

Implementing Change



Navy Transformation
June 2007

This Presentation is Unclassified FOUO



Outline

- Strategic Environment
- The Global Demand Signal
- Navy Strategic Plan
- Balancing Risk
- Getting There
- Implementing Strategic Change



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Strategic Environment

Security Challenges



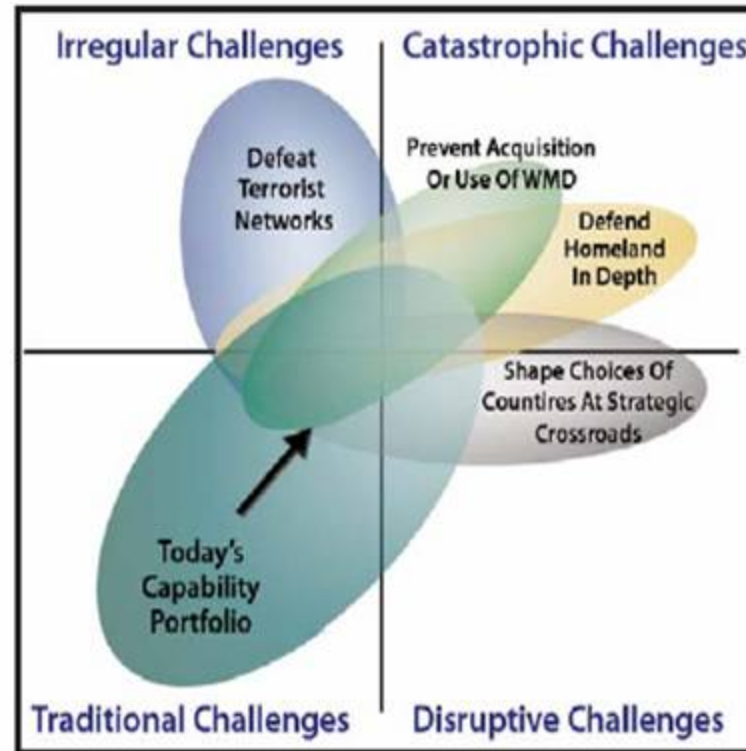
Irregular Warfare



Terrorist Threats



Near Peer Competitors



Globalization



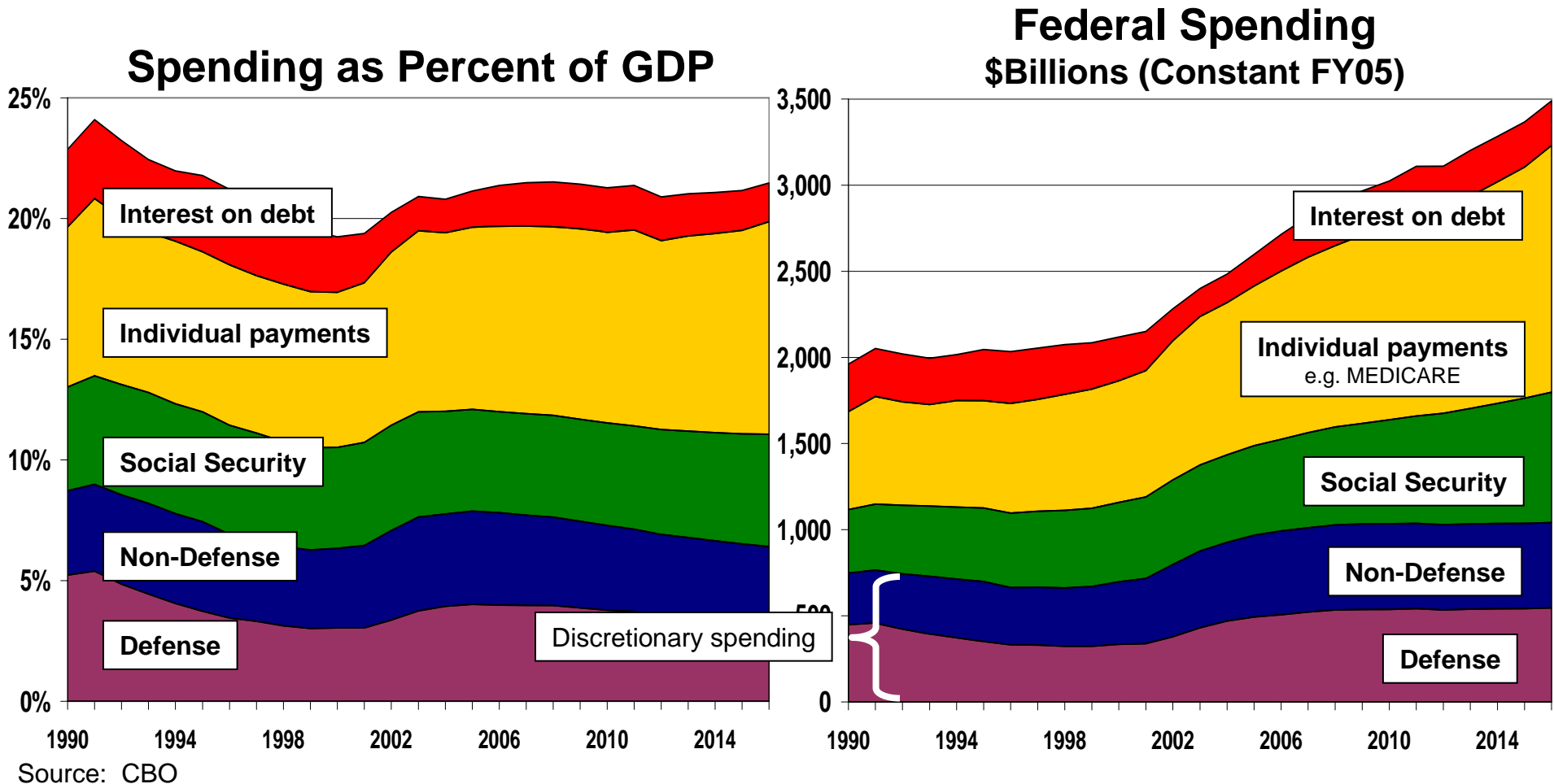
Global Maritime Security



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Strategic Environment

Federal Spending Trends



Federal non-discretionary spending growth will pressurize defense topline



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Strategic Environment

Global Maritime Demand Signal

NORTHCOM

Focus:

- HLD

Naval Capabilities:

- MDA
- VBSS

SOUTHCOM

Focus:

- GWOT
- Counter-Drug
- Shaping
- Stability

Naval Capabilities:

- Expeditionary
- Littoral

EUCOM

Focus:

- GWOT
- Shaping
- Stability

Naval Capabilities:

- Expeditionary
- Littoral

CENTCOM

Focus:

- GWOT
- Shaping
- Stability

Naval Capabilities:

- Expeditionary
- Littoral

Global

Focus:

- GWOT

Naval Capabilities:

- MDA
- TSC
- MIO

PACOM

Focus:

- GWOT
- Shaping
- Counter-Piracy
- Dissuasion
- Deterrence

Naval Capabilities:

- Sea Base
- TMD / TAMD
- Strike
- Expeditionary
- ASW
- Littoral
- Mine Clearance

Risk Guidance shapes how we balance our investment response



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Navy Strategic Plan

Achieving maritime security through:

- Expanded expeditionary presence, sustainment and cooperation
- Improved, prompt access and combat power to deter or defeat adversaries
- Enhanced alignment of people, processes, and resources to provide the right capabilities to joint commander at the right time



Efficiently adapting to the new security environment



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Navy Program Demands

How it all fits together...

Navy Strategic Goals

- Develop 21st Century Leaders
- Sustain Combat Readiness
- Build a Fleet for the Future

QDR 2006

Transformation

Strategic Guidance

Global War on Terror

Future Force Structure

Readiness Manpower

Fiscal Realities

- DoD Cost of OIF/OEF/GWOT
- DoD Need to Reset
- Entitlement Growth in the out years

