



# National Defense Industrial Association

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Commander, Space and Naval Warfare Systems Command  
14 July 2010



# Overview

- ▼ Acquisition landscape
- ▼ Strategic goals
- ▼ Change of Command
- ▼ Q & A / Discussion





# CNO's Guidance 2010

## *Focus:*

Build the future force  
Maintain our warfighting readiness  
Develop and support our Sailors, Navy civilians, and their families

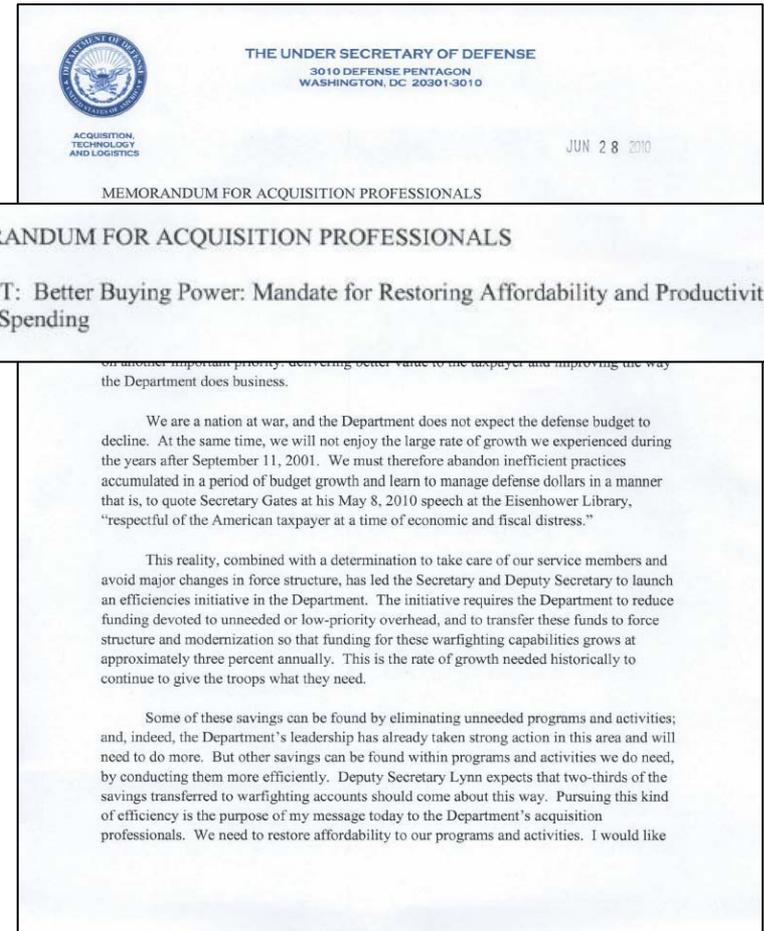
## *Five Intentions Emphasized:*

- ▼ Continue to be the **most dominant, ready and influential naval force**, globally and across all naval missions
- ▼ Build a Navy with appropriate force structure and strategic laydown necessary to **implement the Maritime Strategy**
- ▼ Achieve **decision superiority**
- ▼ Align the requirements, resources and acquisition processes to achieve accountability and deliver the **right capability and capacity on time and at the optimum cost** throughout the lifecycle
- ▼ We will evolve and establish international relationships to increase security and achieve common interests in the maritime domain



# Acquisition Environment

- ▼ Fiscal realities
- ▼ For government:
  - Support force structure and modernization at 2-3 percent growth without budget increase
  - Eliminate unneeded programs
  - Gain efficiencies in needed programs
  - "Remove impediments to leanness"
- ▼ Contracting to scrutinize inefficiencies
- ▼ For industry:
  - "initiative should contribute to the continuing vitality and financial viability of the defense sector
  - "enhance and incentivize efficiency and total factor productivity"





# TEAM SPAWAR Strategic Mission

Team SPAWAR acquires, develops, delivers and sustains decision superiority for the Warfighter at the right time and for the right cost.

