

COMNAV SURFPAC

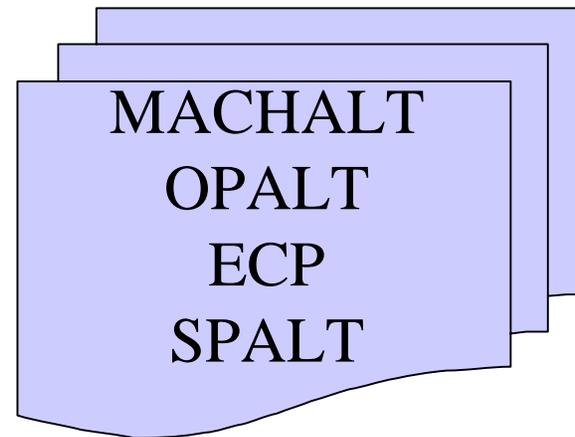
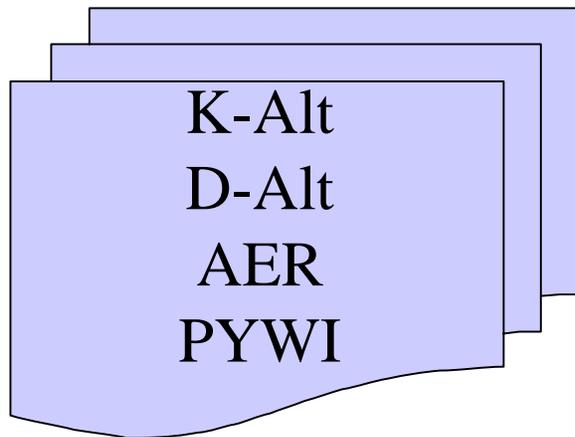


**FLEET MODERNIZATION
PROGRAM CONFERENCE
28 January 2003**



ALTERATION TYPES

Approximately 40 Different Types



WHY?

WHAT IS RIGHT NUMBER of
TYPES?



