

NAVSEA WARFARE CENTERS

# STRATEGIC BUSINESS PLAN

2015 - 2019





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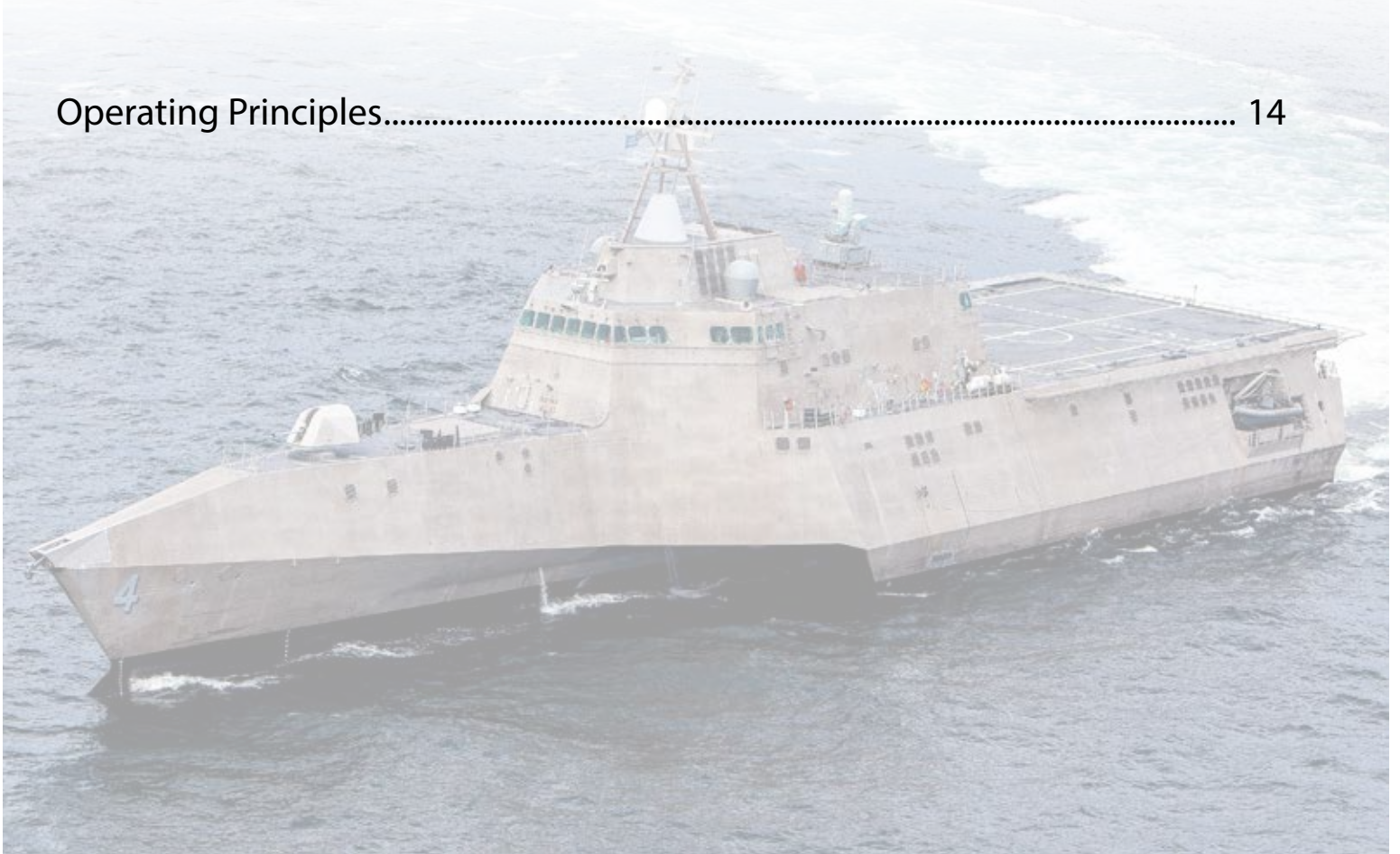
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# *Leadership Message*

The Naval Sea Systems Command (NAVSEA) Warfare Centers perform singular and vital roles as stewards of the Navy's technical capabilities, critical knowledge, and unique facilities for surface and undersea warfare. As Navy commands, we do the nation's work in support of the U.S. Constitution, which empowers Congress "to provide and maintain a Navy."