\*SECNAVINST  
5400.15c

## Three primary roles of a SYSCOM/PEO Team\*

### Acquisition / Acquisition Support

- “Future Force” Development
- PEO Operations / Support
- ASN/CNO/CMC Staff Support
- ACAT Program Management

**Technical  
Authority &  
Accountability**

### Fleet Support

- Operating Forces Support
- Logistics Sustainment
- Technical Standards/  
Certifications

### ***Functions***

Research	Comptroller
Design	Test and Evaluation
Cost Estimating	Technical Development
Acquisition	Systems Engineering
Contracting/Legal	Mission Area/Systems Analysis

### Operate and Maintain

- S&T, Design, Engineering, Industrial and T&E Facilities/Capability
- Technical and Professional Expertise
- Independent Technical Review Capability
- Integrated Logistics Assessment Capability

### ***Functions***

System Support  
Integrated Logistics Assessments  
Maintenance and Modernization Planning  
Technical Standards Development  
Technical Compliance Certifications

### Products, Technologies and Roles specifically assigned

C2 Comms Intel Systems Undersea Surveillance Space  
Enterprise Information Systems Force-level Architectures C4ISR CHENG



# Best Practices for Cost and Capability

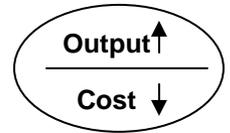
- ▼ Rapid delivery of capability
  - Benefits warfighter
  - Drives efficiency and lean processes
  - Both government and industry actions
- ▼ Technical superiority
  - Focused investments in S&T (high-payoff)
  - Sound architectures
  - Cooperative research and development (CRADA)
- ▼ Workforce development
  - Demand-driven knowledge, skills and abilities



# SPAWAR's Major Supporting Efforts

1. Converge Networks
  - NNE 2016: CANES, NGEN, Expansion to other domains
2. Decouple Services
  - SOA Construct, Architectural guidance
3. Enhance Current Capability
  - Communications improvements, MUOS, JTRS
4. Operationalize C2
  - MDA, MOC, ISR Integration, Coalitions, "Business" Application improvement
5. Supporting Goal: Maintain Technical Innovation
  - Government-specific needs knowledge, unbiased technical recommendations
6. Supporting Goal: Maintain Manpower
  - Skills currency/blend, demand-based sizing

**Overall  
Focus**



# C4I Provider of Choice Acquisition Strategies

## Current Acquisition Strategies



### Full Service Contract

**DD(X) LCS Flt 0  
LPD-17 Networks**

### Modified Turnkey

**DDG-51  
CVN 77/78**

**LHD 8  
CVN RCOH**

**LPD 17  
Comms/Apps**

### Full Turnkey

**CJR T-AKE  
LHA 6  
SSN 784 and later**

**Strategy:** Move to one provider of common C4I Equipment across the fleet – both new construction and backfit

#### Advantages:

- Common equipment
- Efficiencies of scale
- Maximum benefit/applicability of R&D expenditures
- Lower Total Ownership Cost

#### Provider of Choice/Turnkey Benefits:

- Minimizes Total Ownership Cost
- Facilitates interoperability and commonality between platforms
- Capabilities delivered with long-term sustainment strategy
- Configurations managed and maintained consistently
- Most effective and modern C4I equipment upon delivery
- Leverages investment in existing Navy programs, expertise and resources



# Rapid Delivery of Capability (Some Examples)

USS RONALD REAGAN Automated Identification System (AIS) Example: Quick Reaction



Universal Core (UCore) Example: Interagency Information



MRAP C4I Integration Example: Agile, robust



ASW Mission Package Example: Rapid Prototyping



COCOM Support Example: Common C4I Solutions



Internet Café Example: Support for Morale and Welfare





# Discussions with VCNO: TEAM SPAWAR Risks and Mitigations

## Most Likely

### 1 Total Ownership Cost

Multiple programs have identified TOC reductions. These reductions typically require investments. Investment decisions, if made, are often overturned in end-game financial balancing, or stretched out resulting in loss of benefit.

#### Mitigations

- Increasing visibility of TOC initiatives
- Dialog with end-game decision-makers to ensure understanding of consequences of delays/cuts
- Improved cost estimating and business case development
- Improving readiness and reliability of current systems

## Most Consequential

### 2 Funding Stability in Key Programs

Programs such as NGEN, CANES, and emerging programs (particularly in the Business IT area) have been subject to repeated funding reductions or lack of support once initiated. This results in poor Program performance, lack of demonstrated results, and puts the program at increased levels of risk and scrutiny (with the concomitant drain on executive time)

#### Mitigations

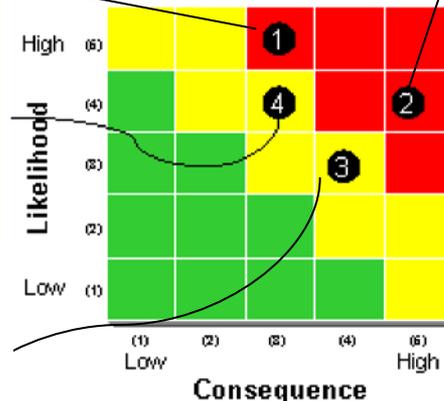
- Increased PEO/SPAWAR Advocacy for Key Programs at Executive Level
- Development of Business Intelligence using ERP, POPS and other tools to identify work necessary for program success in sufficient detail to both create effective Requirements Officer understanding of impact and allow effective identification of over-resourced areas through comparative analysis.
- Assist in Requirements development coupled with reductions in legacy programs to reduce overall costs and complexity

### 4 Total Workforce

Continued pressure on Workforce numbers have lead to a decline in support for any manpower increases. Simultaneously, Presidential and Legislative pressure is demanding an *increase* in workforce numbers, particularly in the Acquisition workforce. This results in an inability to meet manpower increase targets.

