



U.S. Department
of Veterans Affairs

Strategic Studies Group

March 27, 2013

Office of Policy and Planning



Background

- Previously, Department of Veterans Affairs (VA) planning efforts were narrowly focused. In 2009, Secretary Shinseki made transforming VA into a 21st Century organization a priority—calling for processes, systems, and behaviors that would change the VA in transformational ways for a very long time.
- The 2010 Government Performance and Results Act Modernization Act (GPRAMA) changes federal reporting requirements and creates new government-wide planning frameworks that include long-term priority goals.
- VA's new Strategic Planning process takes a more proactive approach and also drives resourcing. The process helps VA meet federal and 21st Century planning requirements by taking a broader and longer-term strategic view.



Mission

- The Strategic Studies Group (SSG) was formed in 2011.
- Reports to VA's Deputy Assistant Secretary for Policy within the Office of the Assistant Secretary for Policy and Planning.
- Provides forward-leaning analysis that identifies long-range issues and drives innovation and transformation across VA.
- Serves as a foundational component in VA's Quadrennial Strategic Planning Process and helps senior leaders anticipate long-term issues so they can make the best decisions today.

"The risk of surprise will never be eliminated ... but leaders are too often blind-sided by ... excessively narrow or unimaginative analysis. Surprises can be the self-inflicted wounds of linear thinking and parochial assumptions."

- Colin Gray , "Transformation and Strategic Surprise"



Capabilities

Strategic Studies Group accomplishes its mission by:

Environmental Scanning

- Continuous monitoring of external environment
- Identify change in VA's environment over a 10-20 year horizon

Alternate Futures Process

- Identify strategic drivers of the future environment
- Develop future "worlds" for scenario-based planning
- Determine Department-wide Strategic Imperatives

Strategic and Futures Analysis

- Provide thought pieces on strategic challenges and opportunities
- Respond to leadership requests for "deep dives" on emerging issues
- Organize and facilitate workgroups to address enterprise-wide futures issues



- Produced by strategic planners and approved by Secretary
- Foundational component for VA strategic plan
- Identifies what VA must *be* and *do* to be successful in 10-20 years

- Produced every two years for senior leaders and strategic planners
- Identifies factors that may impact VA's future operating environment
- Serves as a primary input to VA's Strategic Plan

- Produced for strategic planning community
- Uses backcasting, scenarios, gaming, devil's advocacy
- Convenes workgroups to explore range of futures and implications