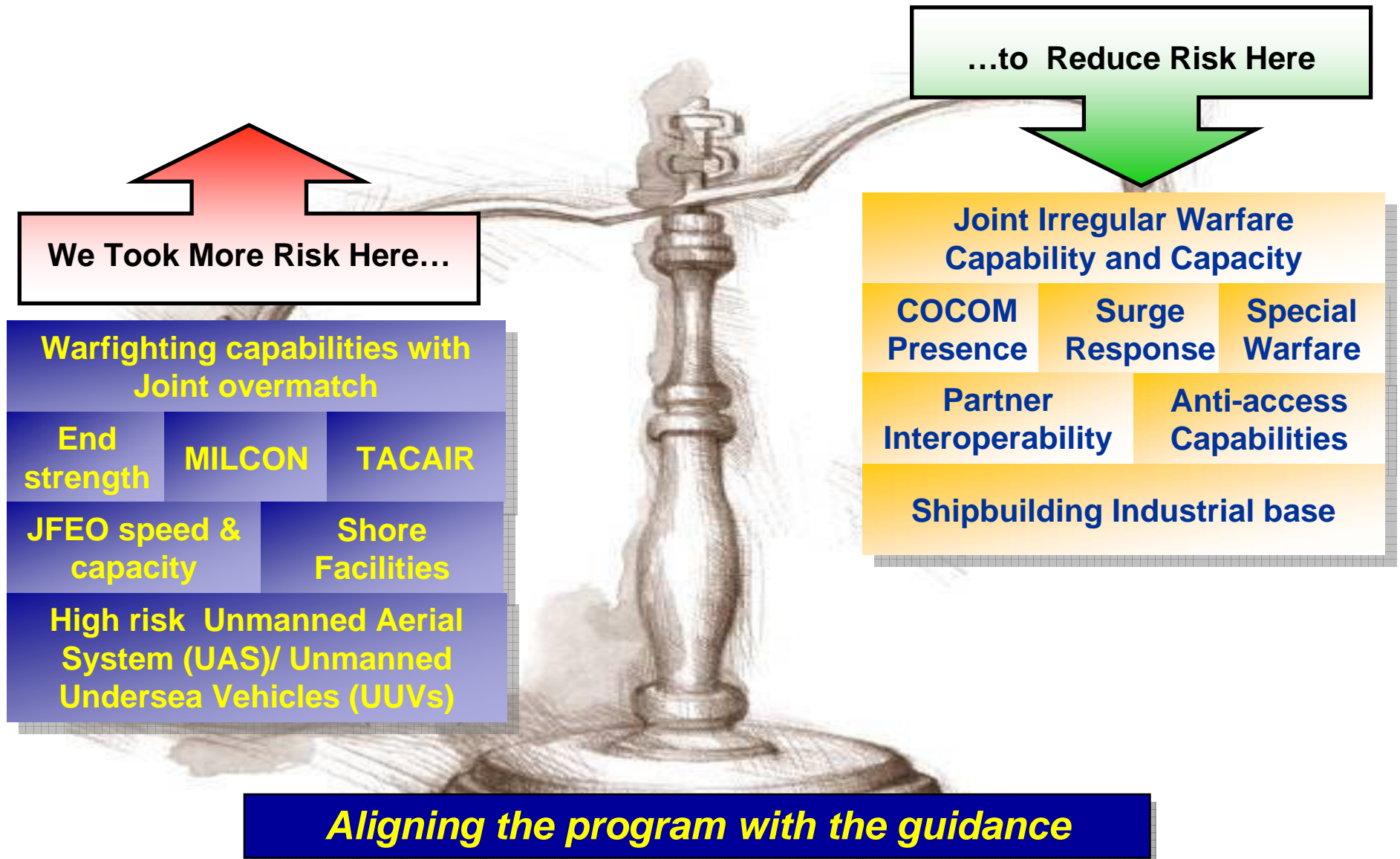
Requirements outpace funds....MUST Identify the right requirements



