



NAVAIR Commander's Intent *Status and Way Ahead* July 2011

I released the NAVAIR *Commander's Intent* last September, following my first 100 days in command. Developed with Competency, Command and PEO leadership, this document provided near-term planning guidance in three primary areas: *Deliver Integrated Warfighting Capabilities*, *Reduce Acquisition Cycle Time*, and *Establish a Long-Range Workforce Strategy*. These focus areas were designed to address urgent, cross-cutting issues of importance to the Navy and Marine Corps, and complemented our long-standing strategic priorities of Current Readiness, Future Capability, and People.

Signals from senior Navy, Marine Corps and DoD leadership, and the realities of our current economic and global security environment have reaffirmed my belief that the focus areas we identified a year ago were on target and remain so today. Our senior Competency, Command and PEO leaders will work together to lead our actions and communications in the following areas:

- 1. Deliver Integrated Warfighting Capabilities** (*led by Mr. O'Neil and RDML (sel) Penfield*). *Ensure platforms, weapons and sensors are effectively integrated, interoperable, and supportable prior to delivery to Navy and Marine Corps warfighters.*
- 2. Reduce Acquisition Cycle Time and Total Ownership Cost** (*Led by RDML Gaddis, RADM Eastburg, RADM Shannon, and Mr. Sanders*). *Decrease acquisition process cycle time and total ownership cost across all Naval Aviation programs while consistently delivering expected capability.*
- 3. Implement Long-range Workforce Strategy** (*Led by RDML Mahr, RDML Winter, RDML (sel) Jaynes, and Mr. Kurtz*). *Implement an integrated Civ/Mil/CSS Long-Range Workforce plan that ensures we have sufficient diversity, depth, breadth and experience in key skill areas to perform our mission effectively and efficiently, now and in the future.*

Delivering Integrated Warfighting Capabilities is a significant aspect of NAVAIR's core mission. Platforms, weapons, and sensors continue to grow in complexity. These systems must operate effectively with each other as well as with legacy systems. Delivering Integrated Warfighting Capabilities to our Combat Commanders will require collaboration across all elements of our Navy and Marine Corps, the other services, industry and our coalition partners. Senior Navy leadership is looking to NAVAIR to take a lead role in ensuring proper integration and interoperability – applying our proven systems engineering experience, labs, and test ranges to enable end-to-end, systems-of-systems development, testing and validation.

The need to **Reduce Acquisition Cycle Time and Total Ownership Cost** continues to dominate conversation across the Defense Department. For Naval Aviation, these imperatives are more important than ever. Much of NAVAIR's portfolio has transitioned to production and in-service

support, placing a huge demand on NAE resources in the flying hour, rework and enabler accounts. We will leverage our institutional knowledge to assess trends, identify root causes, and proactively reduce production and in-service support requirements – allowing the Navy to invest in future capabilities.

We will ensure the success of future programs by applying a standard Requirements Trades process to inform early cost, schedule, and risk decisions. This process will enable requirements officers and program offices to develop program plans that are structured to meet cost, schedule and performance expectations throughout their entire life cycle – including transition to production.

Our **Long-range Workforce Strategy** is based on the certainty that we will be operating and maintaining the weapons systems we are delivering today for the next 30 years – while developing the follow-on systems that will complement and eventually replace them. In order to successfully manage this transition while preparing our next generation workforce, we must anticipate and capitalize on emerging talent and technology trends. While the domestic economy will likely influence our workforce size and composition, we will continue to recruit, develop and retain our Nations’ finest acquisition and technology experts – and provide them with the training, tools, and mentorship they’ll need to succeed.

Every one of our focus areas is enabled by our people. Their preparation and ability to succeed is fundamental to mission accomplishment. Our commitment to attracting and retaining a diverse and highly qualified workforce is visible in a number of areas – from our NAVAIR Diversity Council, to recruiting Wounded Warriors and individuals with targeted disabilities, to motivating young people to pursue naval aviation careers through STEM and related educational programs. These valuable efforts will ensure we remain an employer of choice for our nation’s best and brightest talent.

Looking ahead, we will be mindful of a number of near-term leadership transitions – namely Secretary of Defense, Chairman, Joint Chiefs of Staff, Chief of Naval Operations, and Vice CNO. While their priorities may lead us to make minor course adjustments or to pick up speed in specific areas, on balance, we will maintain our current direction.

To ensure continuity and follow-through, we will deliberately integrate our focus areas and actions into my 2012 NAVAIR *Commander’s Guidance*, which will be published later this year. The NAVAIR Guidance will provide longer-term (1-3 year) strategic objectives, actions, and metrics in the areas of Current Readiness, Future Capability, and People.

In the following pages, I will highlight our progress and provide you with an update on our way ahead.

