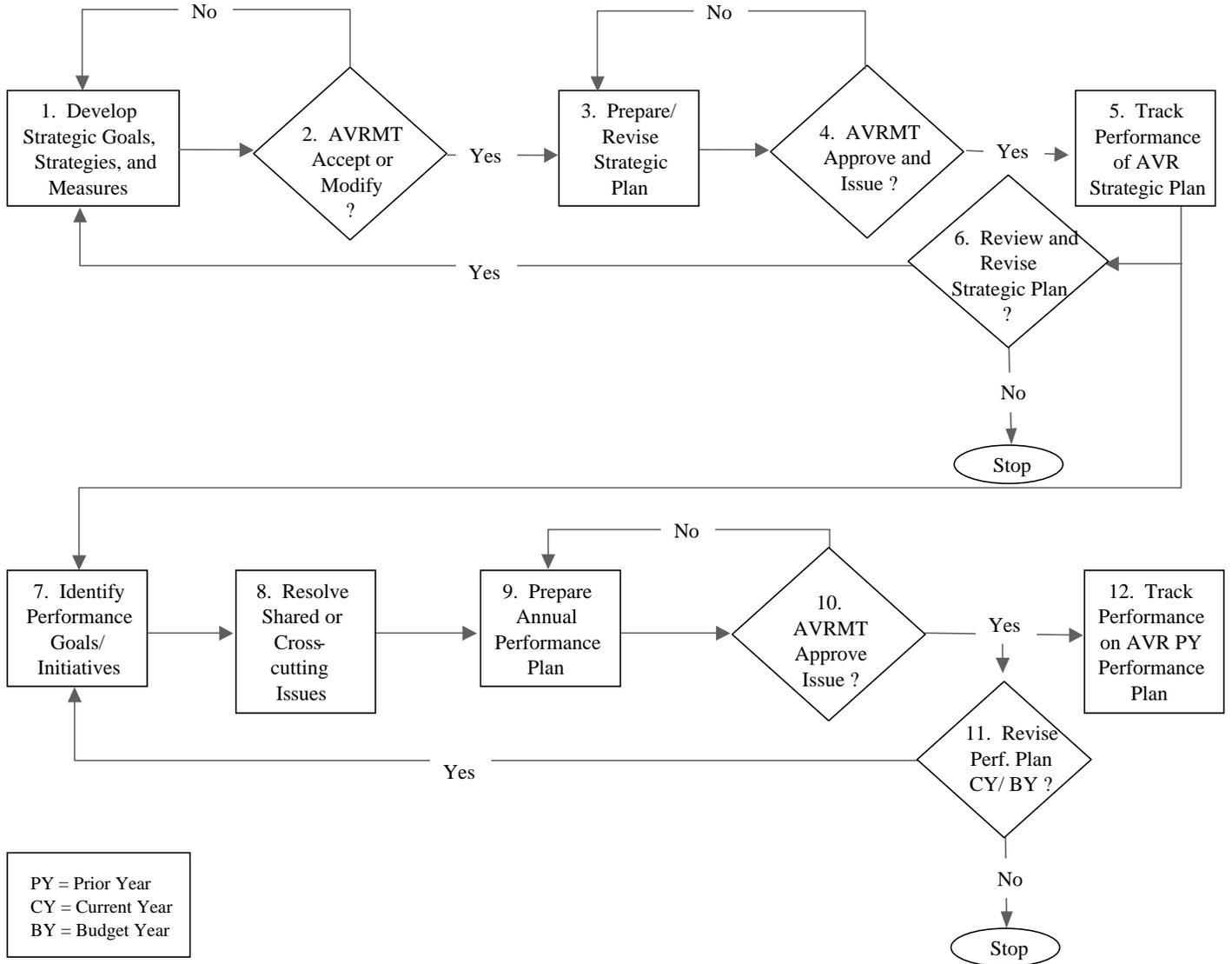


- NOTE: 1. "T" 1-12 refers to Tasks identified in the AVR Integrated Planning Process
2. This Sample Cycle assumes completion of the AVR Strategic Plan, Tasks 1 - 6
3. PY refers to Prior Year — FY 04; CY refers to Current Year — FY 05; BY refers to Budget Year — FY 06
4. The timeframes presented are general and may vary from actual



APPENDIX 5. AVR PLANNING PROCESS FLOWCHART

AVR Integrated Planning Process



**APPENDIX 6. TASKS IN THE AVR INTEGRATED
PLANNING PROCESS FLOWCHART**

Task 1. Identify, compile, and review supporting documents and other information/data in order to determine mandates, organizational priorities, trends, and issues. Develop strategic goals, prioritized strategies, and outcome measures for review by AVR Management Team.

