Booz Allen’s

Learning and Development Opportunities
As part of Booz Allen’s evolution as a world class organization, teams across the firm work together to maximize employee and organizational development.

In addition to a curricula aligned to competencies, many learning opportunities exist across the firm. This document demonstrates all the learning and development opportunities that currently exist across the firm.

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Booz Allen’s Employee Development Framework
Recipient of FIVE ASTD Excellence in Practice Citations.

Pulling together all the pieces of the career puzzle, the Development Framework documents five developmental areas—

We define development as learning and applying new knowledge, skills, and behaviors gained through a variety of experiences and challenges—in order to grow professionally as individuals and to meet Booz Allen’s standards for high performance.

Guides provide all the pieces of the development puzzle to grow successful careers. Framework components are integrated into the virtual campus.

Staff use them to:
✓ Broaden thinking about development
✓ Frame development discussions with managers
✓ Identify on-the-job development opportunities
✓ Assist in drafting self-assessments

Managers use them to:
✓ Guide development discussions
✓ Create developmental assignments
✓ Write robust Personal Development Plans

Our delivery methods support the development framework—

- Classroom training
- Seminars, workshops and conferences
- Action learning and learning circles
- Strategic gaming
- Facilitated, on the job experiences
- Partnerships with universities and providers
- Team performance coaching
- Counseling, mentoring and coaching
- Live and self-paced online learning
- PeopleTalk web radio
The Virtual Campus Augments the Development Frameworks—available 24/7, our Virtual Campus averages 16,000 visitors per month. Competencies are populated to allow our people to quickly find learning that maps to their needs.

Learning Partnerships Support the Development Framework—they help our staff build skills, earn professional certifications, and attain degrees.

No matter what our professional ambitions are—be it to continue our education, grow in our field, transfer to another area of the firm, take more active roles in our communities, or spend more time at home with our children, Booz Allen stands behind us with tuition assistance, training, our Career Mobility program, flexible work arrangements, and the benefits we can rely on to achieve our goals.
Career Counseling

“I would rather see Booz Allen on your business card, than on your resume.”

Dr. Ralph Shrader,
CEO and Chairman of the Board

Booz Allen has developed a step-by-step process, available on the Virtual Campus that guides employees through the career planning process—offering tools and resources along the way.

1: Assess
The first step to career success at Booz Allen is to determine where you are before you begin to figure out where to go and how to get there.

2: Explore
Now that you know where you are, you can gather information about career options within Booz Allen that appeal to you.

3: Decide
With your career assessment complete and your courses of interest chosen, the third stage is all about setting goals for yourself.

4: Take Action
You’ve identified goals; now it's time to implement your action plan.

5: Grow
Career development and growth is an on-going process, requiring you to continuously assess progress and goals to ensure you stay on the right track to success.

Our Career Mobility Program (CMP), instituted in 1998, provides resources for changing positions within the firm. Since its establishment, voluntary turnover has gone from around 20% to around 10%. The CMP currently enables an average of 55 transfers per month.

Recently, a transformation study of the program was conducted. The study led to enhancements, such as the development of new technology to allow for more efficient job searches. The program also offers professional career counseling to help staff understand the short and long term implications of career development.
Certification

Booz Allen selects certification programs based on business need, client requirements and annual development plans. Courses completed toward certification qualify for Tuition Assistance. An individual working as a consultant could decide to become PMI certified. The firm will allow the individual to gain the certification even if it is not their current role. The net result is that we are able to retain people better than our competitors because we allow tremendous flexibility and growth.

Here are two examples of certification programs—

Certified Information Systems Security Program—

Our Certified Information Systems Security (CISSP) program, now in its third year exceeds the industry standard five to six day programs, designed for individuals to simply pass the certification exam. Our program is based on the staff member’s ability not only to pass the certification exam, but also to both effectively absorb and apply the knowledge immediately in the work environment. Approximately three-quarters of the firm’s 150 CISSP’s are alumni of this program.

Adjunct Instructor Program (Recipient of ASTD’s Excellence in Practice Citation and Award)

Learn it. Do it. Teach it. Our Adjunct Instructor Program, now in its seventh year, builds institutional strength by using subject matter experts as facilitators. We have more than 100 active Certified Adjunct Instructors who teach 35% of our courses and have saved the firm more than $1.8 million since inception. Staff members from across the firm complete a rigorous certification process prior to becoming an instructor. Last year, Corporate University Enterprises studied our program and made recommendations on how to scale it up in order to keep up with the firm’s growth and leverage the program in other areas of the business.

"The Adjunct Instructor Program is a perfect example of entrepreneurship aligned with the firm’s business strategy. It enables the sharing of intellectual capital, builds competency across the firm, and adds value to every employee who participates in our training programs."

Dr. Ralph Shrader, CEO, Booz Allen
Communication Skills

Communication is a critical skill for all staff. For that reason, we have documented competencies with increasing complexity as employees are promoted.

Our curriculum includes Presentations Skills, Facilitation Skills, Writing Skills, Proposal Writing, Writing structure with vertical and horizontal logic, plus a wide range of online courses. For senior leaders we offer one on one speech coaching.

Aligned to our “Spirit of Service” philosophy, employees may choose to participate in pro bono work to enhance communication skills and versatility with a variety of audiences and situations.
Customer Service

**Customer Service through Flawless Consulting**—we teach and reinforce a set of tools for problem solving, people development, and world-class service. These elements are brought together to enhance our ability to support our clients as business partners. The specific skills to do so—consulting, client service, communications, analysis—are threaded through all components of problem solving, people development, and world-class service.

We partnered with Designed Learning to offer Peter Block’s world renown course and technique—Flawless Consulting. This 2-day workshop addresses the reality of coping as an internal consultant in a matrixed organization. Participants are challenged to answer the question, “How can I best leverage my expertise in situations where I have no direct control?”

**Staff learn techniques to accomplish the following:**

- Have expertise more fully utilized
- Establish more trusting relationships with clients
- Work in a partnership role with clients
- Avoid no-win consulting situations
- Develop internal commitment in their clients
- Have their recommendations more frequently implemented

The ability to provide world-class services to our clients will always remain the goal. Offering the Flawless Consulting workshop represents a significant investment by Booz Allen to develop professionals. Beyond the course, each team conducts customer satisfaction surveys and documents results on our Performance Scorecard.
Diversity (Recipient of ASTD’s Excellence in Practice Citation)

Diversity holds a strong identity as a key competency and as a core value at Booz Allen. We define diversity as “valuing individual differences through action.” We offer a wide spectrum of diversity programs to staff members, equipping them for action.

Diversity Skills Curriculum
Training is mandatory for senior-level staff, reinforcing a top down strategy to imbed diversity into the culture. The Board Diversity Initiative (BDI) is a driving force behind diversity at Booz Allen, and has four goals that align with key elements of the organizational structure—Sourcing and recruiting, Advancement and development, Communications, and Climate and management practice. As part of the BDI, teams, regions, and offices have created their plans for achieving, promoting, and respecting diversity—with accountability and measurability at the core.