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POM08 Risk Balance

Defining the Capability / Capacity / Risk Tradespace





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Getting There

Key Tenets



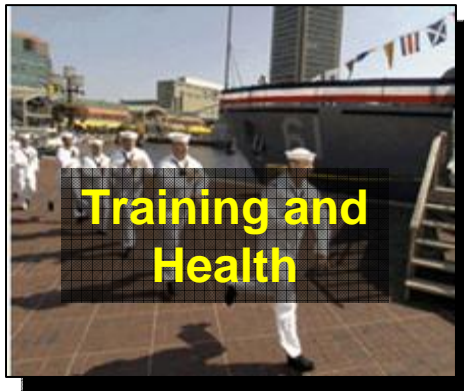
**Recruiting/
Retention**

Control Manpower Costs

Sustain Readiness



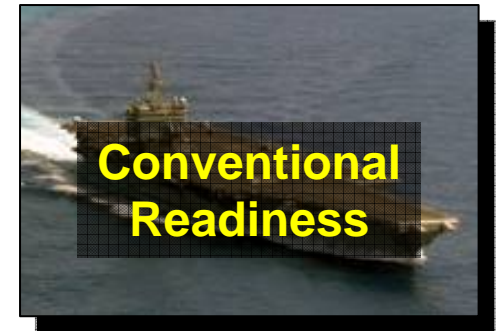
**GWOT
Readiness**



**Training and
Health**

***Understand and Control
Ship / Aircraft Costs***

***Address Security
Challenges through
Sustainable Capabilities
and Cooperation***



**Conventional
Readiness**



Control Costs

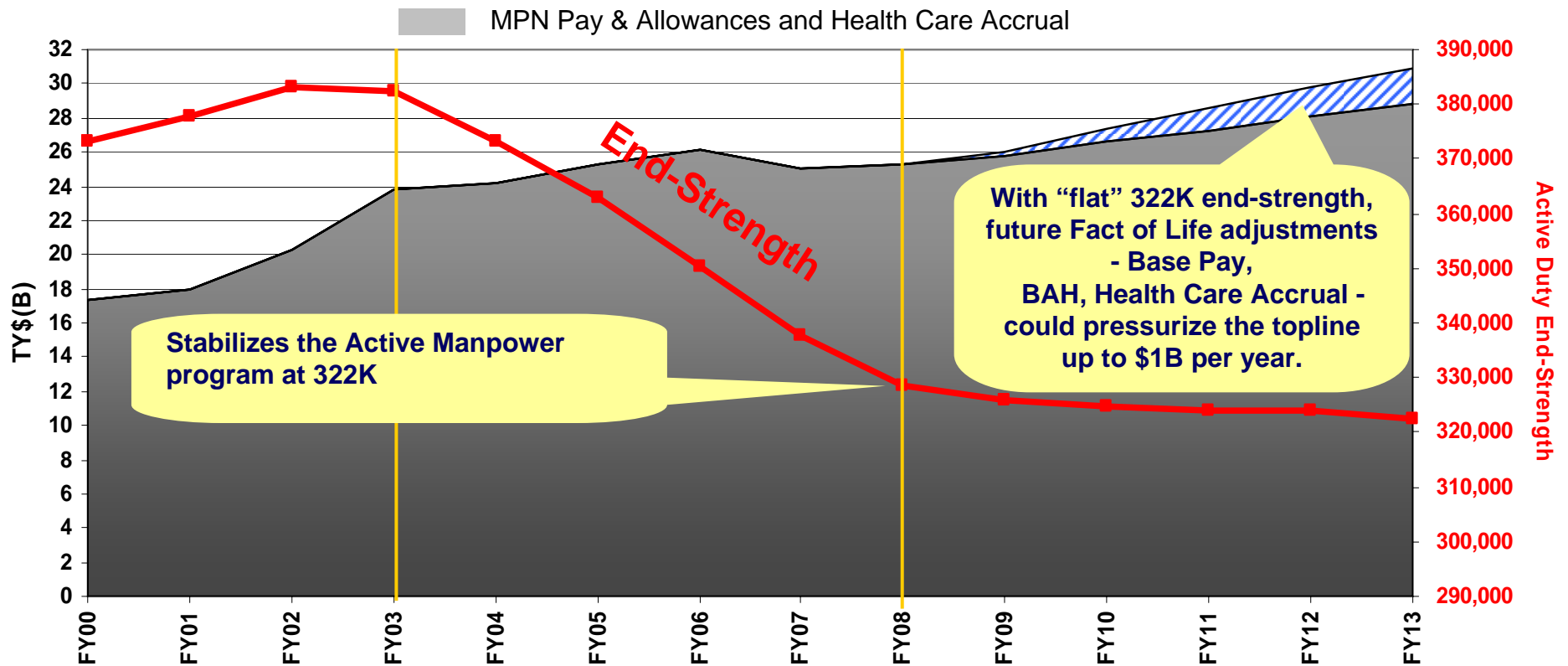


Promote Stability



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Stabilizing Military Manpower Costs