Our history as providers of superior technical products and services to the U.S. naval services stretches back over a century, and we are just as dedicated to another century of serving the fleet. We owe our longevity to our steadfast commitment to excellence, which empowers our enduring, unique value to the Navy, Marine Corps, Coast Guard, and the nation. Our people are a vital part of the Navy's intellectual capital, and represent a national asset. We make naval technical programs successful; help the Navy determine and develop the capabilities it needs; verify the quality, safety, and effectiveness of ships and systems; help design, develop, and field solutions for urgent operational fleet needs; and provide a bridge between warfighters and the technical community.

The NAVSEA Warfare Centers Strategic Business Plan provides a five-year blueprint for our way forward to optimize our value; providing concrete goals that enable us operate at peak effectiveness, efficiency, affordability, proficiency and safety. Execution of this Strategic Business Plan will help us more ably navigate our way in a challenging environment characterized by fiscal uncertainty and ongoing change. It will give each and every one of us tangible ways to contribute to the Warfare Centers' missions, wherever we work in the organization.

The five strategic goals presented in this document are completely aligned to NAVSEA and higher-level guidance, and establish the direction the Warfare Centers will take to accomplish our missions and fulfill our obligations to NAVSEA, the Navy, and the nation. Each goal is supported by actionable objectives for how the goal will be pursued. We will develop phased implementation plans to provide more specific direction and clarify intent as needed in order to successfully execute the Strategic Business Plan.

We have built on our past successes to make the Warfare Centers what they are today. The Strategic Business Plan builds on work as active members of NAVSEA's strategic planning process, and confirms our commitment to the qualities and principles outlined in the Warfare Centers Enduring Relevance document. Together, we are confident that we can continue to provide unique value to the Navy, as we adhere to the highest operating principles that enable us to achieve our desired end state that is critical for the Navy to be successful.

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**December 2014**

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## Overview

In 1992, the Navy established the Naval Surface Warfare Center (NSWC) and the Naval Undersea Warfare Center (NUWC) as Echelon III commands under NAVSEA to perform science, technology, research, test and evaluation for the future Navy, and to deliver products and provide support for the operating fleet. Both Warfare Centers, while operating their subordinate Divisions as discrete business units, have continually improved their operational efficiency and effectiveness.

In 2003, NSWC and NUWC began operating as an integrated entity, collaborating with our partners who provide us with program funding, adopting a common work assignment process to get the right work to the right site, improving business processes to become more efficient, and shifting from site-centric to national business management and collaborative leadership. A Warfare Center Board of Directors (WCBOD), made up of the two Flag Commanders and the Senior Executive Service (SES) Executive Directors (EDs) of NSWC and NUWC, was formed to provide overall governance.

Since the standup of the WCBOD, significant progress has been made in areas of common work acceptance, work assignment, technical capability assessment, and in the institutionalization of numerous common processes, common organizations, and change initiatives to provide transparency to each other, our partners, and our stakeholders. To strengthen synergy between the Warfare Centers, the two SES Executive Director positions were combined into a single Executive Director, leading both the Naval Surface and Undersea Warfare Centers in 2014. The WCBOD continues to focus on driving teamwork within the NSWC and NUWC Divisions and respective Headquarters' Command Staffs, as well as to collaborate nationally across System Commands (SYSCOMs).



## ***Mission/Vision***

The Warfare Centers are assigned mission responsibilities per NAVSEA instruction.