In completing this task the Planning Board and Planning Team will ensure all Congressional mandates, organizational priorities, trends, issues, and other “drivers” are considered in determining AVR strategic goals and strategies. Task accomplishment should address how the goals and objectives are to be achieved (i.e., operational processes; skills and technology; human, capital, information, and other resources). The testing of identified outcome measures will occur in parallel with development of the strategic plan and should not preclude completion of later tasks.

Task output(s):

- Lists of strategic goals and prioritized strategies
- Linkage of goals to other plans (e.g., DOT strategic plan, FAA, ATO)
- Presentation on strategic goals and prioritized strategies
- Decision document for AVR Management Team

Task input(s):

This list is not all-inclusive:

- AVR Management Team priorities
- Legislation (authorizations, appropriations, special laws)
- FAA Strategic Plan
- DOT Strategic Plan
- President’s Management Agenda
- AVR long-term vision/goals (with customer perspective)
- FAA Human Capital Plan
- AVR Human Capital Plan
- FAA Capital Investment Plan
- Attitude surveys (within FAA; from customers)
- GAO/OIG audits
- Special studies (e.g., CPS)
- Employee/stakeholder inputs (formal and informal)

Sub-tasks:

- 1.1 Meet with AVR Management Team to discuss vision, goals, and priorities for AVR.
- 1.2 Identify potential links to other internal and external plans.
- 1.3 Develop draft goals. Develop, test, and evaluate outcome measures for those goals for unintended consequences; adjust measures as needed.
- 1.4 Develop and prioritize strategies to achieve goals.
- 1.5 Consult with external stakeholders on proposed goals (e.g., other aviation authorities, industry).

- 1.6 Consult with management teams in Services, Offices, and Staff and with AVR representatives for budget, IT, and human resources, as needed, on their inputs to and comments on draft goals, prioritized strategies, and outcome measures. Identify potential crosscutting issues.
- 1.7 Brief/coordinate with each AVR Management Team member on proposed recommendations prior to formal presentation (i.e., pre-brief).
- 1.8 Prepare and present the AVR Management Team with draft goals, prioritized strategies, and outcome measures in decision document.

Interfaces:

- HR/training staff in Services, Offices, and Staff
- Budget staff in Services, Offices, and Staff
- AVR IT staff
- Management teams in Services, Offices, and Staff
- AVR Management Team

References:

- GPRA descriptions of strategic planning elements
- AVR order on Integrated Planning
- MOAs with NASA, DOD, TSA, etc.

Success indicators:

- All internal organizational and stakeholder issues are identified and addressed
- Draft goals and prioritized strategies are presented to AVR Management Team within the timeframe specified

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**Task 2. Accept and/or modify recommended goals and prioritized strategies from the Planning Board.**

In this task the AVR Management Team will review a decision document and validate the Planning Board's recommended goals and strategies in the strategic plan. (See Appendix 9-A for Sample Decision Document.)

**Task output(s):**

- List of approved strategic goals and strategies

**Task input(s):**

- List of proposed goals and prioritized strategies
- Supporting documentation

**Sub-tasks:**

None

**Interfaces:**

None

**References:**

- FAA Strategic Plan

**Success indicators:**

- Validated AVR strategic goals and strategies are approved by the specified date

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Task 3. Prepare/revise the AVR Strategic Plan.

In this task the Planning Board and Team create a final draft document that contains the vision, mission, goals, and strategies for the AVR line of business (LOB).

Task output(s):

- Coordinated final draft of the AVR Strategic Plan

Task input(s):

- Approved goals and strategies
- Stakeholder points of view

Sub-tasks:

- 3.1 Trace AVR goals to goals in the FAA Strategic Plan to ensure there are linkages.
- 3.2 Coordinate AVR Strategic Plan with AVR employees, industry, international aviation authorities, and others as appropriate.
- 3.3 Coordinate the final draft of the Strategic Plan with AVR Services, Offices, and Staff.