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Stabilizing Military Manpower Costs

Transforming the manning model

QUINCY (CA 71)



Commissioned	Dec 1943
Complement	1,142
Sensor Range (miles)	60
Weapons Range (miles)	18
Battlespace	60 miles

CAPE ST GEORGE (CG 71)



June 1993
~380
256
800+
Theater Wide

CG (X) 71



2023
↓ ≈ 150
500+
1000+
Global Information Grid

- Training Sailors to be more flexible, adaptable
- Leveraging automation
- Balancing Total Force mix
- Focus training on needs, keyed to professional milestones

More capability, fewer personnel, lower costs



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Implementing Strategic Change

Focus on Execution

Business Transformation:

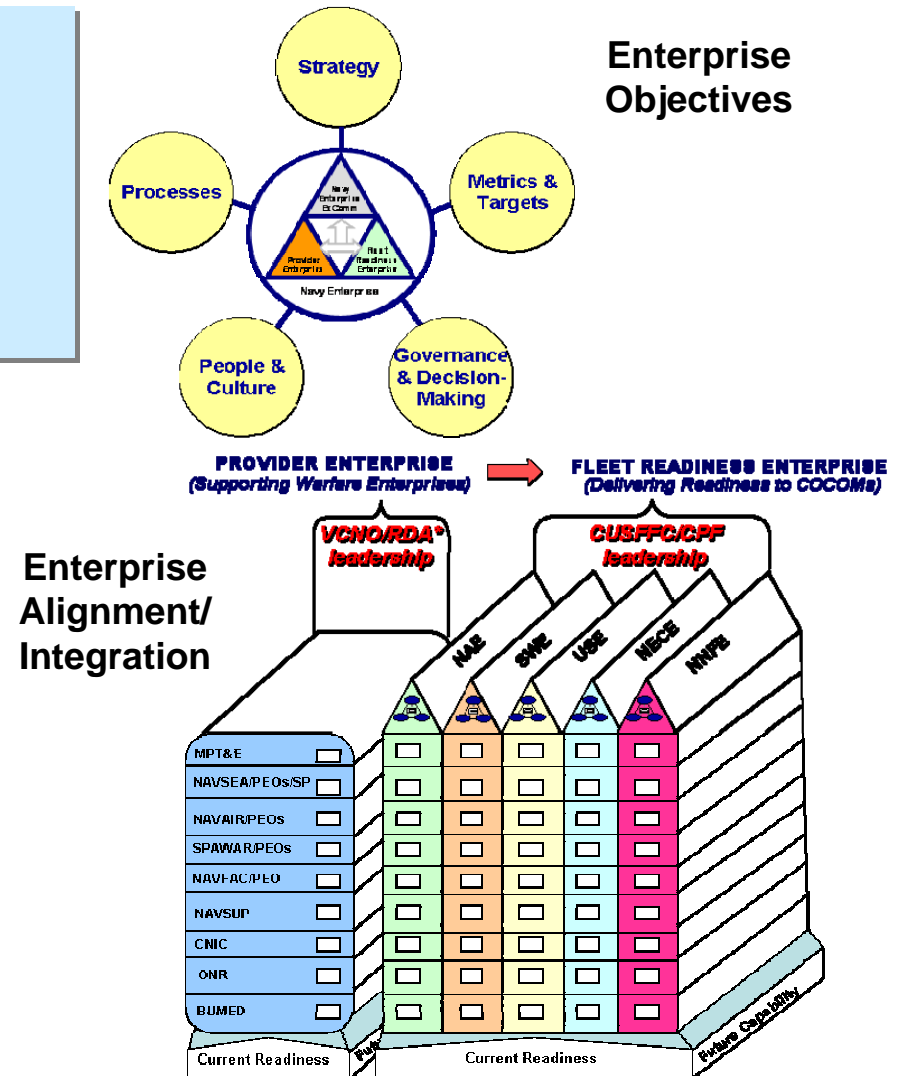
- Maintain / improve readiness
- Generate buying power for recap
- Create 21st century workforce
- Instill culture change