### **NAVAL SURFACE WARFARE CENTER**

The mission of NSWC is to operate the Navy's full-spectrum research, development, test and evaluation, engineering, and fleet support center for ship systems, surface ship combat, and weapons systems, littoral warfare systems, force warfare systems, and other offensive and defensive systems associated with surface warfare and related areas of joint, homeland and national defense systems from sea and ashore. NSWC also provides the Navy's core technical capability for the integration of weapons, combat and ship systems into surface ships and vehicles and for development and integration of energetic materials for joint applications.

### **NAVAL UNDERSEA WARFARE CENTER**

The mission of NUWC is to operate the Navy's full-spectrum research, development, test, and evaluation, engineering, and fleet support center for submarines, autonomous underwater systems, and offensive and defensive weapons systems associated with undersea warfare and related areas of homeland security and national defense. NUWC also provides the Navy's core technical capability for the integration of weapons, combat and ship systems into submarines and undersea vehicles.

## ***Shared Vision***

We exist to make Navy programs successful. Our vision is to be the Navy's trusted partner for identifying and providing innovative cost effective technical solutions to the warfighter. We will be responsive to the Navy enterprises, the joint force and national requirements, while partnering with industry, other DOD laboratories, and academia.



## Goals/Objectives

The Warfare Centers strategic goals and objectives have evolved as we have matured as an organization, and as the focus areas of the Navy and the nation have adjusted to a constantly changing world. While we periodically revisit our strategic plan, some of what has prompted us to revise our goals includes demands for even greater transparency and objective evidence, building on our successful national collaboration, and the mounting need for workforce shaping and leadership succession initiatives. We also saw an opportunity to directly address and align to the NAVSEA Strategic Business Plan and strengthen elements of our stakeholder engagement to build better understanding of the Warfare Centers’ unique value.

# NAVSEA STRATEGIC FRAMEWORK

## MISSION

We design, build, deliver, and maintain ships and systems on time and on cost for the United States Navy

## VISION

We are the nation’s team accountable for the health of the Navy’s ships.  
 We purposefully operate to ensure the U.S. Navy can protect and defend America.  
 We must be supported by a modern, efficient industrial base  
 We must be a world-class employer of choice that inspires innovation.  
 We must set the value-added standard for acquisition, engineering, business, and maintenance.