Interfaces:

- Stakeholders
- AVR employees

References:

None

Success indicators:

- AVR Strategic Plan is proofed and error free
- AVR Strategic Plan is prepared for signature by specified date (within 12 months of start of process)

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**Task 4. Approve and issue the AVR Strategic Plan.**

In this task the AVR management team approves the Strategic Plan and the AVR-10 Planning Officer distributes the plan to employees, industry, and other governmental organizations.

**Task output(s):**

- AVR Strategic Plan

**Task input(s):**

- Final draft of the AVR Strategic Plan

**Sub-tasks:**

4.1 Sign the AVR Strategic Plan.

4.2 Publish, distribute, and post strategic plan (AVR-10 Planning Officer).

**Interfaces:**

None

**References:**

None

**Success indicators:**

- Initial AVR Strategic Plan should be signed by September 30, 2004
- AVR Strategic Plan is distributed/posted immediately after signature

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Task 5. Track, assess, and report on organizational performance against identified outcomes in the AVR Strategic Plan.

To complete this task the Planning Board and Team will accomplish the following:

- Determine AVR's success in meeting the outcomes identified in the strategic plan
- Assess the validity, reliability, and appropriateness of the relationship between outcome measures, strategies, and performance measures
- Ensure multiyear initiatives are on track for completion as planned

Task output(s):

- Status reports

Task input(s):

- AVR Strategic Plan
- Program/project data sources
- BTS/NTSB data (for activity and accident data)

Sub-tasks:

- 5.1 Monitor performance toward achieving any identified strategic outcomes.
- 5.2 Coordinate with Services, Offices, and Staff to assess validity, reliability, and appropriateness of any outcome measures identified in the Strategic Plan.
- 5.3 Identify and document best practices for writing outcome and performance measures to share with Planning Board members (Planning Team).
- 5.4 Propose adjustments to outcome measures, strategies, and performance measures, as needed.

Interfaces:

- Budget staffs in Services, Offices, and Staff
- Management teams in Services, Offices, and Staff
- Program/project leads

References:

- AVR Strategic Plan

Success indicators:

- Identified outcome measures are valid, reliable, and appropriate
- Status reports on plan accomplishment are provided as required

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**Task 6. Review and validate or revise the AVR Strategic Plan.**

In completing this task the Planning Board and AVR Management Team will review and validate or revise the AVR Strategic Plan at least every 3 years. This task is not intended to be a complete strategic planning process. The Planning Board will accomplish only those tasks required to review or validate the existing plan.

**Task output(s):**

- Validated or revised AVR Strategic Plan

**Task input(s):**

- Existing AVR Strategic Plan

**Sub-tasks:**

(Refer to and accomplish previous tasks as needed)

**Interfaces:**

(See previous tasks that apply)

**References:**

(See previous tasks that apply)

**Success indicators:**

- AVR Strategic Plan is reviewed and validated or revised at least every 3 years



**Task 7. Identify performance goals and initiatives for the annual AVR Performance Plan for the Budget Year.**

In this task the Planning Board validates the organizational performance goals and initiatives compiled by the Planning Team (see Appendix 9-B for format) to ensure that they accurately reflect AVR strategic goals and supporting strategies for development of budget year requirements. The Board also ensures performance measures identified by Services, Offices, and Staff support the indicators of success selected by the AVR management team. (Refer to AVR Planning-Budget Cycle in Appendix 4.)

**Task output(s):**

- List of performance goals and initiatives linked to the AVR Strategic Plan and other plans as appropriate
- Identified budget resources needed to support performance goals and initiatives

**Task input(s):**

- AVR Strategic Plan
- Direction on performance goals/initiatives from the AVR Management Team to include shared objectives
- Services, Offices, and Staff initiatives that support AVR performance goals
- New mandates
- GAO reports on AVR-related safety issues
- Multiyear initiatives
- Annual budget guidance

**Sub-tasks:**

- 7.1 Meet with AVR Management Team to get direction and define success indicators on performance goals, initiatives, and crosscutting areas for the Annual Performance Plan.
- 7.2 Forward AVR Management Team direction to the management teams in Services, Offices, and Staff and request organizational goals and associated costs.
- 7.3 Review inputs from the Services, Offices, and Staff on their organizational performance goals, initiatives, performance measures, and cost estimates.