Our comprehensive diversity education approach is based on three tiers of diversity awareness and complexity: intrapersonal, interpersonal, and organizational.

Professional Development Curriculum
Our curriculum offers a professional development series with courses targeting specific career needs of women, African Americans, Asian Americans, and Latin Americans. Courses remain open to all employees, regardless of social identity, as a method for strengthening diversity awareness.

An extension of this education concept is virtual Diversity Book Club—guided discussions about books that examine or celebrate diversity.

Diversity Forums
Opportunities to hone learning arise from involvement with the firm-sponsored Diversity Forums. Forums are linked to affinity or social identity groups and organize creative educational, career development, and networking events. Events are geared to reach staff using flexible scheduling and communication technology.
Employee Orientation

Last year we hired more than 4,000 people. To provide maximum service to new hires, we launched the Culture and Immersion team.

Orientation begins during the recruiting process. Candidates receive information on Booz Allen’s culture, benefits, and firm capabilities. New employees begin formal orientation on their first day of employment. Within the first month of employment, they attend an immersion program specific to their business sector.

Our new hire program provides information on core values, competencies, procedures, standards, and resources. The program prepares new employees for client engagements with an introduction to Booz Allen’s consulting tools and methodologies. Tenured leaders who participate are critical to early immersion in the firm.
Booz Allen’s firmwide executive transition program has three phases: interviewing, onboarding, and immersion. Each senior hire is assigned a sponsoring partner, a partner mentor, and peer sponsor who introduces the new hire to other senior leaders, and facilitates orientation to the firm. The immersion phase, consists of a detailed schedule of goals laid out for the first year, is geared toward accelerating learning, increasing firm knowledge, and building personal credibility with the firm.

Newly hired Principals attend roundtable sessions throughout their first year. These sessions give them an opportunity to network, share experiences, address challenges, and meet with the Executive Development Manager. New principals and partners also attend residential programs to instill a sense of ownership.

Today, Booz Allen operates in two business sectors as described above. We have embarked on a large-scale change effort to go to market as one firm (One Firm Evolution). The One Firm Evolution will transform our new employee orientation programs across the business, and replace the existing ones with one firm-wide immersion program entitled “Discover Booz Allen.”

Beyond orientation, all staff have level specific development guides to assist in identifying all of the resources necessary to grow successful careers at Booz Allen.
Executive Coaching

We provide executive development solutions to Booz Allen’s partners, principals, and other high potential leaders. One such solution, the executive coaching program, enables leaders to engage quickly with an external Executive Coach to accomplish development and performance goals.

**Cascading a Coaching Culture**

Booz Allen’s strategic coaching program supports
**New Leader Immersion and Ongoing Leadership Development**

Recipient of ASTD’s Excellence in Practice Citation and Award

Executive coaches are screened and approved for internal use. We maintain a database, available on our virtual campus*, of highly qualified and experienced executive coaches located throughout the world.

We host a quarterly forum for all of our executive coaches to network, share insights across the business, and learn about Booz Allen internal dynamics.

*(Recipient of 2 ASTD’s Excellence in Practice Citation, Excellence in Practice Award, and named Best Practice by APQC)*
We have processes and guidelines to support executive coaching engagements. Dedicated coaching program staff respond to inquiries about the program and prepare communications materials to raise awareness about executive coaching and its benefits.

In 2003 and 2004, Booz Allen engaged Merrill Anderson, MetrixGlobal, LLC to better understand the business value senior leadership expected from coaching, and to explore how people applied what they gained from coaching to create intangible and monetary value for the business.

The study documented a 689% return on investment.

We also benefited from a study done by Booz Allen’s Economic Business Analysis Team, which applied a Value Measuring Methodology to compare the costs, values, and risks of alternative coaching service management structures. To continue efforts to measure the effectiveness of coaching, we recently developed new coaching engagement evaluation forms. We added a separate evaluation to gather information and observations from the managers of the people who work with coaches.

Since 2001, the Booz Allen has offered a Coaching Skills for Leaders course—recommended for all senior associates and above. In the spirit of continuous improvement, we are evaluating this course to identify ways to integrate coaching skills training with other executive development offerings and to create an offering targeted to Associates.
Front-Line Leadership Development

The foundation for all employee development at Booz Allen is our Employee Development Framework*. Each level has a development guide that includes everything needed to be successful.

* (Recipient of 5 ASTD’s Excellence in Practice Citations)
In response to feedback from our People Strategy Survey, conducted every two years, the People Strategy team analyzed and assisted with learning opportunities to aid Associates.

Recognizing that effective feedback is vital to effective team performance, we designed a course to provide employees with increased capacity in delivering, receiving, and soliciting feedback. Since the initial course offering of *Effective Feedback Skills Workshop* in January 2004, 1,000 staff have taken the course. Also, modules on feedback have been added to several other pivotal leadership development courses.

*On-Site Client Success* is a half-day workshop offered to intact teams. It provides team members with tools for creating successful client-site staffing environments and engagements, and provides insight into what it takes to succeed at Booz Allen.

Another offering that’s been introduced this year is the *Mentoring Circles Program*. Seasoned employees serve as mentors and provide mentees with honest insights into what it takes to succeed at the firm.

And, we introduced *Harvard ManageMentor* for online, just in time, reference. Bringing learning to the point of performance and greatest need, our newest management improvement service offering is on our Virtual Campus, available 24/7.

Finally, we continue to offer a full suite of learning opportunities including Team Performance Coaching, the Employee Development Framework, management courses, support in identifying work stretch activities, and tips for avoiding derailers.
Job Rotation

Many of our functional and domain experts choose to take advantage of job rotations. There are two ways to participate, Career Mobility or applying for special assignment.

CSI “Black belt” Program: Unique Opportunity to Learn and Lead

The Critical Strategic Initiatives (CSI) team is comprised of experienced partners and augmented by senior associate proposal experts called “Black belts.” By providing strategic consulting on business development opportunities, the team enhances the probability of winning critical proposals and builds best practices across client teams.

As WTB President Dennis Doughty recently announced, the firm has established a formal CSI Black belt rotational program supported by the Senior Partner Forum’s Strategic Investment Working Group (SPF-SIWG) and the People Working Group. Nominations for the first class of applicants are due August 31.

“It’s a rigorous process to become a Black belt,” explains SVP Gary Mather, a CSI leader, “but it’s a great opportunity for highly talented senior associates to work closely with the firm’s officers and senior client teams. "Selection to become a CSI Black belt, which is a full-time commitment, is based on demonstration of the firm’s Core Values and a combination of the following criteria:

- Demonstrated proposal development and project management experience
- Excellent written and oral communication skills
- Strong leadership skills and the ability to work effectively with senior members of firm
- Ability to thrive in intense, deadline-driven situations
- Current knowledge of the industry plus its trends and leading practices

The rotation for CSI Black belts is 18 to 24 months. After completing their rotations as Black belts, participants will receive support to make a smooth transition to an appropriate high-impact position where they will be able to leverage their new skills and relationships.
Leadership Development

Our leadership development approach aligns to our rapid growth and the need to develop the right skills for Booz Allen leaders.