Accomplishments:

Immediate Actions:

- Hosted the first Navy-wide Integration and Interoperability (I&I) Summit on behalf of the CNO at Pax River last December. Participants included CNO and senior leadership from OPNAV, U.S. Fleet Forces Command, ASN(RD&A), Navy SYSCOMs and Warfare Centers, and

Commander, Operational Test and Evaluation Force. Leadership acknowledged the importance of establishing clear roles and responsibilities and governance for this Navy-wide effort and agreed to engage SYSCOM and Warfare Center skills, processes, tools and infrastructure to support delivery of Integrated Warfighting Capabilities.

- NAVAIR program managers teamed with JSF and NAVSEA leadership to improve our ability to anticipate and resolve Air/Ship integration issues at the “systems” level. Our work will continue at the systems-of-systems (SoS) “capability” level under Focus Area 1 (Integrated Warfighting Capabilities).
- Strengthened NAVAIR’s connection to the Warfighter by inviting Carrier Strike Group and Marine Expeditionary Unit Commanders to give a series of post-deployment debriefs to NAVAIR leadership and employees; and continue to emphasize existing forums and communication channels for obtaining and responding to ongoing Fleet feedback and requests.
- Completed the development of validated models to quantify the Total Ownership Cost (TOC) impacts of alternative investment strategies in Navy and Marine Corps operational readiness accounts. These models will add rigor to the requirements review process, ensuring decisions/trades made in the year of execution are informed by objective data, open dialogue, and aligned with initial Navy agreements.
- Established a NAVAIR-wide Work Acceptance Process Instruction to identify and prioritize emerging workload, with Naval Aviation as our first priority, followed by other Navy/DoD and non-naval aviation work.
- Published a CAO CONOPS Reference Guide and deployed computer-based training and instructor-led training for Competencies and program teams.
- Developed an Assertion Package for the E-2D Major Defense Acquisition Program (MDAP) in support of the Navy’s Financial Improvement Program. The E-2D MDAP project will demonstrate financial stewardship of funds allotted to a major acquisition program and assess audit readiness of business processes in the Navy ERP environment.

FOCUS AREA 1: Deliver Integrated Warfighting Capabilities

- Assigned SYSCOM Integration and Interoperability (I&I) Directors (Scott O’Neil for NAVAIR) to champion I&I efforts across the Navy. Established a cross-SYSCOM Capability Management Team (CMT) staffed with SoS/Mission Engineering expertise to assess capabilities needs, identify solutions, develop Integrated Capability Packages (ICPs) in support of ICP owners, and align ICPs with the appropriate Warfare Center of Excellence.
- Identified 28 effects chains based on Fleet priorities, and orchestrated the first Navy I&I Wargame using 12 weapons/targets pairings to assess progress and gaps in our processes, expertise and deliverables. About 60 experts participated representing OPNAV, Fleet Forces Command, ASN(RD&A) Acquisition and Engineering, the SYSCOMs, Warfare Centers, and NAVAIR Competencies (1.0, 4.0, 5.0). Commander, Operational Test Force (COTF) will deliver the final report later this summer.
- Established a SoS SE competency in AIR-4.1 to sharpen our expertise and provide support to our PMs. Selected a NAVAIR experimentation lead in AIR-5.1 to identify opportunities to insert developmental systems into Fleet Experiments, giving warfighters early insight into integration challenges and potential solutions.
- Completed first phase of Infrastructure Capability (ICap) Review, baselining existing NAVAIR RDT&E capabilities, lab utilization, and IT footprint. The next step will be to assess this “as is” environment, and identify redundancies and gaps in our national lab and range

infrastructure. Beginning in FY12, we will engage the Navy's other Warfare Centers to identify opportunities for increased collaboration and utilization of existing Navy and Industry infrastructure and capabilities.

FOCUS AREA 2: Reduce Acquisition Cycle Time and Total Ownership Cost

- Designed a Command-wide Acquisition Cycle Time tool enabling program teams and Competencies to begin to measure cycle time across the entire acquisition cycle. The tool is in test with 10 PMAs. Competencies will begin using it in August with full Command roll-out in FY12.
- Deployed the Four-Phase Systems Engineering Process to ensure programs are structured with realistic schedule and cost estimates.
- Deployed Integrated Master Schedule and Supplier Guidance for program teams; updates are in work to incorporate recent OSD guidance.
- Fully resourced the AIR-1.0 Program Success Orientation Team (PSOT) to capture and accelerate replication of program management best practices, tools and lessons learned across programs.
- Completed NAVAIR/PEO Program Management Career Path addressing qualifications for key PM leadership positions and a consistent training track across Competencies for civilian PMs. A military PM career path is in development.