New business model

- Measurable outputs and processes
- The right metrics
- Accountability

Enterprise Integration

- Breaking “stovepipes”
- Aligning execution processes
- Linking provider communities to support current and future readiness



Delivering capabilities at cost, on schedule



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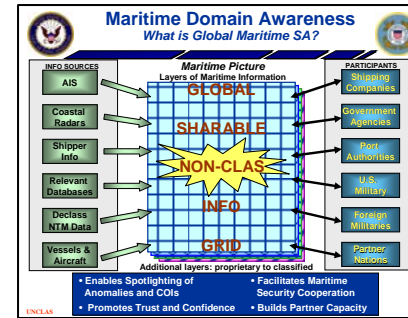
Implementing Strategic Change

Refine Innovative CONOPs

New ways to use existing and planned capabilities

Maritime Domain Awareness

- Cooperation with partners and industry
- Shared via collaborative, unclas networks



Maritime Domain Awareness



Global Fleet Stations

- Use existing and converted platforms
- Establish presence, provide aid, engage partners
- Element of Global Maritime Partnerships

Global Fleet Stations



Humanitarian and Disaster Relief

- Beyond just crisis response
- Leverage planned deployments
- Build relationships through Public Health, Infrastructure

Proactive Humanitarian Assistance

Meeting security challenges within fiscal constraints



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Implementing Strategic Change

Leverage New Capabilities

New capabilities geared toward:

- Catastrophic
- Disruptive
- Irregular
- MCO “Strategic Reserve”

Adapt existing platforms for new missions

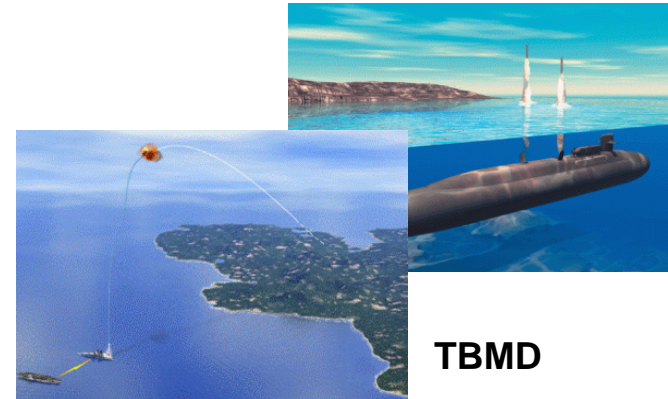
- Efficiently meet emerging challenges

Develop new /enhanced strike weapons

- New technology for existing bombs
- Major Combat and WoT applications

Enhance littoral/expeditionary capabilities

- Riverine / Security Forces
- Augment conventional and special forces
- Build partner capacity



SSGN

TBMD

Penetrating,
Stand-off
Weapons
(BLU 109)



Riverine



Developing capabilities to meet new challenges



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Implementing Strategic Change

Build Relationships

Enabling the Global Maritime Partnership (“1000 ship Navy”)

Training Teams

- Deploy to partners
- Improve readiness of security, brown and green water forces

Foreign Area Officer/Language Program

- Develop personnel to liaison and interface with partner nations

Coalition Communications

- High Frequency
- Internet Protocol-based
- Leverages common systems



Expeditionary Training Teams

Foreign Area Officers



UNITED STATES FOREIGN AREA OFFICER COURSE

- Eighteen-month program (Barracks and abroad) for 60-70 participants
- Advanced Russian language training; selected cross-training in Ukrainian
- In-Country travel & internships (up to four months)
- Participation in the Leaders of the 21st Century Course
- Politico-military and regional studies
- Spouse program



FAO in Bosnia-Herzegovina working as Liaison Officer with the Russian Peacekeeping Brigade, May 1998