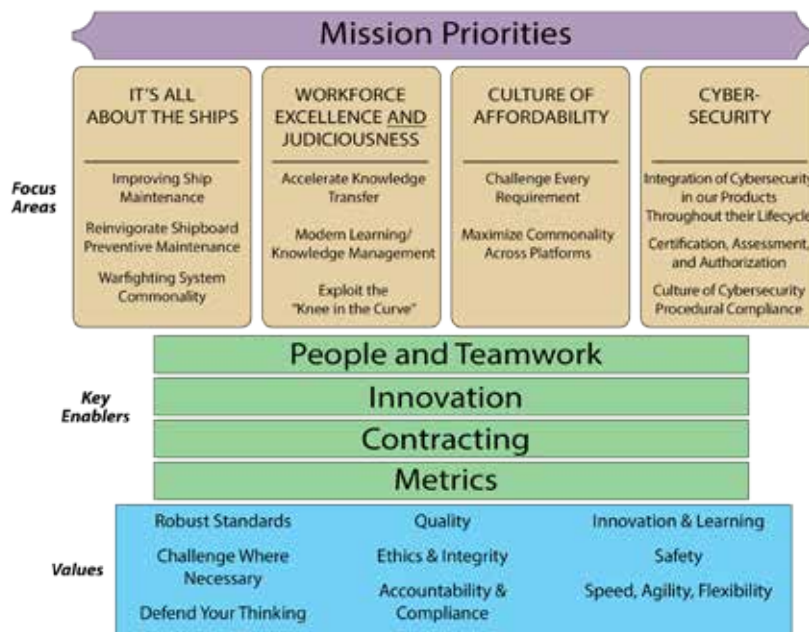


Figure 1. NAVSEA Strategic Framework

## GOAL 1: EXECUTE WITH EXCELLENCE

The Warfare Centers will execute technical programs today, support urgent operational needs, and develop the technology for tomorrow's Navy. To reach this goal, we must draw on our relationships with Navy decision makers; achieve clarity and common understanding in requirements; continue to challenge requirements when necessary; and identify objective, data-driven solutions and risk-based options. We must have in place or establish disciplined processes and systems to monitor execution and validate the quality of our technical efforts. We will encourage a collaborative and integrated Warfare Center approach to partner and stakeholder engagement, while removing any lingering barriers to our collaboration within the Warfare Center Divisions. We must work with our funding sponsors to encourage the use of detailed task definition with identified deliverables to provide the transparency necessary for decision makers to make informed decisions on the prioritization of efforts. We must also focus on applying the same rigor and discipline to our business processes that are the foundation for excellence in technical execution. Sustainment and development of our workforce will remain key enablers for our performance, as we carry out our technical authority responsibilities through disciplined execution and encourage innovation and collaboration within our Warfare Center Divisions, and with other government laboratories, industry, and academic partners to achieve our objectives.

### Actionable objectives:

- A. Provide collaborative cost-effective integrated solutions and proposals to program managers
- B. Conduct joint program office/Warfare Center portfolio reviews of program acquisition strategies and plans
- C. Strengthen the Warfare Center analysis capability to provide kill chain and engineering value analysis, as well as identifying 'knee in the curve' parameters to provide risk-based options to program managers
- D. Execute Integration & Interoperability roles, and Mission Engineering, with a focus on System of Systems Integration to address warfighting system commonality goals
- E. Establish cross-Division innovation cells to rapidly create, develop and implement disruptive solutions to address needs of the warfighter, shipyards, and others
- F. Improve execution of business support functions with increased discipline and transparency
- G. Continually assess how we measure technical rigor and quality of execution.



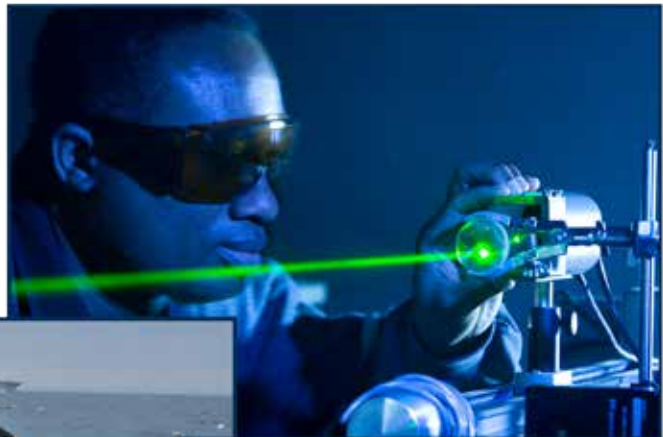


## GOAL 2: SHAPE AND MAINTAIN TECHNICAL AND BUSINESS CAPABILITIES

The Warfare Centers will shape and maintain technical and business capabilities that support current and future naval and national requirements. We must balance fiscal pressures with the need for prudent investment in science and technology that is critical for developing current and future capabilities. We also need to identify the subset of our work that should be governmental, or that cannot be dependably obtained from non-governmental sources. Our emphasis must be on fostering innovative and responsive initiatives that anticipate the future requirements of our partners as cost-effectiveness and demand remain critical drivers. As we work toward these goals, we will need to remain cognizant of resource constraints and optimize our investments in people, infrastructure, and tools to meet capability and capacity demands.