**Interfaces:**

- AVR Management Team
- Management in Services, Offices, and Staff
- HR, IT, training staffs

**References:**

This list is not all-inclusive:

- GPRA
- GAO/OIG reports
- OMB Circular A-11 and other OMB guidance
- FAA Strategic Plan
- AVR Strategic Plan
- AVR Budget-Planning Cycle

**Success indicators:**

- AVR performance goals and initiatives should be identified by February
- AVR direction to management teams in Services, Offices, and Staff highlights sharing or crosscutting areas

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Task 8. Resolve shared or crosscutting performance goals and initiatives and obtain approval of AVR Management Team.

In this task the Planning Board obtains concurrence from the AVR Management Team on shared or crosscutting AVR initiatives and resource requirements identified by the management teams in Services, Offices, and Staff (see Appendix 9-B for Decision Document).

Task output(s):

- Approved set of shared or crosscutting AVR performance goals, initiatives, measures, and estimated resource requirements

Task input(s):

- List of AVR Management Team goals and initiatives
- Potential shared or crosscutting goals/initiatives from Services, Offices, and Staff
- Preliminary cost estimates/resource requirements
- Annual budget guidance

Sub-tasks:

- 8.1 Verify inputs from the Services, Offices, and Staff on their unique and crosscutting initiatives and estimated resource requirements to support AVR goals.
- 8.2 Identify potential realignment of resources to support shared or crosscutting goals/initiatives.
- 8.3 Coordinate shared or crosscutting performance goals/initiatives and resource requirements with other LOBs in the FAA, as applicable.
- 8.4 Develop integrated goals, initiatives, measures, and resource requirements. Coordinate with management in Services, Offices, and Staff; resolve differences.
- 8.5 Present integrated goals, initiatives, measures, and resource requirements to AVR management team for approval.

Interfaces:

- AVR Management Team

- Management teams in Services, Offices, and Staff
- Budget staffs

References:

- AVR Budget-Planning Cycle

Success indicators:

- Issues on crosscutting goals, initiatives, strategies, and resource requirements are resolved in a timely manner, are in accordance with the AVR Strategic Plan, and have Services, Offices, and Staff management team commitment
- AVR Management Team approves shared or crosscutting goals and initiatives to meet due dates in the budget cycle

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**Task 9. Prepare the AVR Annual Performance Plan.**

In completing this task the Planning Board and Team prepare a final draft document containing the annual AVR performance goals, initiatives, and resource requirements for the Budget Year.

**Task output(s):**

- Draft of AVR Annual Performance Plan with resource requirements

**Task input(s):**

- Approved set of crosscutting performance goals, initiatives, measures, and resource requirements
- Services, Offices, and Staff annual performance goals, initiatives, measures, and resource requirements
- Annual budget guidance

**Sub-tasks:**

9.1 Trace AVR performance goals to goals in the AVR Strategic Plan to ensure there are clear linkages and alignment with the FAA Strategic Plan.

**Interfaces:**

- Budget staffs

**References:**

- AVR Budget-Planning Cycle

**Success indicators:**

- AVR Annual Performance Plan is proofed and error free
- AVR Annual Performance Plan is prepared for signature to support budget submission

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Task 10. Approve and issue the AVR Annual Performance Plan.

In this task the AVR Management Team approves the Annual Performance Plan and the AVR-10 Planning Officer distributes the plan to Services, Offices, and Staff, DOT, and OMB.

Task output(s):

- AVR Annual Performance Plan

Task input(s):

- Final draft of the AVR Annual Performance Plan
- Annual budget guidance

Sub-tasks:

- 10.1 Review and approve performance plan for incorporation into budget document.
- 10.2 Distribute annual draft performance plan to the Services, Offices, and Staff (AVR-10 Planning Officer).
- 10.3 Forward draft performance plan to AVR-10 budget staff for incorporation into the budget document for the Budget Year.