New Leaders participate in a one-year immersion process—

1. Peer Sponsor Program—Assigned to newly hired Executives and Senior Associates to assist in their acclimation to the firm and their new role and responsibilities.

2. Executive Action Learning Program—Led by a facilitator, an executive coach and Booz Allen vice presidents, consists of small learning teams that meet for six months. Participants work one-on-one with an executive coach in between learning sessions.

Leadership beyond Immersion—we combine a “leaders helping leaders” method with internal/external development opportunities. 360-assessments are used to help leaders understand gaps between behavior, intention and impact and to help our leaders understand type and style. Our leaders participate in a variety of learning opportunities:

- Total Leadership, in partnership with the Wharton School, integrates work, home, community and self to increase business results
- Individualized Leadership development (see Executive Coaching)
- Strategic Business Simulations
- Online resources include Harvard Manage Mentor, professional courses, and recommended readings
- Retreats and Meetings provide leaders with an opportunity to dialog about business strategies and to assist each other in meeting business challenges
- Annual 360 assessments provide a pulse check for leaders to determine what competencies they have achieved and help them plan for the next year
- Conferences and symposiums—in addition to the many conference our executives attend and speak at, we host an annual Executive Conference, called the Principals Conference
- Partner Learning Circles brings partners together in small groups under the guidance of a Senior Partner. They discuss and strategize individual development together to help each other advance.
Our leaders have development framework guides that identify formal training, colleagues, experiential work stretch activities, success factors and career derailers.
Leadership through Volunteerism

A **unique** resource offered by Booz Allen is the ability for leaders to select **Community Relations** activities, such as board memberships mapped directly to leadership competencies. This allows Booz Allen leaders to build skills and to contribute to the communities where we live and work. Competencies are aligned to community service on our comprehensive Community Relations web site.
Mentoring

Members of the firm’s leadership—using the Booz Allen’s Competency Model and the Development Framework, serve as mentor volunteers to staff in each key areas, including leadership and professionalism, people development, business development, functional skills development, and business management. Mentoring is taken very seriously at Booz Allen. In fact, it is one of the areas that we measure on our performance scorecard.

As part of our firmwide diversity initiative, we align mentors to staff from different backgrounds. Our partners (vice presidents) have an explicit responsibility to teach, coach, and mentor junior colleagues to develop future leaders. They are uniquely positioned to transfer the “tribal lore” and lessons learned to colleagues to ensure the continuation of the culture and the ongoing success of the business.

Mentoring Circles

As the firm has grown in the past three years from 11,000 to over 16,000 employees, the critical need to hold on to some of the cultural norms has become more apparent. This need led to the design and launch of mentoring circles.

A mentoring circle places more experienced mentors in groups with junior employees to maximize the tenured employee’s resources within the firm. Mentors are required to meet guidelines on level, experience with the firm, and ability to commit to the program.

“\textit{I found this program to be extremely beneficial and enjoyable. It was great to hear various points of view from colleagues with similar experiences and how they overcame certain obstacles.}”\par
\textit{Mentee}

“I believe the mentoring circles offer a lot of "bang for their buck". Everyone, mentors and mentees were able to open up and share experiences in the context of a larger group that they may not have shared in a one-on-one conversation.”\par
\textit{Manager and Mentor}
After mentors and mentees complete an orientation program, mentors lead six group sessions with focused content based on staff needs. Content is provided to guide each two-hour discussion. Upon completion of the program, an evaluation is completed by everyone.

All our employees are encouraged to seek mentors and to be mentors. Mentors roles are described in the Employee Development Framework along with descriptions of other colleagues who support development.

Prior to cascading mentoring circles, our partners (vice presidents) were the first to participate with great success.
Sales Training Professional Skills

As a professional services firm, everyone has a role in the selling cycle. We created the Business Development Lifecycle so our employees can understand learning opportunities fit their role.

Our business development lifecycle provides the structure for our curriculum. Using data from numerous firm leaders and subject matter experts was used to create a set of business development roles and responsibilities for all staff.
The result is a robust set of learning opportunities.

Utilizing seasoned staff, the curriculum comes alive and is blended via multiple delivery methods—self paced, classroom, role plays, case studies, small discussion groups, reference material, asynchronous, e-learning, and video teleconferencing. To date, over 5,320 individuals have participated. As we evolve and respond to market changes, the business development curriculum will remain aligned.
Remedial Skills Training

Every development guide identifies potential career derailers and provides remediation information.

We define remedial skills training as any skill area where the staff member has a basic business competency deficiency that is self-identified, identified by management or identified on their annual assessment.

**Career derailers** can surface at any staff level and jeopardize success.

<table>
<thead>
<tr>
<th>Derailer</th>
<th>Characteristics</th>
<th>Remedy</th>
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<tbody>
<tr>
<td>Core Values—Inability to internalize and model the firm’s Core Values</td>
<td>Behaved in a manner that is in conflict with the values. People react negatively, particularly with respect to professional values—integrity, honesty, integrity, and respect. Individual’s impact is greatly reduced on teams and subordinates. Staff begins avoiding individual.</td>
<td>Person should respond immediately to feedback regarding values. Seek help from supervisor, mentor, or coach to examine behaviors and develop a behavioral plan of action.</td>
</tr>
<tr>
<td>Team Relationships—Lack of appreciation of importance of team membership and role, depending on level</td>
<td>Becomes isolated from many team members, is not brought into discussions affecting future business, learning relationships, etc. At higher levels cannot bring a team together to effectively achieve goal or manage a task. Deadlines pass, and the team does not naturally respond to market or internal issues and opportunities.</td>
<td>Person should work closely with good leaders. Identify good role models (either colleagues or more experienced leaders); watch success and apply learning. Work with coach to explore building competency in this area. Look to Center for Performance Excellence for help.</td>
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The following issues have been identified as potential derailers that may interfere with a Level I Researcher/Consultant’s career success:

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<th>Characteristics</th>
<th>Remedy</th>
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<tbody>
<tr>
<td>Fails to be proactive in researching unfamiliar questions</td>
<td>Does not take into account that conducting difficult research on one's own goes a long way toward broadening personal skills and improving understanding of the company’s business; builds client awareness.</td>
<td>Ask supervisor for initial directions in searching for the answer. Do not be a recluse; ask colleagues for the search clues.</td>
</tr>
<tr>
<td>Difficulty with effective allocating of time and efforts across different tasks</td>
<td>• Does not effectively manage multiple or difficult tasks. Cannot allocate in advance time for various stages of project. • Does not have good understanding of own limitations in accepting the assigned tasks, prone to overworking the job.</td>
<td>• Accept tasks that are outside your “comfort zone”; be willing to push yourself. • Learn from the best time managing practices of your peers.</td>
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*Excerpt from Consultant’s Development Guide*
We offer online skills courses, including math review, basic accounting, and grammar.

And, we offer classroom training for learning how to edit documents, writing, presentation skills, as well as time management.