### Actionable objectives:

- A. Continuously improve corporate assessment processes and tools to ensure that Warfare Center capabilities remain technically relevant to today's and tomorrow's warfighters.
- B. Balance investment decisions made in people, facilities, equipment, and tools that sustain current requirements and enable development of technical and business capabilities for the future
- C. Actively engage our stakeholders and partners to ensure that our capabilities are aligned and that we are responsive to their current and future requirements
- D. Identify right work that is essential for naval capabilities for today and tomorrow
- E. Support the Navy Laboratory/Center Coordinating Group in developing a common understanding of and business rules for cross-SYSCOM roles and responsibilities, work acceptance, and assignment transparency
- F. Strengthen business capabilities by achieving common organizations and common costing models throughout our Warfare Center Division business departments and operations



## GOAL 3: DRIVE A CULTURE OF AFFORDABILITY

The Warfare Centers will challenge costly requirements and instill in our workforce a culture in which we “treat every dollar as if it’s our own”. We must implement and share innovative practices that maximize efficiency, effectiveness, and affordability. We must embrace the need to balance “better, faster, cheaper” and be willing to identify and assume some degree of smart risk. We will drive this cultural change by focusing on our people (training and development), processes (Lean, innovation, decreases in variation), and products (performance, integration and interoperability). We will also focus on our contracting processes to ensure that we provide Navy decision makers with better buying power, including elements of competition, innovation, and correct specifications in order to increase our effectiveness and reduce our costs.

### Actionable objectives:

- A. Identify opportunities to drive affordability through commonality across systems and platforms
- B. Encourage workforce to challenge requirements and identify smart risk opportunities
- C. Conduct joint Flag/SES-level reviews with PEOs and Program Offices to assess Warfare Center carryover funding and identify funding available for other requirements
- D. Conduct cross-Division and joint Warfare Center/partner national value stream Lean events across the program life cycle or across the mission kill chains that achieve reductions in FY15+ programs, and identify available resources for program needs
- E. Recognize individuals and teams that challenge requirements and identify innovative, affordable, or risk-based solutions
- F. Communicate affordability messages internally and externally
- G. Increase efficiencies in our contracting, business, and technical processes



## GOAL 4: CONTINUOUSLY BUILD AND SHAPE A CAPABLE WORKFORCE

The Warfare Centers will shape and maintain a workforce capable of undertaking current and future workload, and sustaining technical authority and requisite technical capabilities. To achieve this goal we must continue to advocate and integrate external policies and flexibilities that enable the Warfare Centers to inspire, attract, hire, develop, and engage a world-class workforce. We must foster a climate of diversity and ethical behavior while providing for a safe work environment. We will continue to seek remedies to reduce administrative burden, while ensuring that we balance our skill base with compliance requirements. We must also improve our ability to discover and share knowledge across the workforce, from entry-level to senior personnel. Recognizing the critical role of leadership, we must develop future leaders capable of assuming expanded roles for the Navy. As we move forward, our Warfare Centers workforce strategies and goals must be aligned to NAVSEA, as we are an integral part of the NAVSEA Total Workforce.

### Actionable objectives:

- A. Develop and sustain a systematic approach for the development and transfer of knowledge through talent management strategies (e.g., succession planning) to sustain Warfare Center intellectual capital
- B. Communicate with and develop a workforce that understands and enhances the value of Warfare Center products and services
- C. Continue to remove administrative burden from the workforce while finding innovative ways to meet compliance requirements
- D. Create an inclusive learning environment to foster a holistic approach to attain workforce excellence and innovation through recruiting, training, retaining
- E. Prepare employees for leadership at all levels



## GOAL 5: INCREASE CYBERSECURITY IN WARFARE CENTER PRODUCTS AND PROCESSES

As the environment in which we operate has become increasingly connected, so the cyber threat has risen, leading the Navy to focus on gaining a holistic view of cybersecurity risk and address fragmented and uneven cybersecurity levels across platforms and systems. We recognize that modernization alone will not keep our systems secure and therefore will address cybersecurity from resourcing, cultural, and organizational change perspectives. Our focus will be on integration of cybersecurity in our products throughout their lifecycle; certification, assessment, and accreditation of our systems; and developing a culture of cybersecurity procedural compliance.