Interfaces:

- AVR-10 budget staff

References:

- AVR Budget-Planning Cycle

Success indicators:

- The AVR Annual Performance Plan is completed in time for incorporation into budget submission

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**Task 11. Revise the AVR Annual Performance Plan for budget year and current year budgets.**

To complete this task the Planning Board and Team update the budget/current years' Annual Performance Plan to reflect changes in the environment (e.g., funding levels, staffing adjustments, program changes).

**Task output(s):**

- Revised AVR Annual Performance Plan and resource requirements for the budget year and current year

**Task input(s):**

This list is not all-inclusive:

- Existing Annual Performance Plan
- OMB pass backs
- Congressional mandates
- Agency reprogramming
- Major events affecting aviation safety (e.g., accident, world events, security measures)
- Annual budget guidance

**Sub-tasks:**

- 11.1.1 Review funding and performance plan for the Current Year budget before executing it as the Prior Year plan effective October 1.
- 11.2 Revise Annual Performance Plan, as needed. (See tasks for development of performance plan 7 through 10; complete as needed.)

**Interfaces:**

- AVR budget staff

**References:**

- AVR Budget-Planning Cycle
- (See tasks for development of performance plan, 7 through 10)

**Success indicators:**

- The AVR Annual Performance Plan for the Current Year budget is revised in August to September timeframe
- The AVR Annual Performance Plan is published for execution by October 1 when Current Year plan becomes the Prior Year plan
- The AVR Annual Performance Plan for the Budget Year is revised in December when it becomes the Current Year plan

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Task 12. Track, assess, and report on actual organizational performance against the AVR Annual Performance Plan.

To complete this task the Planning Board and Team will accomplish the following:

- Determine AVR's success in meeting annual performance goals/initiatives
- Identify performance goals that need to be carried over to following year(s)
- Ensure multiyear initiatives are on track for completion as planned
- Review the planning process itself for continuous improvement

Task output(s):

- Interim status reports, as required

- Annual performance report
- Multiyear initiatives that are carried over
- Recommendations for improving the planning process/products

Task input(s):

- Reports from Services, Offices, and Staff on performance plan milestones, performance measures, outputs
- Bureau of Transportation Statistics (BTS) data
- NTSB accident data/information
- Feedback from stakeholders on the process

Sub-tasks:

- 12.1 Track performance throughout year; incorporate into performance reports and status reports, as required.
- 12.2 Identify multiyear initiatives that need to be eliminated or carried over as performance goals/initiatives in subsequent years (see Task 7).
- 12.3 Identify and implement recommendations for process improvement.

Interfaces:

- Stakeholders

References:

- AVR Annual Performance Plan
- GPRA

Success indicators:

- Identified performance measures are valid, reliable, and appropriate
- Status reports on plan execution are provided as required
- The annual report on plan performance is published by the due date for the previous FY
- Conduct annual assessment of the planning process for its continuous improvement

APPENDIX 7. LIST OF STRATEGIC AND PERFORMANCE PLAN SOURCE DOCUMENTS

The following documents were used in the development of tasks in the planning process and/or support the performance of one or more tasks.

1. AVR Annual Performance Plan
2. AVR Human Capital Plan
3. AVR Strategic Plan (TBD)
4. DOT Strategic Plan
5. FAA Capital Investment Plan
6. FAA Human Capital Plan
7. FAA Strategic Plan
8. GAO Reports on GPRA
9. GAO/OIG Audits
10. Government Performance and Results Act (GPRA)
11. Memoranda of Agreement with NASA, DOD, TSA, etc.
12. OMB Circular A-11 and other OMB guidance
13. OST Budget Guidance
14. Program Assessment Reporting Tool (PART)
15. President's Management Agenda
16. Special Studies (e.g., CPS)
17. Surveys (within FAA and with customers)

APPENDIX 8. ACRONYMS RELATED TO PLANNING AND ROUTING SYMBOLS

ACRONYMS

ACMT	Aircraft Certification Management Team
AVRMT	Associate Administrator for Regulation and Certification Management Team
BTS	Bureau of Transportation Statistics
CPS	Certification Process Study
DOD	Department of Defense
DOT	Department of Transportation
FAA	Federal Aviation Administration
GAO	Government Accounting Office
GPRA	Government Performance and Results Act
HR	Human Resources
IT	Information Technology
MOA	Memorandum of Agreement
MT	Management Team
NASA	National Aeronautics and Space Administration
NTSB	National Transportation Safety Board
OIG	Office of Inspector General
OMB	Office of Management and Budget
OST	Office of the Secretary of Transportation
PART	Program Assessment and Reporting Tool
TSA	Transportation Security Agency