We also offer a series of basic computer courses (classroom and online) to assist staff who might be unfamiliar with our desktop tools.
Sales Training

Business Building for Senior Leaders

In a for-profit business such as Booz Allen, marketing and selling business are critical for continued growth and success of the firm. Most of our leaders are responsible for identifying new business opportunities and bringing in new business. Booz Allen has instituted a three-phased, five year learning approach to strengthen marketing/selling skills. Business Building for Senior Leaders is linked to the firm’s “Relationship Agenda” initiative. The Relationship Agenda places relationships at the forefront so that we recognize their power to ultimately boost the odds of winning more business, and create a more robust business foundation.

Phase 1: Business Development with SPIN Selling. The primary goal SPIN Selling is to win new business and add new clients. Facilitated by Huthwaite, Inc., this highly customized course describes how to apply the SPIN® model at Booz Allen. This course was first introduced to our partners, and then cascaded to Principals. Senior leaders embraced the SPIN philosophy, and the course is now offered to senior associates and associates in the firm.

Phase 2: Building Institutional Client Relationships. Focuses on the “how-to’s” of developing long-term client relationships, and turning individual relationships into institutional ones. Based on the book, Clients for Life by Jagdish Sheth and Andrew Sobel, this program initially rolled out to our partners, is now being cascaded to Principals. And, we are redesigning the program to meet the needs of broader audiences so that all staff understand their role.

Phase 3: Rain Making Program. An action-oriented approach that combines skill-building with coaching, and builds on the learning from phases 1 and 2. We are implementing a blended approach—partners learning from partners and partner learning from external coaches who are business development experts. The focus of this 6-month program is to create a sustainable portfolio of long-lasting relationships and clients.
Succession Planning

**There are three components to Booz Allen’s succession planning process:**

1. Identification of future leaders
2. Identification and implementation of development strategies
3. Execution and monitoring.

**1. Identification of Future Leaders**

Booz Allen’s Career Management System facilitates the identification of future leaders by providing a comprehensive career model and assessment process. The career model provides the firm with a framework to build differentiated capabilities to support business needs. Future leaders are identified based on their demonstration of the firm’s core values, competencies for their role and level, execution of specific activities linked to the business, and progress against their personal development plans.

**2. Identification and Implementation of Development Strategies**

Leadership development themes are identified through the annual assessment process across specialty roles (i.e., domain/functional) and teams. Development needs are addressed through a variety of methods.

**3. Execution and Monitoring**

The successful execution and monitoring of the succession planning process is the result of a partnership between Booz Allen leadership committees (e.g., Principals Committee) and People Services.

- Leadership Committees, led by partners, track leadership development trends and ensure programs are created to support the business and leadership needs of the firm
- People Services leads the execution of the assessment process across the firm
- The Center for Performance Excellence leads the design, delivery, and measurement of innovative learning programs.
Technical/IT Skills Training

We outsource most of our needs for Technical/IT skills. Our three-tiered learning partnership program allows our employees to search a database for recommended learning providers. We have negotiated consistent rate structures and built a solid evaluation methodology.

**Because we invest millions of dollars a year with our university and training provider partners, we have developed a multi-tiered system for categorizing our partnerships*.** We have a “partner database,” online tool so staff can identify learning partners who offer services they need, and to make it easier for prospective partners to inform us about their services. Currently, we have six University partners and 23 Learning Provider partners.

We host an annual Partner Forum, which brings our closest partners to our home office for **two days of activities including**—a celebratory dinner, networking time to get to know us and each other, briefings on trends affecting our business and our business needs. And, opportunity to make their services known to our staff in a half-day “partner EXPO” called the “Fall Festival of Learning.”

* (Recipient of ASTD’s Excellence in Practice Citation)
Our six University partners and 23 Learning Provider partners meet our criteria—

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<th>What We Expect</th>
<th>What We Provide</th>
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<tbody>
<tr>
<td><strong>LEARNING PROVIDER</strong></td>
<td></td>
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<tr>
<td>✓ Competed RFI</td>
<td>✓ Publish information, subject to approval, in online newsletters</td>
</tr>
<tr>
<td>✓ No issues or concerns on current or past evaluations</td>
<td>✓ Booz Allen as a referral reference</td>
</tr>
<tr>
<td>✓ Course Audits (optional)</td>
<td>✓ Entry in Booz Allen Yellow Pages</td>
</tr>
<tr>
<td>✓ Verbal agreement</td>
<td>✓ Display information at Booz Allen</td>
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<tr>
<td>✓ Firm-wide discount pricing program</td>
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<tr>
<td>✓ External references</td>
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<tr>
<td>✓ Solid industry reputation</td>
<td></td>
</tr>
<tr>
<td>✓ Authorized Technical Education Center (tech only)</td>
<td></td>
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<tr>
<td>✓ Accredited (College/Universities)</td>
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| **PERFORMANCE PARTNER** | |
| Meets Learning Provider criteria plus— | |
| ✓ Minimum 1 year as service provider to Booz Allen | ✓ Centralized LMS course registration |
| ✓ Firm-wide discount pricing program | ✓ Participate in semi-annual Learning Partner forum/showcase |
| ✓ Signed memorandum of understanding | ✓ SECOND OPTION consideration |
| ✓ Course audits (required) | |
| ✓ Quarterly and year-end reporting | |
| ✓ Industry Recognition Award | |

| **EXCELLENCE PARTNER** | |
| Meets Performance Partner criteria plus— | |
| ✓ Minimum 2 years as service provider to Booz Allen | ✓ Global emails, from Director, sent to market services |
| ✓ Signed contract/agreement | ✓ Focused information on Virtual Campus with URL link to Learning Partner site |
| ✓ Recommendations from employees | ✓ FIRST OPTION consideration |
| ✓ Training delivery implementation plan | |
| ✓ Regular reporting | |
| ✓ Advisory Board Member | |
Process Improvement CMMI Learning

Recently, Booz Allen achieved CMMI Level 3!

What is CMMI—

“Capability Maturity Model® Integration (CMMI) is a process improvement approach that provides organizations with the essential elements of effective processes. It can be used to guide process improvement across a project, a division, or an entire organization. CMMI helps integrate traditionally separate organizational functions, set process improvement goals and priorities, provide guidance for quality processes, and provide a point of reference for appraising current processes.”

Definition source: [http://www.sei.cmu.edu/cmmi/general/general.html](http://www.sei.cmu.edu/cmmi/general/general.html)

In respect to the findings of the appraisal, "Organizational Training" was noted to have strengths **above and beyond** the expectations of CMMI Level 3. Specifically, Booz Allen's Process Improvement training program was recognized for the following:

**Implementation of high quality practices composed of:**

- Multiple training mechanisms
- A robust adjunct instructor program
- An effective training management system

**The Project Training Tool Kit as a best practice which allows projects to quickly deliver customized training.**

<table>
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<tr>
<th>Getting Started</th>
<th>Planning for Training</th>
<th>Training Your Team</th>
<th>Reporting</th>
<th>Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quick Guide: “Creating or Acquiring Project-Specific Training”</strong></td>
<td><strong>Complete tailorable training deck for each process area</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Process training populated and complete (based on the OSP)</td>
<td></td>
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<tr>
<td></td>
<td>- Pre-populated talking points; advice on best practices and usage</td>
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<td></td>
<td>- Tailorable to each project defined process</td>
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<tr>
<td></td>
<td>- Listing and complete set of sample templates for each process area</td>
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<tr>
<td></td>
<td>- Recommendations for adding activities or other training techniques</td>
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<tr>
<td></td>
<td><strong>Tailoring guidelines and recommendation for creating project-specific training</strong></td>
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</table>
Strategic Business Simulations (Wargaming)

Experience the Future

Booz Allen uses business simulations to explore strategies for the future from dealing with change at a single client to an overall strategy for the firm.