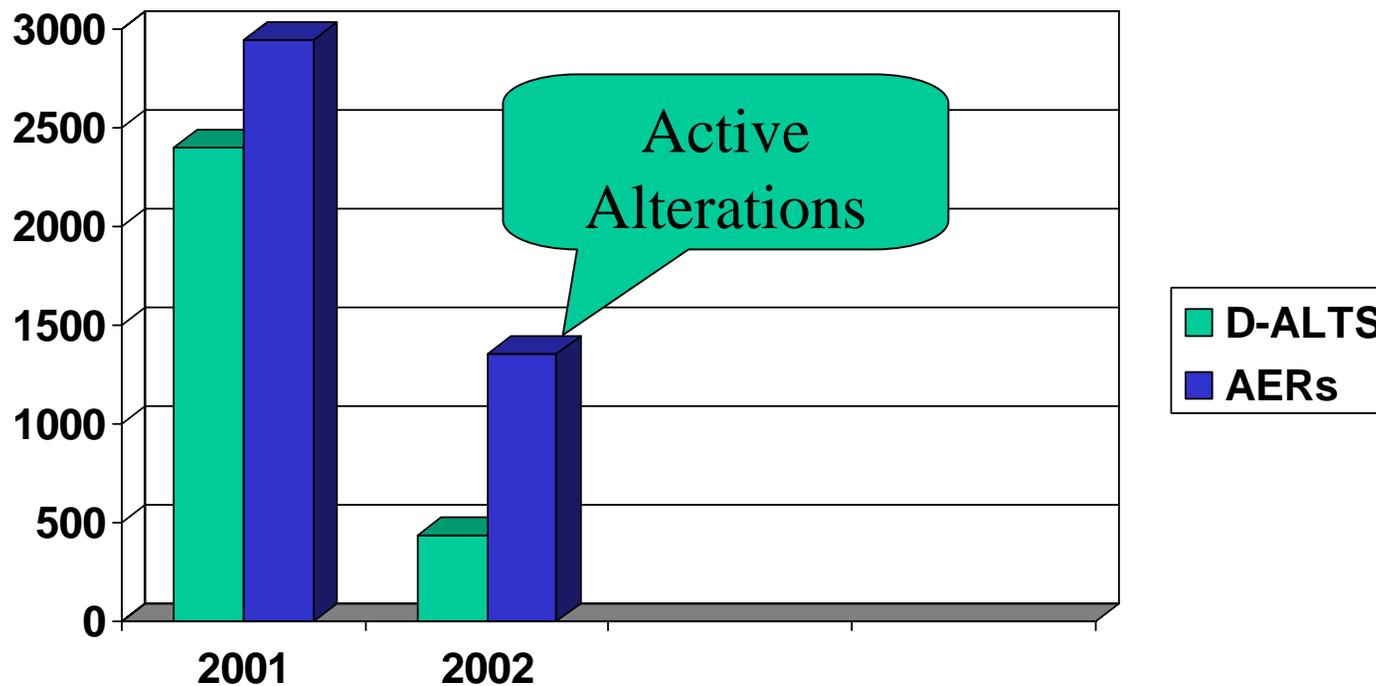
FMP Alteration Review by Class

Jan 2002

AER / D-ALT REVIEW STATUS								
	D-ALT'S			AER'S				
SHIP CLASS	CURRENT ACTIVE D-ALT'S	PROPOSED ACTIVE	PROPOSED CANCELED	CURRENT ACTIVE AER'S	PROPOSED ACTIVE	PROPOSED CANCELED	CONCURRENCE STATUS	FMPMIS UPDATING STATUS
AGF	517	20	497	66	32	34	CNSL	Comp
AOE 1	69	27	42	64	21	43	CNSL	Comp
AOE 6	40	34	6	99	62	37	CNSL	Comp
ARS 50	26	6	20	47	10	37	CNSL	Comp
CG	30	24	6	358	309	49	CNSL	Comp
DD	187	4	183	545	36	509	CNSL	Comp
DDG	27	23	4	288	194	94	CNSL	Comp
FFG	109	58	51	307	216	91	CNSL	Comp
LCC	122	30	92	128	60	68	CNSL	Comp
LHA	195	47	148	175	82	93	CNSL	Comp
LHD 1	81	40	41	113	80	33	CNSL	Comp
LHD 5	22	20	2	0	0	0	CNSL	Comp
LPD	325	25	300	174	41	133	CNSL	Comp
LSD 36	378	15	363	163	28	135	CNSL	Comp
LSD 41	107	42	65	278	91	187	CNSL	Comp
LDS 49	25	24	1	120	79	41	CNSL	Comp
LST 1179	137	0	137	17	0	17	CNSL	Comp