- A. Ensure cybersecurity is treated as “Commander’s business” at every command
- B. Ensure senior leaders possess the tools, knowledge and resources needed to develop, implement, and sustain effective cybersecurity self-assessment programs within their commands
- C. Act as a learning organization by deploying cybersecurity best practices and leveraging lessons learned across all commands.
- D. Maintain a workforce with the necessary qualifications and certifications to support cybersecurity requirements
- E. Meet all standards and measures established by higher authority for good “cybersecurity hygiene”



## Warfare Centers Enduring Relevance

*Through the delivery of our unique value to the Navy in a manner consistent with our operating principles we strive to advance the Warfare Centers' reputation for excellence, thus providing enduring relevance.*

The NAVSEA Warfare Centers perform a singular and vital role as stewards of the Navy's technical capabilities, critical knowledge, and unique facilities.

### THE WARFARE CENTERS EXIST TO PROVIDE UNIQUE VALUE TO THE NAVY

**To Make Navy Technical Programs Successful** – Warfare Centers safeguard the technical success of Navy programs by providing customers with unbiased technical advice. We strive to make industry successful and work with our partners to provide options based on high-, medium- and low-risk solutions. We bring together solutions and provide products and services that meet national security challenges of today and tomorrow.

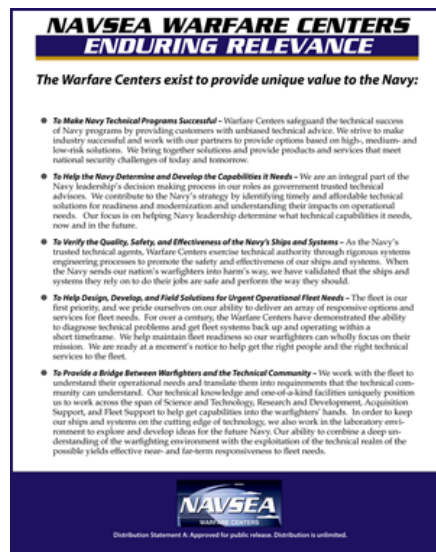
**To Help the Navy Determine and Develop the Capabilities it Needs** – We are an integral part of the Navy leadership's decision making process in our roles as government trusted technical advisors. We contribute to the Navy strategy by identifying timely and affordable technical solutions for readiness and modernization and understanding their impacts on operational needs. Our focus is on helping Navy leadership determine what technical capabilities it needs, now and in the future.

**To Verify the Quality, Safety, and Effectiveness of the Navy's Ships and Systems** – As the Navy's trusted technical agents, Warfare Centers exercise technical authority through rigorous systems engineering processes to promote the safety and effectiveness of our ships and systems. When the Navy sends our nation's warfighters into harm's way, we have validated that the ships and systems they rely on to do their jobs are safe and perform the way they should.

**To Help Design, Develop, and Field Solutions for Urgent Operational Fleet Needs** – The fleet is our first priority, and we pride ourselves on our ability to deliver an array of responsive options and services for fleet needs. For over a century, the Warfare Centers have demonstrated the ability to diagnose technical problems and get fleet systems back up and operating within a short timeframe. We help maintain fleet readiness so our warfighters can wholly focus on their mission. We are ready at a moment's notice to help get the right people and the right technical services to the fleet.

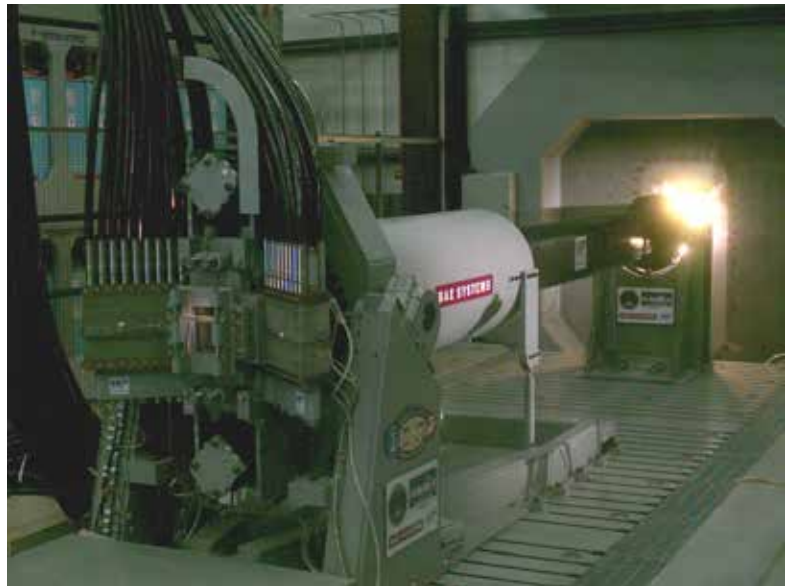
**To Provide a Bridge Between Warfighters and the Technical Community** –