Strategic Business Simulations provide a powerful process for thinking about the future, challenges conventional wisdom and allows participants to break with “known truths” and personal assumptions. Each is one of a kind, designed to capture impact of qualitative and quantitative forces on complex problems.

The basic assumption—old rules don’t apply any more – and most players don’t know what the new rules will be. Each simulation provides dynamic interaction with “competitors” and “customers” in a realistic environment allowing analysis of alternatives under pressure while compressing years into days. It acts as a catalyst, invokes intuition, and encourages creativity to deliver an integrated perspective of the enterprise—a shared vision of direction.

<table>
<thead>
<tr>
<th>How It Works</th>
<th>What It Provides</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participants are assigned to teams representing clients, competitors, and marketplace. Each competitor team assesses the environment, develops a strategy and decides what specific initiatives are necessary to implement. They interact through a series of activities carried out over a specified period of time, which constitutes a “move.” Each “move” can simulate days, months, or years.</td>
<td>Although every simulation is different, there are a few things that participants can expect:</td>
</tr>
<tr>
<td>Moves are not academic exercises. Participants live through possible worlds, examining factors which are intractable to conventional analysis and that could lead unknowingly into a fatal ambush of one’s own making.</td>
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</tbody>
</table>
Booz Allen employees keep up to date with emerging technologies through resources and programs offered by our Systems Resource Center (SRC). One such program, Technology Injection, proactively offers tools and resources in an interactive environment and demonstrates the firm’s commitment to its staff’s success. Staff members can use program information to advise clients on trends that will affect their environment and the way they do business. Booz Allen works with staff, vendors, research labs, and educational institutions to ensure the information is current and relevant.

A key element of Technology Injection is the Technology Petting Zoo (TPZ). The TPZ is a showcase of emerging and evolving technology. Staff and clients access hands on demonstrations to see, touch, try out, and experience a wide variety of leading edge and emergent technology.

We offer technology vendors a chance to display their technology products—in one of the world’s leading technology consulting firms.

Staff have direct access to the latest and greatest technologies on the market today. Although the technology in the Zoo population changes regularly, staff can find information on all previously featured items by searching the Technology Petting Zoo archive.

Staff can also access information on those items not yet available through the virtual technologies link. There, they can search for product information online and submit suggestions on what items to include in the Technology Petting Zoo.

Offering evolving and expanding technology resources allows Booz Allen to leverage technology investments.
Technology Focus Groups

Another way Booz Allen informs staff is our Technology Focus Groups (TFG). The program includes a series of events featuring staff and vendor presentations and demonstrations.

Topics range from new technologies and methodologies to approaches that differentiate Booz Allen’s support to staff and clients. The firm’s technology advisory committee, made up of technology experts across the firm, works to keep these presentations in line with client and business needs. There are more than 40 different TFGs led by principals of the firm. Thousands of employees participate directly in more than 120 technology presentations provided by our Technology Focus Groups each year.

Many employees take advantage of TFG event information by watching streaming media or listening to audio summaries of the events. TFG Summaries, the TFG audio program, provides narrative overviews of each month's Technology Focus Group presentations.

Each monthly TFG summary CD contains a Technology Tidbit, which is a series of educational information about emerging technologies in the marketplace applicable to Booz Allen staff and clients. Staff can download transcripts or listen to summaries online in MP3 format. Subscribers who receive interoffice mail, as well as those traveling or at client locations where LAN is not permitted, receive copies of the TFG Summaries program on CD each month.
The Project Management competency area focuses on producing quality results for our clients, on time, and within budget. By performing to these standards we help ensure our continued relationships with our clients and increase our business development opportunities for the future.

It is important to note that the Project Management Life Cycle is based upon the PMBOK (Project Management Body of Knowledge) developed by the Project Management Institute (PMI).

We have aligned learning opportunities including classroom training, online learning, and toolkits directly to the Project Management work lifecycle.

Booz Allen provides many opportunities for skill building, from self-paced modules on quality, risk, scheduling, and budgeting to the fundamentals of the Project Management Body of Knowledge (PMBOK) industry best practices.

Starting with our roadmap, you can determine at what learning stage you are, from beginner to advanced. We provide development opportunities across the people side of project management, processes, and tools.
Recently we rolled out the Project Training Toolkit, a resource for systems and software development teams to use when developing training. We recognize that a good deal of training occurs at the project level, and the toolkit enables project managers and team leads to develop instructionally-sound, organizational standard process (OSP)-based training with little guesswork.
Although, we’re definitely not all talk at our firm, productive talking is one of our specialties. In fact, staff around the world tune in to PeopleTalk radio via our intranet. PeopleTalk provides innovative and convenient ways for just-in-time, just-enough learning. For staff PeopleTalk offers a learning and communication vehicle, using an interesting venue, at a relatively inexpensive cost.

The program’s host is realizing a lifelong dream as he talks with people around the firm on a wide range of issues—from the latest news on the client front to best practice panels, and from recent initiatives sponsored by forums to up-to-the-minute happenings at offices around the world.

We have also featured experts from outside the firm speaking on leadership and business management. Last but certainly not least, broadcasts are often used to alert staff to such news items as new contracts won, project startups, and other important business initiatives.
PeopleTalk is fully implemented and expanding—recently celebrating its 2-year anniversary.

Because PeopleTalk is Web-based, it is easily available worldwide. Reporters broadcast from various locations—specific offices, plants, facilities, or business units. The technology is a “push” of information to our staff, delivering information with live broadcasts from around the globe, reaching staff at their desktops. Reporters carry pocket devices about the size of a pen—capable of recording high-quality audio. Sound bites are then edited and played back on broadcasts. We broadcast from leadership conferences, with speakers including Peter Block, and from meetings held throughout the world.

In addition to listening to live broadcasts, staff can access sessions at any time from the PeopleTalk home page. Transcripts are also provided for those who need or prefer to read. Employees at all levels listen to PeopleTalk. Positive feedback has come from administrative professionals all the way to our most senior leaders.