ALPHABETICAL ROUTING SYMBOL IDENTIFIERS

AAI	Office of Accident Investigation
AAM	Office of Aerospace Medicine
AFS	Flight Standards Service
AIR	Aircraft Certification Service
ARM	Office of Rulemaking
ATO	Chief Operating Officer Air Traffic Organization
AVR	Associate Administrator for Regulation and Certification
AVR-10	Executive Staff
AVR-20	Suspected Unapproved Parts Office

APPENDIX 9-A. SAMPLE PLANNING FORMAT 1

SAMPLE: Strategic Goal Decision Document—Planning Task 2

(Document Planning Board submits to AVRMT for approval of strategic goals)

<p>1. Goal Statement: <i>Planning Board identifies AVR strategic goal (one goal per sheet) they are proposing.</i></p> <ul style="list-style-type: none"> • Reduce the Commercial Aviation Fatal Air Carrier Accident Rate. 										
<p>2. Justification: <i>Planning Board provides information explaining significance of goal; why it should be considered and how it ties to higher level plans.</i></p> <ul style="list-style-type: none"> • Reduction of this rate is the most significant and visible component of success specific to the mission of the Regulation and Certification LOB. This goal is linked to agency flight plan goal “Increased Safety;” agency business plan objective #1. 										
<p>3. Outcome Measure(s): <i>Planning Board proposes measures to assess the actual results/effects/impact as compared to intended results/effect/impact.</i></p> <ul style="list-style-type: none"> • Reduce the Commercial Aviation Fatal Air Carrier Accident Rate from a 3-year average baseline of 0.XX to 0.XX by the end of FY-XX. 										
<p>4. Strategy(ies) to meet goal in priority order (discuss ranking as necessary): <i>Planning Board lists strategies that support the goal. Include strategies from all Services, Offices and Staff.</i></p> <ul style="list-style-type: none"> • Work with the aviation industry and other stakeholders on initiatives to reduce the Commercial Air Carrier Fatal Accident Rate. <p><i>(Initiatives could be listed with each strategy; e.g., ATOS, CAST, and Implementation of Phase II of Fuel Tank Safety Assessment could be listed along with the strategy.)</i></p>										
<p>5. Links to higher level plans:</p> <table border="0"> <tr> <td>DOT/FAA Strategic Plans</td> <td>YES</td> <td>X</td> <td>NO</td> </tr> <tr> <td>DOT Annual Performance Plan</td> <td>YES</td> <td>X</td> <td>NO</td> </tr> </table>			DOT/FAA Strategic Plans	YES	X	NO	DOT Annual Performance Plan	YES	X	NO
DOT/FAA Strategic Plans	YES	X	NO							
DOT Annual Performance Plan	YES	X	NO							
<p>6. AVR Lead Organization: AVR AVR Support Organization(s): AIR, AAM, ARM, AFS</p>										
<p>7. Stakeholders (external to AVR): <i>Planning Board identifies other FAA and industry entities that play a significant role in the successful completion of the proposed goal.</i> ATOS Carriers, CAST Industry Membership, etc.</p>										
<p>8. AVR-1 Approved: <u> X </u> Disapproved: <u> </u> Date: <u> XX/XX/XX </u></p>										
<p>9. Comments: <i>AVRMT/AVR-1 provides feedback to the Planning Board and/or reason for disapproval.</i></p> <ul style="list-style-type: none"> • The AVRMT asks the Planning Board to expand the initiatives supporting this goal. 										

APPENDIX 9-B. SAMPLE PLANNING FORMAT 2

SAMPLE: Performance Goal & Funding Requirements—Planning Tasks 7 and 8
(Planning Team uses this document to identify and obtain concurrence on shared or crosscutting initiatives for annual AVR Performance Plan. Planning Board uses this document to get AVRMT concurrence on approved LOB initiatives and resource requirements.)