We work with the fleet to understand their operational needs and translate them into requirements that the technical community can understand. Our technical knowledge and one-of-a-kind facilities uniquely position us to work across the span of Science and Technology, Research and Development, Acquisition Support, and Fleet Support to help get capabilities into the warfighters' hands. In order to keep our ships and systems on the cutting edge of technology, we also work in the laboratory environment to explore and develop ideas for the future Navy. Our ability to combine a deep understanding of the warfighting environment with the exploitation of the technical realm of the possible yields effective near- and far-term responsiveness to fleet needs.



## OPERATING PRINCIPLES

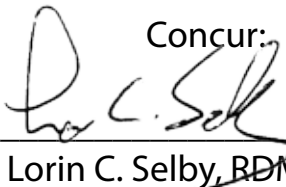
- **Do what is Right for the Nation and the Navy** – We value our government role as technical advisor for the Navy above all else. At all times, we do what is right for the nation and the Navy, even at the expense of local interests. We value objective decision making, and we must be courageous at all times.
- **Foster Broad and Open Competition** – We work with the program offices to develop second sources and through our contracting efforts we create an environment of broad and open competition, ensuring innovation and best value from our industry partners.
- **Provide Unbiased Analysis** – As data-driven systems engineering organizations, we understand how the systems we support perform, where the Navy should invest to make improvements, and how the options under consideration can be prioritized.
- **Grow and Mentor our People** – Our people are a significant part of the intellectual capital of the Navy and are a national asset. We help our people leverage opportunities for professional growth, both inside and outside the organization. The more they understand the fleet, HQ, and program office needs, the more effective and responsive they can be.
- **Enable Technology Transfer** – We find innovative ways to bridge the gap in transitioning new technologies into programs of record.
- **Maintain a Systems Perspective** – We consider the end-to-end system, and not just its pieces, in our recommendations and decisions.
- **Provide Balanced Options and Services to the Customer/ Fleet/Stakeholder** – We strive to provide a range of balanced technical options that address not only technical risk, but cost and schedule.
- **Maintain Vital Technical Capabilities and Unique Facilities** – We are stewards of our technical capabilities and a source of critical technical expertise for the Nation. We measure our technical health and work with Navy leadership to ensure needed capabilities and facilities are sustained.
- **Take Responsibility and be accountable** – As government employees we are accountable and responsible for making sure our technical and business support operations do what is best for the Navy.
- **Think Strategically** – We bridge gaps between warfighter, program office, and S&T community, and help connect the Navy of today and the Navy of tomorrow.
- **Continuously Improve** – We create new value for the Navy by inventing and applying ideas, technologies, and processes. We never rest on our laurels, but always strive for better alliances with the program offices, industry, and the fleet. We take our responsibility seriously to provide and maintain the Navy with the best solutions, now and for posterity.



# STRATEGIC BUSINESS PLAN

2015 - 2019

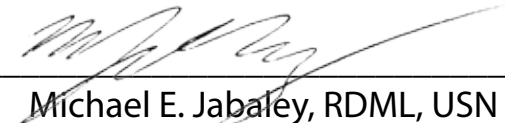
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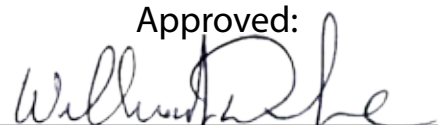
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# STRATEGIC BUSINESS PLAN

2015 - 2019

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