We average 150 active listeners on our broadcasts. The vast majority of listeners download the broadcasts from the audio archive. Our records indicate there were more than 200,000 downloads during the first 18 months of PeopleTalk.
Due to the changing nature of business, Booz Allen has had to embark on risk/compliance training to avoid potential challenges. We have developed and rolled out learning both classroom-based and online in the following areas:

- Regulatory Risk such as Export Control, Procurement Integrity, Ethics, Time charging
- Contract Formation and Bidding
- Pricing, Contract terms and conditions, Scope of work, Vendor Alliances
- Execution against plan, schedule, cost, quality and monitoring performance

Compliance training is supported from the top. According to Ralph Shrader, CEO—

"Booz Allen Hamilton was founded on a tradition of values more than 90 years ago, and we continue to honor that tradition today. Our 10 Core Values of Professionalism, Fairness, Integrity, Respect, Trust, Client Service, Diversity, Excellence, Entrepreneurship, and Teamwork are the basis for our everyday conduct. The firm's Ethics and Compliance training program strengthens our commitment to Core Values and is designed to provide information and raise awareness on matters that are critical to the firm. The courses that are available on this site are an integral part of our program."
Return on Investment

Describe your best return on investment outcome

Technical Training Strategy

Even though there are other programs with higher ROI (Executive Coaching, Tuition Advancement, People Strategy), we chose to showcase our Technical Training Strategy because it is our most comprehensive study to date.

Technical Training Mission—build a world-class service that distinguishes the Center for Performance Excellence as the channel by which all technical training is delivered throughout the firm.

We conducted a study using Booz Allen’s Value Measuring Methodology (VMM). VMM was developed by Booz Allen and academic leaders associated with Kennedy School of Government at Harvard University, in cooperation with General Services Administration and the Social Security Administration.

The objective is to capture cost and value provided by alternatives, and adjust results for risk. VMM also quantifies the non-financial benefits that might be unaccounted for in traditional analyses.

Our study aimed to address three key areas:

1. The Training Environment: What is the technical training strategy? What are the important drivers shaping the choice of an appropriate technical training model?

2. The Training Alternatives: What alternative solution to technical training will provide Booz Allen with the most advantageous mix of value, cost, and risk? How can we capture the full range of cost and value provided by a particular alternative, while considering project risks that might decrease value or increase cost?

3. Future Actions: How should Booz Allen move forward with technical training?
The study evaluated four scenarios/services—

1. Ad-hoc support
2. Needs assessment support
3. Technical training administration
4. Coordination of technical course customization

We applied our decision framework to determine value.

<table>
<thead>
<tr>
<th>Booz Allen’s Center for Performance Excellence Decision Framework</th>
<th>Benefits</th>
<th>Weightage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct User</td>
<td>Benefits directly realized by employees (staff and their managers)</td>
<td>(40%)</td>
</tr>
<tr>
<td>Operational / Institutional</td>
<td>Benefits that support maintenance and enhancement of an effective workforce and environment</td>
<td>(20%)</td>
</tr>
<tr>
<td>Foundational</td>
<td>Benefits required to ensure Booz Allen has resources to anticipate and prepare for marketplace dynamics</td>
<td>(15%)</td>
</tr>
<tr>
<td>Brand</td>
<td>Benefits that safeguard and enhance Booz Allen’s reputation in marketplace and contribution to community at large</td>
<td>(15%)</td>
</tr>
<tr>
<td>Financial</td>
<td>Financial benefits, such as cost savings, cost avoidances, and potential revenue</td>
<td>(10%)</td>
</tr>
</tbody>
</table>

A value score was calculated for each alternative.
Scores were derived by calculating weighted five decision values. For example, convenience / usability is shown below.

### Convenience / Usability

**Definition**
Services and products are provided in a manner that is convenient and usable for all staff.

**Metrics**
- Number of contacts (e.g., internal / external websites, Program Manager, peers, directories, managers, potential vendors) required to select an appropriate training vendor (Target: 1);

---

We considered risk factors—
We concluded that the risk can be mitigated through the use of surveys and early engagement with key stakeholders.

And we calculated current/estimated future costs—

<table>
<thead>
<tr>
<th></th>
<th>Total Inflated Cost</th>
<th>Risk Adjusted Inflated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ad Hoc CPE Support</td>
<td>$43,321,913</td>
<td>$43,400,144</td>
</tr>
<tr>
<td>Needs Assessment Support</td>
<td>$44,359,253</td>
<td>$50,075,267</td>
</tr>
<tr>
<td>Technical Training</td>
<td>$40,563,049</td>
<td>$41,120,875</td>
</tr>
<tr>
<td>Coordination of Customization</td>
<td>$42,298,093</td>
<td>$42,713,911</td>
</tr>
</tbody>
</table>
Based on composite scores weighing value, cost, and risk, technical training administration was determined to provide the greatest value to individual employees, managers, and the firm as a whole—a 23% return on investment.

It also ruled out a focus on needs assessment—at least using the proposed methodology—showing a proposed negative 45% return. Finally, the study established key metrics that will be used, moving forward, to judge success of implementation.

<table>
<thead>
<tr>
<th></th>
<th>Ad Hoc CPE Support</th>
<th>Needs Assessment Support</th>
<th>Technical Training Administration</th>
<th>Coordination of Customization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk adjusted cost</td>
<td>$33,075,559</td>
<td>$38,957,964</td>
<td>$31,090,051</td>
<td>$32,425,289</td>
</tr>
<tr>
<td>Analysis</td>
<td>$</td>
<td>-</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Development</td>
<td>$12,868,398</td>
<td>$13,082,926</td>
<td>$12,934,899</td>
<td>$12,926,799</td>
</tr>
<tr>
<td>Delivery</td>
<td>$20,207,161</td>
<td>$25,875,038</td>
<td>$18,155,151</td>
<td>$19,498,491</td>
</tr>
<tr>
<td>Evaluation</td>
<td>$</td>
<td>-</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Present Value Benefits</td>
<td>N/A</td>
<td>(5,667,877)</td>
<td>3,003,686</td>
<td>708,670</td>
</tr>
<tr>
<td>Financial Savings &amp; Avoidance</td>
<td>N/A</td>
<td></td>
<td>$951,677</td>
<td></td>
</tr>
<tr>
<td>Total O&amp;M savings</td>
<td>N/A</td>
<td>(5,667,877)</td>
<td>2,052,010</td>
<td>708,670</td>
</tr>
<tr>
<td>Net Present Value</td>
<td>N/A</td>
<td>(5,882,405)</td>
<td>2,937,185</td>
<td>650,270</td>
</tr>
<tr>
<td>Return On Investment</td>
<td>N/A</td>
<td>-45%</td>
<td>23%</td>
<td>5%</td>
</tr>
</tbody>
</table>
Technical/IT Training…Project Mercury

Project Mercury introduced a set of online collaboration tools to our firm—directly impacting our most widely used communication tools. All staff had their computers converted to a new platform and everyone had opportunities to learn about the new software and systems they would be receiving. The initiative delivered a platform for collaborative communication and training was needed to ensure the new technology would be embraced and utilized to generate new collaborative behavior and foster a culture of shared communications.