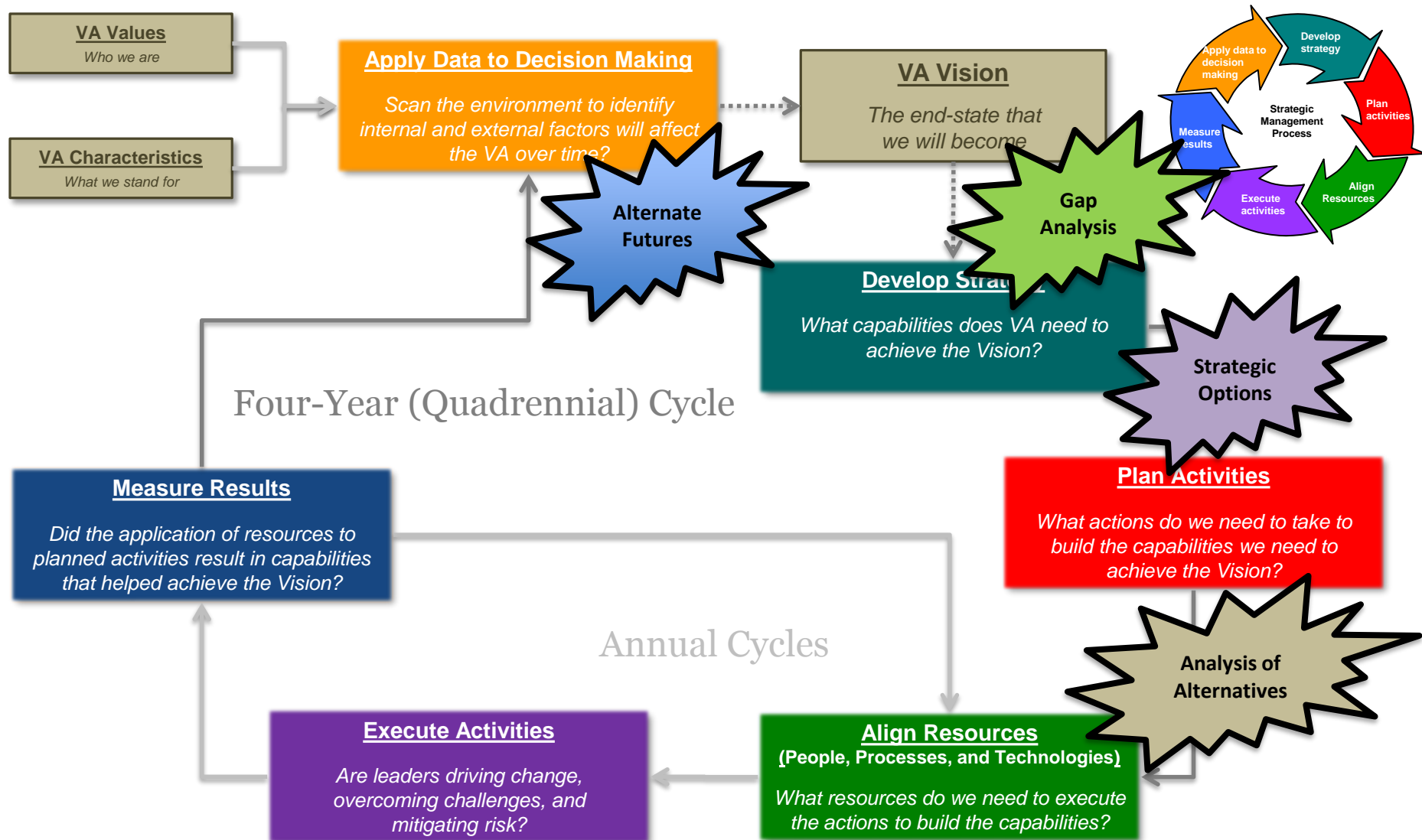
- Provide analysis on emerging issues for senior leaders
- Identifies areas for further study or that have policy implications

- Disseminated biweekly to internal and external planning community
- Provides information on external environmental conditions