<p>1. Submitting Service/Office/Staff: <i>Planning Team will identify the AVR organization that has the lead for the initiatives summarized below.</i></p> <ul style="list-style-type: none"> • AFS
<p>2. AVR Performance Goal Statement: (From Appendix 9-A, 1) <i>Planning Team will list the AVR performance goal (one goal per sheet).</i></p> <ul style="list-style-type: none"> • Reduction of the Commercial Fatal Air Carrier Accident Rate.
<p>3. Performance Indicator: <i>Planning Team will identify the performance indicator that supports the performance goal.</i></p> <ul style="list-style-type: none"> • Reduction of the Commercial Fatal Air Carrier Accident Rate from a 3-year average of 0.XX to 0.XX by the end of FY-XX
<p>4. Major strategy(ies) in Support of this Goal: <i>Planning Team will list the strategy(ies) that supports the performance goal.</i></p> <ul style="list-style-type: none"> • Working with the aviation industry, develop solutions to the predominant causes of aviation accidents and incidents. • Working with the aviation industry, develop and implement a systems approach to oversight.
<p>5. Initiatives in Support of the Goal: <i>The lead organization will propose a list all initiatives supporting the performance goal, making sure to solicit input and coordinate proposed initiatives with all stakeholders.</i></p> <ul style="list-style-type: none"> • Air Transport Oversight System • Commercial Aviation Safety Team
<p>6. Are the above activities multiyear? YES <input checked="" type="checkbox"/> NO <i>(Complete multiyear estimate on budget requirements document on next page.)</i></p>
<p>7. Anticipated completion date: mm/yyyy In what FY will the initiative be completed?</p> <ul style="list-style-type: none"> • It is proposed that this be an ongoing goal for the LOB
<p>8. Organizations/Entities affecting completion: <i>The lead organization will identify other AVR, other FAA, and industry entities that play a significant role in the successful completion of the proposed initiative(s).</i></p> <ul style="list-style-type: none"> • AFS, AIR, ARM, AAI, AVR-20, ATO, Air Carriers, Aircraft Manufacturers, Suppliers, International Safety Organizations
<p>9. Name of Contact, Routing Symbol, and Telephone No.: <i>Name and telephone number of the point of contact for the initiative.</i></p> <ul style="list-style-type: none"> • ATOS— J. Doe, AFS-XXX, 202.267.XXXX • CAST—H. Employee, AIR-XXX, 202.267. XXXX

Budget Information: Initiative: ATOS (For Illustrative Purposes Only—NOT Real Data)

Resources	FY 2006	FY 2007	FY 2008	FY 2009
Number/Cost of FTE(s) (1)	20/2.0M	50/5.0M	10/1.0M	10/1.0M
OPS Funding (2)	15.0M	20M	5.0M	5.0M
F&E Funding (3)	0	1.5M	0	0
Subtotal (4)	17M	26.5M	6.0M	6.0M
Other AVR funding required (5)	N/A	0.5M (ARM)	N/A	N/A
TOTAL	17.0M	27.0M	6.0M	6.0M
AVRMT Approved: <u> X </u> Disapproved: _____ Date: <u> XX/XX/XX </u>				
Legend: M= Total in millions of dollars				

Notes:

1. Number/Cost of FTE: Estimate the number of full time equivalent positions and their associated costs required to staff the initiative and its associated activities for each fiscal year. This will facilitate budget estimation.
2. OPS Funding: If the initiative involves OPS funds, including personnel costs, travel, training, etc., the dollar amount for each fiscal year of the initiative should be shown.
3. F&E Funding: If the initiative involves F&E funds, including personnel costs, equipment costs, travel, training, etc., the dollar amount for each fiscal year of the initiative should be shown. DO NOT FORGET to include hand off costs if an F&E funded initiative becomes operational, in whole or in part, during the life cycle of the initiative. If handoff costs are funded from the Operations Appropriation, include this cost under Ops Funding.
4. Subtotal: This is the cost for the LEAD organization only.
5. Other AVR Funding Required: If another AVR service, office, or staff will incur costs because of involvement in this initiative, those costs should be accounted for on this line. Otherwise, N/A should be filled in under the appropriate Fiscal Year.