We created a “people centric” change management approach. We wanted to create a behavioral shift. By focusing on the learning needs of the organization and the change impact, the learning strategy served to change the culture of “the way we do things.” It mapped directly to the business’ strategy of building a collaborative environment, and demonstrating value through changed behavior with minimal disruption.
Project Mercury’s learning strategy had three primary goals:

1. Identify user needs, manage design, development and delivery of learning, supplemental guides and resources
2. Ensure that the project team, IT operations teams, help desk, and dispersed IT community were all prepared to provide support once the tools were put in place
3. Focus on critical day one learning to get staff “up and running.”

“We used the space theme from a communications and learning perspective to help to gel the project. We decided one way to break the barriers was to get couple of our finest engineers and dress them in space suits. We had them walk the floor and ask how was your conversion, do you have any questions and how can we help you? It really worked like a charm.”

Kate Nekic Project Mercury, Program Manager

Leveraging processes and best practices previously applied to smaller initiatives while incorporating new technologies and practices, the Project Mercury training team created a strategy that aligned itself to the project lifecycle and the firm’s strategic learning objectives. Of the 16000+ employees located across 178 global sites (company and client facilities), all were presented with 8 learning opportunities—

1. Tip cards
2. Experiential training
3. Instructor-led training
4. Online training sessions
5. CD Computer based training (CBT)
6. Custom Help File
7. Online, informational sessions
8. One on one coaching

All employees benefited from one or more of the eight learning options. Staff members are successfully using the tools, including the tip card, custom help file and self-paced learning modules.
One Firm Evolution—Training in Support of Major Change

Throughout our firm’s 92-year history, we have provided high-level consulting services to diverse sets of clients across the public and private sectors. In doing so, we have maintained a distinction in our organization based on the client sector we served, and had different operating structures and people models for our private (commercial) and our public (government) sector work.

At the beginning of this calendar year, our firm’s leadership embarked on a major change initiative called the “One Firm Evolution (OFE).” This game-changing play in the consulting industry is meant to define the clear and sustained direction of our firm for the coming years. It is the natural evolution of our brand promise to deliver results that endure and capitalizes on our unique capabilities and client relationships in both the public and private sectors. In order to accomplish this, the firm needed to evolve its organization structure and many of our internal processes.

Multiple work streams were created to blueprint the necessary processes and structures needed to support this new model. The major training needs were defined—

| OFE Training Topics |
|---------------------|------------------|------------------|------------------|------------------|
| Regulatory Compliance | People Model Operating Characteristics | Team Effectiveness | Core Competencies | Functional |
| ▶ Inform staff of all laws and compliance issues (i.e., time charging, procurement integrity, OCI) | ▶ Home team structure | ▶ How TBB/CIB staff deliver value | ▶ Any craft skills (i.e., hypothesis, deck logic, writing, etc.) | ▶ Specific knowledge and skills needed to operate in particular market (example: OCT capabilities and market/market domain knowledge) |
| ▶ Training will occur when staff move from CODA to JAMIS | ▶ Deployment | ▶ How to work together effectively | ▶ Core competencies for all 3 career models | |
| ▶ Content | ▶ Assessments | ▶ Best Practices Handbook information | | |
| ▶ OCT | ▶ Compensation | | | |
| ▶ Global Health | ▶ Fluidity | | | |
| ▶ IT | ▶ Career Development Model | | | |
| ▶ OPS | | | | |
| ▶ Recommended as mandatory for Principals/Partners in affected teams | | | | |
| ▶ GO Team | ▶ Affected staff | | | |
| ▶ RSO | | | | |
| ▶ WCB US | | | | |
| ▶ October 2005: GO Team | ▶ October 2005 and beyond | ▶ October 2005 and beyond | ▶ January 2006 and beyond | |
| ▶ April 2005: RSO and WCB US | ▶ October 2005 and beyond | | | |
| ▶ October 2005 (based on work of People Model implementation teams) | | | | |
Training for OFE is integrated into the overall communication strategy

As people models, as well as organizational and process changes are rolled out, our training programs will equip staff with the necessary skills and abilities to understand and implement the changes.

Note: Change Management input / inputs to OFI PMO will be provided on a continuous basis along the entire People Model Taskforce workplan.
Tuition Programs

Our Tuition ADVANCEMENT program ensures that employees are not accruing out-of-pocket expenses when they sign up for academic, technical, and professional certification courses. The firm pays a generous $5,000 each year for books, tuition, and required fees. Turnover among those participating in Tuition Advancement is less than 6%. Booz Allen also pays employee membership fees for professional associations.

Additionally, Booz Allen pays the tuition for the second year of business school for students who work as summer associates and agree to join us after completing their degree. We also sponsor consultants with undergraduate degrees to pursue their MBAs by giving them educational leave and paying their tuition at top business schools.

Leveraging relationships with our Learning partners, we negotiate cohort and reduced individual rates, allowing our employees to spread their funds further. Because we invest close to $15M a year with our university and training partners, we have developed a multi-tiered system for categorizing our partnerships. We have a “partner database,” web tool so staff can identify partners who offer services they need, and to make it easier for prospective partners to inform us about their services. Currently, we have six University partners and twenty three Learning Provider partners.
**Technological infrastructure**

Learners in a global business need to access educational resources in real time from any location in the world, including client sites. Learning.bah.com, Booz Allen’s education portal (Virtual Campus) and learning management tool, provides employees the means to participate in firm-sponsored learning events, access information about all available instructional resources, and pursue their career development requirements at their convenience.

**Over the past seven years, we have built out a robust technological infrastructure.**

<table>
<thead>
<tr>
<th>Training Administration</th>
<th>Registration</th>
<th>LMS</th>
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<tbody>
<tr>
<td></td>
<td>Reporting</td>
<td>Cognos Impromptu</td>
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<tr>
<td></td>
<td>Tracking</td>
<td>LMS</td>
</tr>
<tr>
<td>Development</td>
<td>Synchronous</td>
<td></td>
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<tr>
<td></td>
<td>Asynchronous</td>
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</tr>
<tr>
<td>Delivery</td>
<td>Asynchronous</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Synchronous</td>
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<tr>
<td>Content &amp; Data Management</td>
<td>Databases</td>
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</tbody>
</table>

The learning opportunities available on learning.bah.com provide staff the ability to:

- Search for learning opportunities mapped to competencies
- Maintain all development records including external programs and seminars in one transcript
- Learn about degree programs offered by our university partners
- Request one-on-one career or executive coaching
- Participate in live online courses and discussion groups from their desktops
- Participate in technical certification programs
- Access online management resources and tips
- View numerous team/staff development report
- Access 600+ courses from MindLeaders, Skillsoft, Harvard Manage Mentor, as well as our own custom developed courses.
The virtual campus, learning.bah.com, is available 24/7 to all employees. Because it sits outside our firewall, staff can access it anywhere, any time.

Opening screen for our Virtual Campus

Global learning emanates from Booz Allen’s eLearning Center
We use Value Measuring Methodology (VMM) to isolate value of investment. VMM was developed by Booz Allen and academic leaders with Harvard’s Kennedy School of Government, in cooperation with General Services Administration and Social Security Administration.