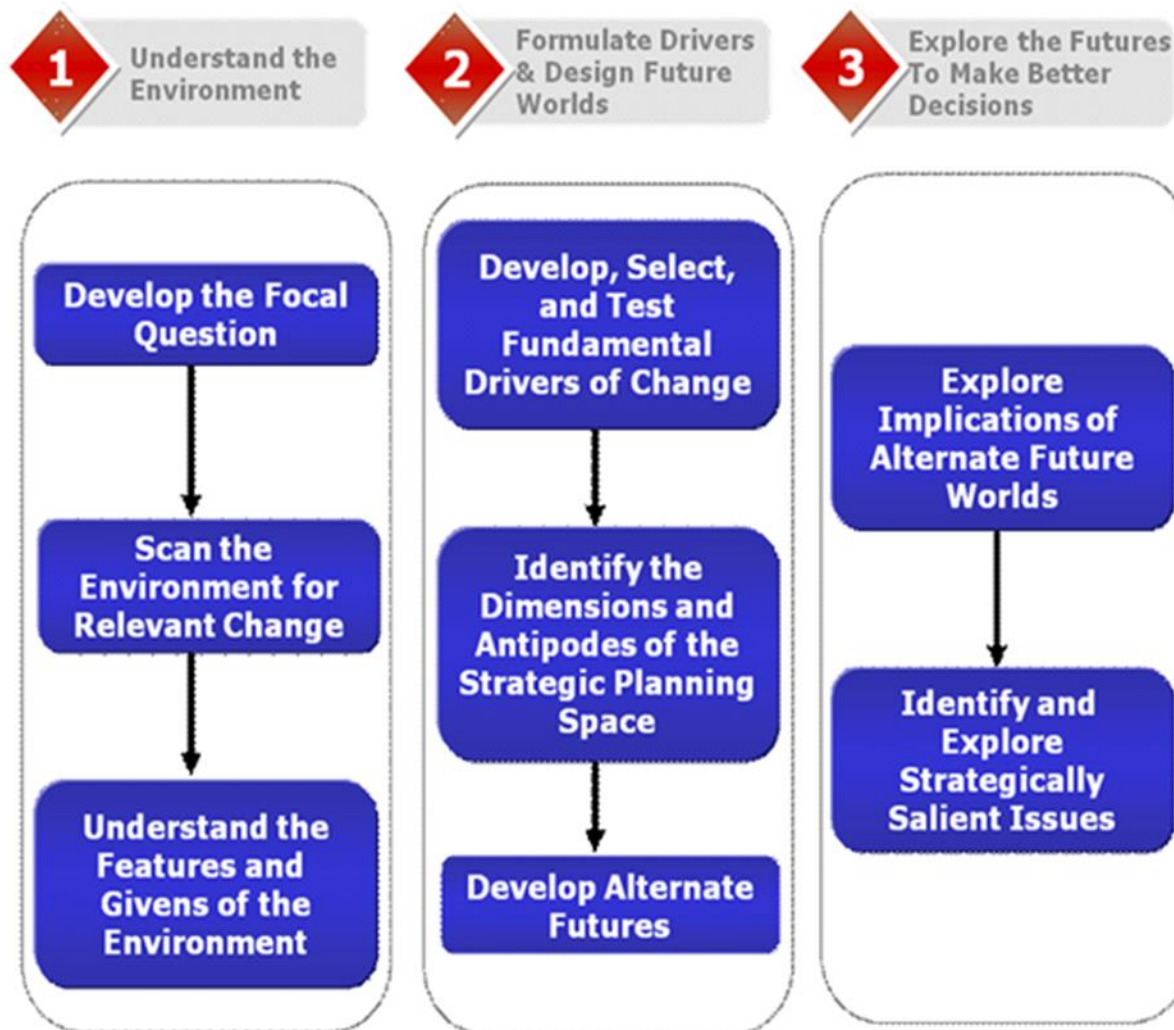


Strategic Management Framework





Eight-Step Alternate Futures Methodology





Alternate Futures Process

Pilot Efforts

Environmental Scan & Change Academy (Summer 2011)

(Summer 2011)

CONVERGENT THEMES:

- Human Capital
- Understanding and Awareness
- Provider and Facilitator
- Seamless
- Reintegration

100+ Issue Papers
(Internal only study)

Recent Work

Alternative Futures (Workshop #3 – Jan 2012)

(Workshop #3 – Jan 2012)

- “Live in” World Simulation
- Answer Key Questions

Strategic Implications (OPP Analysis)

- Identify Strategic Implications

Imperatives & Postures (Workshop #4 – Mar 2012)

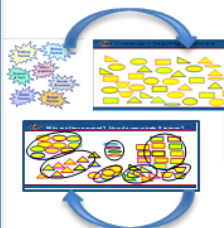
(Workshop #4 – Mar 2012)

- Finalize Strategic Imperatives
- Revalidate Converging Themes
- Identify Other Postures

Efforts to Date

Features and Givens (Workshop #1 – Oct 2011)

(Workshop #1 – Oct 2011)



3 CATEGORIES OF CHANGE

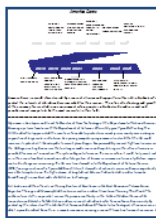
- Technology
- Healthcare
- Socio-economics

Inputs

100+ Issue Papers, 30 interviews, and 70 external and internal research papers

World Narratives (Small Group Effort – Dec 2011)

(Small Group Effort – Dec 2011)



Draft 4-5 Page
Narratives for
each world



Analyzed Conditions
in 4 worlds

Drivers of Change (OPP Analysis – Oct/Nov 2011)

(OPP Analysis – Oct/Nov 2011)