FOCUS AREA 3: Establish a Long-Range Workforce Strategy

- Developed an initial workforce demographics baseline. The next step will be to identify common definitions for workforce skills/experience; and complete the "skills" portion of the baseline to enable command-wide understanding of existing skills and gaps.
- Developed recruitment, training and development programs and retention plans for key, at risk acquisition and apprentice skill areas, including: science, technology, engineering, math, logistics, industrial, legal, contracting and business/financial management. Broadened partnerships with academic and vocational institutions to influence curriculum and enhance interest in Navy career fields.
- Identified critical skills associated with emerging technologies and missions (SoS SE, Systems Engineering, Test and Evaluation, Electronic Warfare, and Weapons), as well as opportunities for gaining hands-on experience through rapid prototyping activities. Utilized Section 219 resources across NAVAIR to support training new scientists and engineers in emerging skill areas.

NAVAIR Commander's Intent: Focus Areas and Actions

The following focus areas and actions will serve as our Command-level implementation guidance for the remainder of 2011 and will be incorporated in the 2012 Commander's Guidance later this year.

FOCUS AREA 1: *Deliver Integrated Warfighting Capabilities*

Leads: Mr. O'Neil, RDML (sel) Penfield

Imperative for Change: Today, we design, develop, and test new systems as stand-alone assets that do not always integrate well with other systems already operating in the battlespace. This places the burden of integration and future logistics support in the hands of the operators—often at significant cost and with decreased capability and readiness. Success in today's operating environment demands the delivery of interoperable and horizontally integrated naval platforms, sensors, and weapons that provide an immediate and sustainable increase in overall warfighting capability.

Outcome: *Ensure platforms, weapons and sensors are effectively integrated, interoperable, and supportable prior to delivery to Navy and Marine Corps warfighters.*

Actions:

1. Identify, establish and maintain the necessary skills, capabilities, networked infrastructure and tools to ensure our programs deliver fully-integrated, interoperable, and sustainable capabilities, as well as to inform OPNAV resource decision-making.
2. Partner with Commander, Operational Test and Evaluation Forces (COTF) to ensure NAVAIR Systems Engineering, Warfare Analysis, and Developmental Test procedures complement COTF Mission-Based Test Design and Integrated Evaluation Framework processes – to define minimum, adequate testing required to ensure systems are supportable and operate effectively with other systems in the battlespace. Identify and document system test requirements from a warfighting capabilities perspective. Share relevant data among developmental and operational testers to reduce duplication, drive down cost, and accelerate program schedules.
3. Continue to sharpen our skills in systems-of-systems (SoS) engineering and ensure all programs utilize SoS expertise in developing platforms and systems that operate effectively with other warfighting assets.
4. Broaden the use of NAVAIR's existing lab and range infrastructure to identify and eliminate gaps in warfighting capability and supportability well before systems are fielded. Provide end-to-end solutions that overcome the stove-piped, proprietary boundaries of our prime contractors.
5. Increase use of Fleet Experiments as a valid battlespace integration proving ground.
6. Continue to identify latent or untapped capabilities in fielded systems that can be used to quickly and efficiently satisfy relevant urgent warfighter requests.

7. Maintain ongoing collaboration with NAVSEA and SPAWAR to improve our ability to anticipate and resolve Air/Ship Integration issues at both the system and overall capability levels, particularly with programs like the F-35, V-22, and unmanned platforms that represent a significant technological leap beyond the systems they are replacing.

FOCUS AREA 2: Reduce Acquisition Cycle Time and Total Ownership Cost

Leads: RDML Gaddis, RADM Eastburg, RADM Shannon, Mr. Sanders

Imperative for Change: Our Sailors and Marines depend on us to deliver the capabilities and support they need, when needed. We will earn their trust and confidence by planning and executing procurement programs with the same sense of urgency, efficiency, and precision they bring to the fight every day. To meet their expectations, we must have a clear understanding and agreement up front on the requirement and related cost, schedule, and performance trades of each platform, system, sensor, and weapon we plan to procure—over its entire life cycle.