- VMM captures cost and value, while considering project risks that might decrease value or increase cost
- VMM provides a means to quantify non-financial benefits are unaccounted for in traditional analyses
- VMM is applied in 4 steps:
  1: Tailor the Decision Framework
  2: Develop and Analyze Alternatives
  3: Pull Together the Information
  4: Documentation.

We apply a consistent decision framework.

<table>
<thead>
<tr>
<th>Direct User (40%)</th>
<th>Benefits realized by employees who utilize Center resources</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Convenience / Usability (30%)</td>
</tr>
<tr>
<td></td>
<td>Career / Performance Enhancement (40%)</td>
</tr>
<tr>
<td></td>
<td>Quality (20%)</td>
</tr>
<tr>
<td></td>
<td>Administrative Ease (10%)</td>
</tr>
<tr>
<td>Operational / Institutional (20%)</td>
<td>Benefits that support maintenance and enhancement of an effective workforce</td>
</tr>
<tr>
<td></td>
<td>Common Corporate Culture (15%)</td>
</tr>
<tr>
<td></td>
<td>Common Corporate Processes / Policies (10%)</td>
</tr>
<tr>
<td></td>
<td>Common Goals and Priorities (20%)</td>
</tr>
<tr>
<td></td>
<td>Consistent Quality Management / Control (25%)</td>
</tr>
<tr>
<td></td>
<td>Workforce Effectiveness (30%)</td>
</tr>
<tr>
<td>Foundational (15%)</td>
<td>Benefits required ensuring Booz Allen anticipates and prepares for marketplace dynamics</td>
</tr>
<tr>
<td></td>
<td>Responsiveness to Strategic Direction (35%)</td>
</tr>
<tr>
<td></td>
<td>Employer of Choice (25%)</td>
</tr>
<tr>
<td></td>
<td>Strategic Leadership (40%)</td>
</tr>
<tr>
<td>Brand (15%)</td>
<td>Benefits that safeguard and enhance reputation and its contribution to community at large</td>
</tr>
<tr>
<td></td>
<td>Corporate Citizenship (10%)</td>
</tr>
<tr>
<td></td>
<td>Industry Leadership (30%)</td>
</tr>
<tr>
<td></td>
<td>Consistent, World-Class Services (45%)</td>
</tr>
<tr>
<td></td>
<td>Corporate Ethics / Trustworthiness (15%)</td>
</tr>
<tr>
<td>Financial (10%)</td>
<td>Financial benefits, such as cost savings, cost avoidances, and potential revenue</td>
</tr>
<tr>
<td></td>
<td>Cost Savings (34%)</td>
</tr>
<tr>
<td></td>
<td>Cost Avoidance (34%)</td>
</tr>
<tr>
<td></td>
<td>Revenue (32%)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Value Factors</th>
<th>VALUE</th>
<th>Risk</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>metric, target, scale</td>
<td>1.0 ...</td>
<td>2.0 ...</td>
<td>3.0 ...</td>
</tr>
</tbody>
</table>
Return on Investment

ROI is calculated on our large scale initiatives. Smaller initiatives and individual courses are time intensive and might even end up costing more to calculate ROI than the return itself.

Return on Investment (ROI) is based on the sum of net Present Value Benefits in relation to the net Present Costs. The total of Present Value Benefits divided by the difference of delivery costs between the alternatives is the ROI ratio.

<table>
<thead>
<tr>
<th>Program</th>
<th>ROI/M</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Coaching</td>
<td>689%</td>
<td>($3,268,325)</td>
</tr>
<tr>
<td>Adjunct Instructor Program</td>
<td></td>
<td>6-year ROI &gt; $1.8M.</td>
</tr>
<tr>
<td>Tuition Advancement</td>
<td></td>
<td>This year, turnover at Booz Allen is 12.7%. Turnover for those participating in tuition programs is only 6%, a 6.7% differential. With 21% of our staff participating, enhanced retention alone calculates to $18.5M</td>
</tr>
<tr>
<td>eLearning</td>
<td></td>
<td>Five year total ROI = 43% (Net Present Value &gt; $706,000)</td>
</tr>
<tr>
<td>Technology Training Strategy</td>
<td></td>
<td>Five year ROI = 43% (Net Present Value &gt; $2.9M)</td>
</tr>
</tbody>
</table>
Balanced Scorecard Approach

ALL internal professional communities—Human Resources, Finance, Administrative Services, use the Performance Scorecard system, composed by Richard Chang and Associates.

We measure the infrastructure against numerous indices, including—

✦ Client Advocacy
✦ Professional and Community Involvement
✦ People Excellence
✦ Operational Effectiveness
✦ Financial Success

The scorecard has a built-in alert system, with results reported online, to let leaders know if an area is out of its designated range.

Some of the alert systems we use include—Budget vs. Actual Variances, Outreach Awareness Index, Seat Fulfillment, Turnover by level, and Competency attainment by level.
**Measurement**

**Reaction**

Courses are evaluated from feedback received from participants, course instructors, and senior management. At the conclusion of each course an end of course evaluation survey is emailed from our LMS. Results are reported and tracked online.

**Learning**

All online courses have pre/post testing. And, our Project Management courses all begin with an online pretest and learning session.

**Transfer**

90-days after the conclusion of a course, the LMS automatically sends a survey that asks participants to identify how they have been able to implement the skills learned in the courses. We also ask them to identify whether or not they received management support to immediately implement new skills.

**Business Results**

We measure competency attainment. Comparisons between those who complete courses and those who do not are viewed. All programs are revised annually and during that time, we conduct focus groups and build task teams with representatives from across the firm. This helps us to determine which programs to build, enhance, or eliminate.
Competency Maps

Competency maps and individuals development plans are the cornerstone of our Development Framework. Competencies are defined for all levels. Every employee receives an annual competency assessment to evaluate progress. Promotions are based on individual readiness, and, at the upper levels, on the needs of the business—there’s no ‘time in grade’ requirement.

Personal Development Plans from competency assessments are stored in our Learning Management System on the Virtual Campus. This information is combined with the individual and group development activities that are proven steps for our staff to build a successful career. Development activities include job rotations, specific project tasks, readings, mentoring information, and access to expert advice. We also include are potential “derailers,” identified by level, with suggestions for how to avoid them.
The People Strategy continues to have impact across Booz Allen

Our employees have a very direct role in shaping decisions about Booz Allen’s people programs. Every two years, they participate in our People Strategy Survey*—giving their opinions about career development, work-life balance, and other topics.

The results of the most recent 2004 survey were shared with staff on People Day—A coordinated global event in which every office, on the same day, presented the survey results and facilitated sessions to solicit further feedback and generate ideas for enhancing the employee value proposition.

As a follow up to this very successful People Day, five People Action Teams were launched. Working in partnership with our colleagues across Booz Allen we have developed/acquired new learning opportunities concentrating on these key areas—Work-Life Balance Measurement, Real-time Feedback, Work-Life Policies, Administrative Professional Development, and Frontline Leadership.

We are continuing to respond to our most recent People Survey (see excerpt to the right).

(*Recipient of ASTD’s Excellence in Practice Award)