#### Mitigations

- Hire contractors to fill gaps
- Pressure resource sponsors via Acquisition sponsors to ensure funds remain correctly allocated for hiring initiatives (avoid a “double hit”)
- Improve internal Business Intelligence using ERP and related tools



### 3 “Provider of Choice” Implementation

C4I suites can be provided by many vendors. If non-SPAWAR affiliated programs (Ships, etc) select vendor solutions, Navy costs increase. While direction has been published to require POR usage, effective governance is taking time to become established, and contracts already in place have not yet been affected.

#### Mitigations

- Publication of OPNAVINST 2300 and OPNAVNOTE 3090
- ASN RDA creation of “Mission Area Chief Engineers”
- Increased Flag/Executive-level interaction with Platform PEO’s and Program Managers by TEAM SPAWAR
- Scrutiny of existing contracts/installations with modernization/back-fit potential
- Development of effective IT Governance, increased focus on “Business IT” areas/“Gray Money”



# What We're Doing (or need to do) [1 of 2]

## ▼ Total Ownership Cost

- Common Navy Portal and Enterprise Software Licensing progress
- LCS TOC Study of C4I Suite (External Comms and Networks)
  - PMW 760 (Ship Integration), Cost Estimating Competency, NAVSEA 05C involved
- Improving Readiness and Reliability
  - Readiness Reporting being built in to future systems
  - “You get what you inspect” – Reserve utilization/FSETs...
  - Training/Detailing/Enlisted Qualification recommendations

## ▼ Funding Stability

- Developing ERP and existing tools to provide Business Intelligence



# What We're Doing (or need to do) [2 of 2]

## ▼ Provider of Choice Implementation

- Intent is commonality and configuration management with resultant cost efficiencies
- Pushing to expand to Shore Sites (Data Centers, etc)
- Published OPNAVINSTs and OPNAVNOTE directing use of common systems
  - Fix for future systems; effect visible in 5-7 years
  - Working BCA for backfit/modernization
- Next Steps involve cross-domain work
  - Aviation, Combat Systems and Data Systems



# What We Need Help With [1 of 3]

## ▼ Include TOC in the Budget End-game

- Potential Solution: When TOC decisions are made, identify them as Flag-Level interest items and fence agreed-upon funding profiles preventing any cuts without VCNO, ASN RDA and principal Echelon 2 Flag(s) formal staffing [Protection of investments/returns]

## ▼ Change the culture of readiness reporting in the Surface Fleet

- Aviation data is rich and meaningful; Surface Force data does not meet the same standard. Implication: top-level interest and involvement of everyone from SWOS/PCO Training to cross-Enterprise data analysis work. Current situation creates perception mismatch.
- Support development of prognostics



## What We Need Help With [2 of 3]

- ▼ Increase top-level attention on Business Systems
  - “Professionals do logistics”. The logistics of our Navy run on business IT systems
  - “Follow the money” and similar drills have made initial steps in this direction
  - Creation of an effective regulatory framework (a.k.a. “Governance”) requires ongoing attention and support – Data Center issue serves as an example



# What We Need Help With [3 of 3]

## ▼ Continue focus on governance

- Fully develop ASN RDA Mission Area Chief Engineers; create appropriate venue for OPNAV N2/N6 Roadmap enforcement
- Increase focus on CONOPS at Unit/Fleet/Force level to ensure appropriate use of provided systems
- Ensure effective ASN RDA participation in budget deliberations to maintain appropriate weighting of Acquisition priorities
- JTRS Strategic Council to replace BOD construct; participate and support Joint JTRS Configuration Steering Board



# Summary

- ▼ Fiscal realities - challenges and opportunities
  - Government and industry responsibilities
  - Efficiency rewarded
- ▼ Net-centric Warfare and Information Dominance
  - Capability multiplier
- ▼ Collaboration with stakeholders, customers, industry essential
  - Best practices
  - Affordable alternative to growth





# Relieving the Watch

**Rear Admiral Patrick H. Brady**