3 DRIVERS OF CHANGE

- Confidence in Institutions
- Rate and Spread of Technologies
- National Perceptions

Inputs

All prior papers and research, and 200+ factors of the future

Worlds (Workshop #2 – Nov 2011)

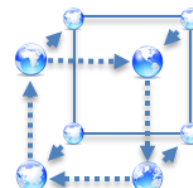
(Workshop #2 – Nov 2011)



Recommend
4 worlds for
further analysis

Inputs

All prior work, and Drivers and Antipodes



Set conditions
for 8 worlds
using drivers
and antipodes



Results from Alternate Futures

Environmental Scanning

- 100+ Issue Papers
- External Interviews
- Internal Perspectives

Key Themes and High Impact Areas of Change

- Inter-relationships
- Strategic Planning Team
- Change Academy
- Workshops

Strategic Drivers

- 10-15 year
- Inter-relationships
- Key drivers but not all

Alternate Futures

- Uses strategic drivers
- Set of alternate futures or scenarios
- Possible not predictive
- Broad not single
- Not one desired future

Strategic Imperatives

- 5-15 years
- Must Bes
- Must Dos
- Success in any future
- Maximum maneuver space

1 Declining Veteran Population + Budget Constraints + Evolutions in Private Health Care

2 Recruiting Challenges

3 Retention Challenges

4 Technology Challenges

5 Ineffective or Inefficient Processes

Areas of Change

A Technology (1,4,5)

B Health Care (1,2,3)

C Socioeconomics (1,2,5)

Key Themes

a Understanding (1,2,3)

b Human Capital (3,4)

c Provider/Facilitator (1,2,3,4,5)

d Seamless (1,4,5)

e Reintegration (1,4)

Trickle or Torrent

Rate and Spread of Life Enhancing Technology (A,B,C,a,b,d,e)

Faithful or Fluid

Confidence in Institutions (B,C,a,b,c,e)

Restricted or Expansive

National Perceptions of Veteran Benefits and Services (C,a,c,d,e)

Benign Neglect

- Rapid and widespread technological solutions
- Citizens satisfied with Government
- VA provides services to narrow group of Veterans

Doom and Gloom

- Technological innovation slows
- People have little confidence in Government
- Must serve more veterans with fewer resources

Kumbaya

- Rapid and widespread technological solutions
- Great trust in Government
- Expansive view of Veteran entitlements

America Cares

- Many different providers of service which are technologically advanced
- Consolidation within the Federal Government
- VA struggles to compete for workforce

* Each step builds on previous and increases in breadth and complexity.



Strategic Imperatives

VA core values and guiding principles provide the foundation for us to define what we must be in the future. From these strategic imperatives we can identify what we must do to achieve success in the changing environment.

Be A Trusted Partner

- Know and understand our clients, and our business
- Diversify the way we connect with our clients
- Do what we do best, and partner for the rest

Be Recognized For Providing A Quality Experience

- Organize and run our business to deliver seamless and integrated support
- Integrate with DoD to engage Veterans while they are still in service
- Empower independence through support

Be A Pro-Active and Agile Institution

- Make VA a place where people want to serve
- Be forward-leaning and reward innovation
- Become flexible and scalable



Insight for VA's Future

Rapidly evolving technology across multiple disciplines, an increasingly unpredictable world, shifting social and demographic changes, and tighter fiscal constraints together require the Department to develop a different kind of strategic plan to meet tomorrow's mission. In the future VA must consider:

- A declining Veteran population that spans at least 5 distinct generations;
- An increase in the number and complexity of conditions and claims;
- Health care reform and evolutions in private sector health resources;
- Uncertain socio-economic conditions;
- Federal employment retention challenges;
- Technological changes such as the rapid adoption of mobile applications to meet client's changing needs and expectations; and
- Need to move VA from a strictly "provider" business model to a "facilitator or enabler" model.



“Although strategic surprises are inevitable, it becomes imperative to build strategic surprise into the planning process and to focus effort on coping with and managing its potential effects.”

- Chester A. Crocker, “Reflections on Strategic Surprise”

Discussion