Coalition Communications

Enduring relationships to contain conflict, promote security

Questions



BACKUP

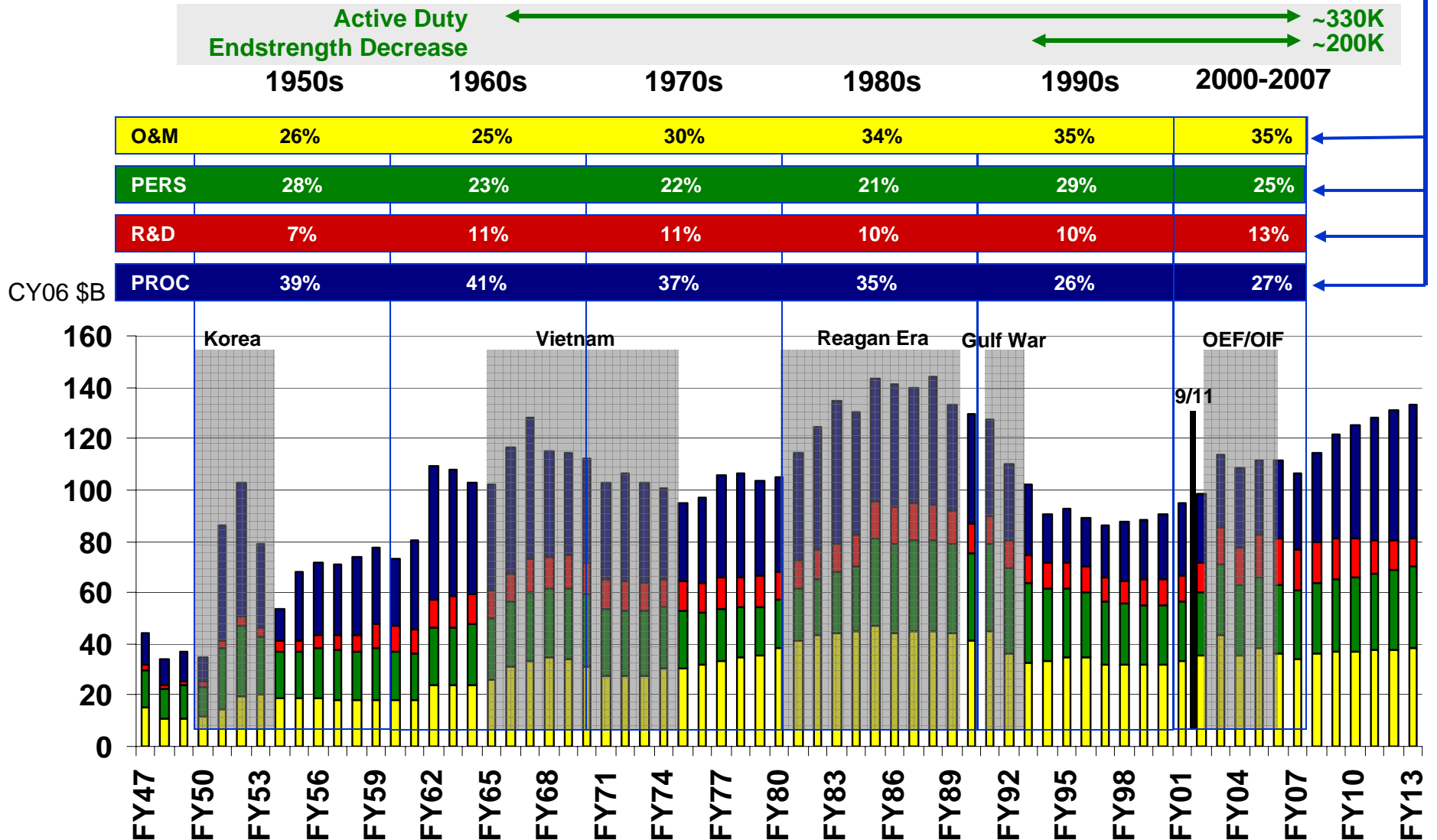


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Execution Challenges

Navy Topline FY54 – FY13

AVG % of TOA BY DECADE



*Consumer Price Index conversion factors were used for FY45 – FY61 (CY\$).

** Official DoD conversion factors were used for FY62 - FY13 (CY\$).