Outcome: *Decrease acquisition process cycle time and total ownership cost across all Naval Aviation programs while consistently delivering expected capability.*

Actions:

- 1. Requirements Trades Process – Lead: RADM Shannon, PEO(U&W)**
 - Standardize, teach, and consistently apply a Requirements Trades Process to facilitate early cost/schedule/risk decisions.
 - Document lessons learned and standard processes that will enable Requirements Offices and the Program Offices to develop a realistic and achievable Service Approved Capability Development Document (CDD) early on during the Technology Development Phase.
- 2. Production Initiatives – Lead: RDML Gaddis, PEO(T)**
 - Develop the processes and products that will drive down weapon system cost while simultaneously increasing quality.
 - PEO(T), in collaboration with AIR-2.0, 4.2, and 4.1.9, DCMA, DCAA, and our industry partners, will develop methods to drive improvements in NAVAIR production programs. Regular PEO(T)/Industry Joint Management Council drumbeat meetings will maintain focus on identifying and implementing collaborative improvement projects aimed at reducing acquisition cost and cycle time, while increasing quality. We will use the E-2D multi-year procurement as a prototype to identify, document and share acquisition improvement strategies/methods in the following areas: schedule management, direct and indirect rate analysis, risk/opportunity and change management, production metrics, and earned value management. We will also explore new ways to develop production proposals and streamline the proposal review process.
- 3. Reductions in Fleet Operating Costs and Improvements in Availability – Leads: RADM Eastburg, PEO(A) and RDML (sel) Jaynes, AIR-6.0**
 - Identify and address cost drivers on currently fielded systems. Apply that knowledge to developmental programs to reduce total ownership cost of future capabilities.

- Leverage existing institutional knowledge to review trends across the portfolio, identify root causes in cost and availability, and create a Program Performance Team environment that results in policy, processes, investment opportunities, and tools to minimize the effects on new and fielded systems.

4. Acquisition Initiatives –Lead: Mr. Sanders, AIR-1.0

- Benchmark, implement and replicate proven rapid-acquisition and support strategies, methods, and tools to reduce acquisition process cycle time across programs.
- Implement NAVAIR / PEO Program Management Career Path to fully prepare military and civilian personnel to successfully manage programs.
- Require all Program Managers to have a formal Competency Leadership collaboration strategy for their program, and all Competency Leaders to have program success objectives in their performance management plans.

FOCUS AREA 3: Establish a Long-Range Workforce Strategy

Leads: RDML Mahr, RDML Winter, RDML (sel) Jaynes, Mr. Kurtz

Imperative for Change: The U.S. Defense Sector continues to address its workforce challenges focused on personnel shortfalls in key technical, logistics, industrial, and acquisition skills critical to our core mission. We must retain the right workforce balance to develop, field, and maintain increasingly sophisticated and interdependent systems to support tomorrow’s increasingly complex warfighting environment.

Outcome: *An integrated Civ/Mil/CSS Long-Range Workforce plan that ensures we have sufficient diversity, depth, breadth, and experience in key skill areas to perform our mission effectively and efficiently, now and in the future.*

Actions:

1. Complete review of workforce planning processes and tools and refine as necessary to improve our ability to articulate a direct, quantifiable relationship between people (Civ/Mil/CSS) and products. Effectively balance and redirect workforce distribution to address changes in program staffing requirements and improve operational efficiency during the year of execution and beyond.
2. Baseline current workforce demographics, skills, and geographic distribution with emphasis on identifying gaps that present risk to successful program execution and sustainment of fielded systems.
3. Develop scenario-based models using program roadmaps and longer-term technology, talent and economic trends to identify optimal workforce (Civ/Mil/CSS) size and skills mix based on forecasted workload requirements and assessment of other government and industry portfolios and talent trends.
4. Develop appropriate recruitment, acquisition and apprentice training and development, and retention plans/programs for critical, at-risk acquisition skill areas, including: science, technology, engineering, math, logistics, industrial, legal, contracting and

business/financial management. Broaden partnerships with academic and vocational institutions to influence curriculum and enhance interest in Navy career fields.

5. Report annually on skills sets associated with emerging technologies and missions, and design training programs to prepare our people with the new skills they will need to effectively support future technologies, systems, and their inherent interdependencies.
6. Develop new employee training programs for scientists, engineers, and logisticians that provide hands-on experience through rapid prototyping – both for meeting urgent fleet needs and supporting programs of record in their development and demonstration activities.

Implementation

Naval Aviation faces a number of significant challenges today. We must acknowledge and understand these challenges and take every opportunity to seek innovative solutions. Today's leadership is more open than ever before to ideas that challenge the status quo – and bold actions that will enable our Navy and Marine Corps to operate more efficiently in a resource constrained environment.

NAVAIR is viewed by our CNO and others as a leader in navigating change and balancing competing priorities. We are managing a full portfolio of programs in various stages of transition – ensuring both new and legacy systems can be effectively integrated and interoperable, ready when needed, supportable and affordable over their full life cycles. This is our day job. We take pride in our work and we're good at it.

No matter what the future holds, Naval Aviation will remain a symbol of power, a force for stability in an increasingly unstable and interconnected world. And our Navy and Marine Corps will continue to rely on NAVAIR to deliver the capabilities and support they need to fight and win. Thank you for serving our nation and supporting our Sailors and Marines with integrity and pride.

Good on Ya!

VADM David Architzel
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