FMP Alteration Review Jan 2002



82% D-Alts passed to History
54% AERs passed to History

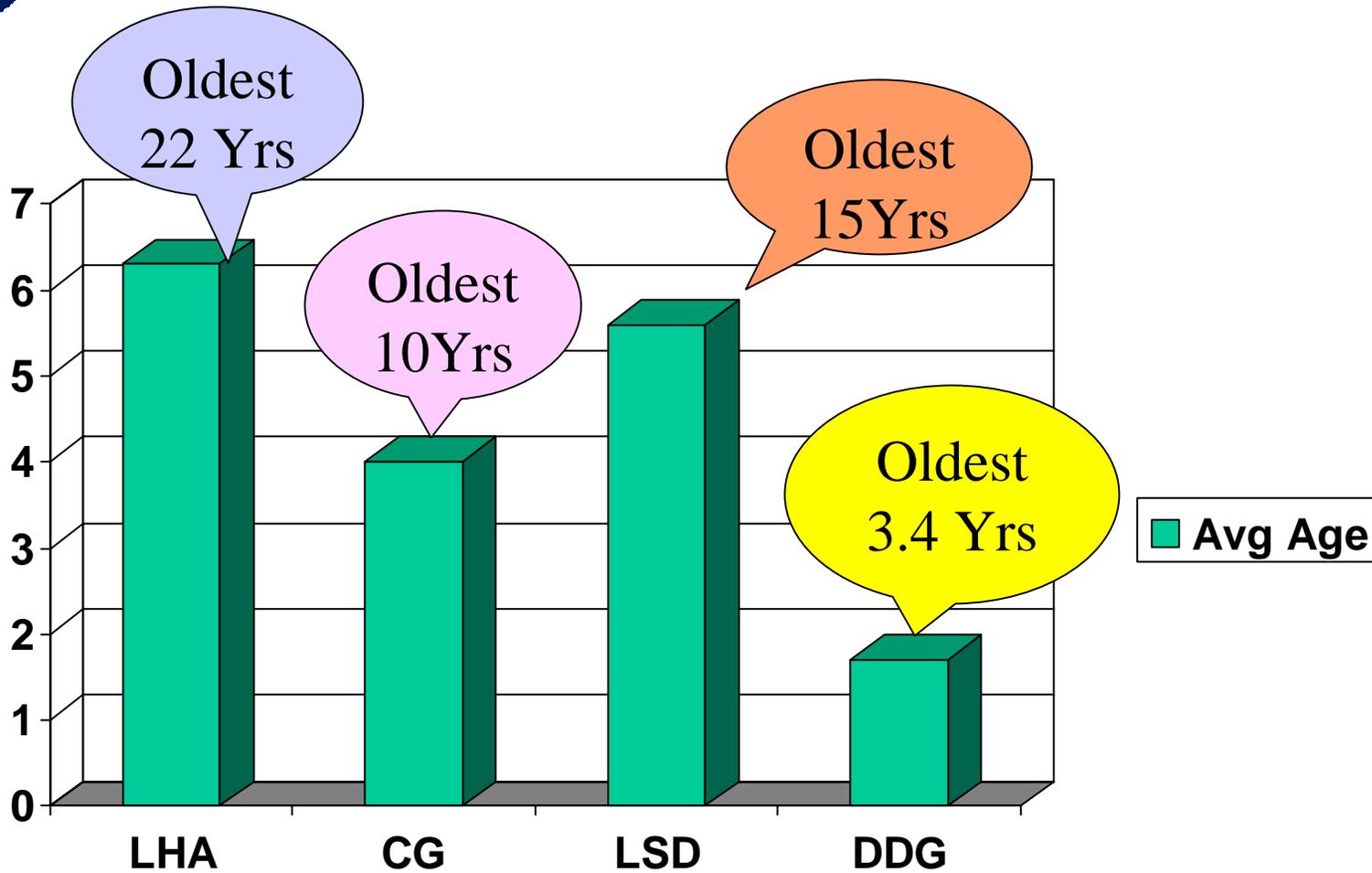


FMP Alteration Review Jan 2002





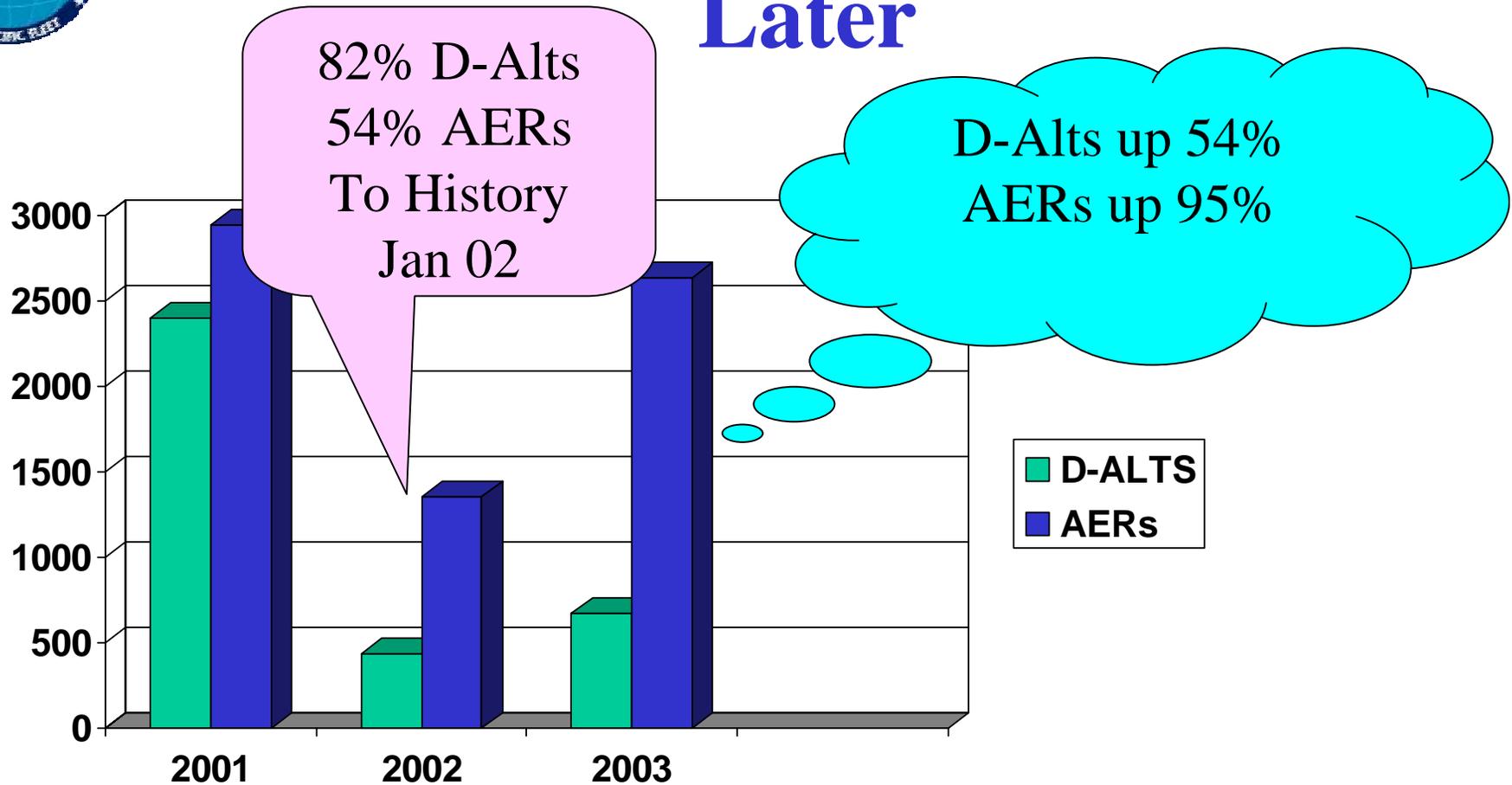
D-ALT Average Age



* Age based on SAR date to Jan 03



FMP Alteration Review One Year Later



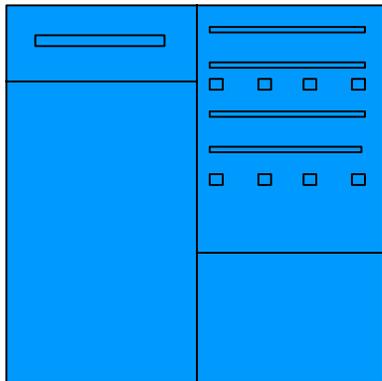
EVEN WITH A CONSERVED EFFORT BY FLEET TO MINIMIZE GROWTH, THE LISTS STILL GROW



FMP DATA BASE

Prioritize
Accurate Cost
Completion Status

Alteration Age
Program Schedule



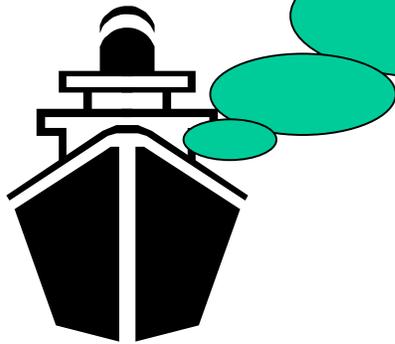
Single data base "used" by all.

Not multiple data bases with Interfaces



FLEET FMP VISION

Sailor in the Fleet can view “THE” up to date Data Base and see all applicable alterations and know when it is programmed





SHIPMAIN

SHIPMAIN is a CNSF, COMNAVSEA, and CNAF chartered revolutionary effort to re-engineer the ship maintenance planning process.

SHIPMAIN will challenge

- Culture
- Paradigms

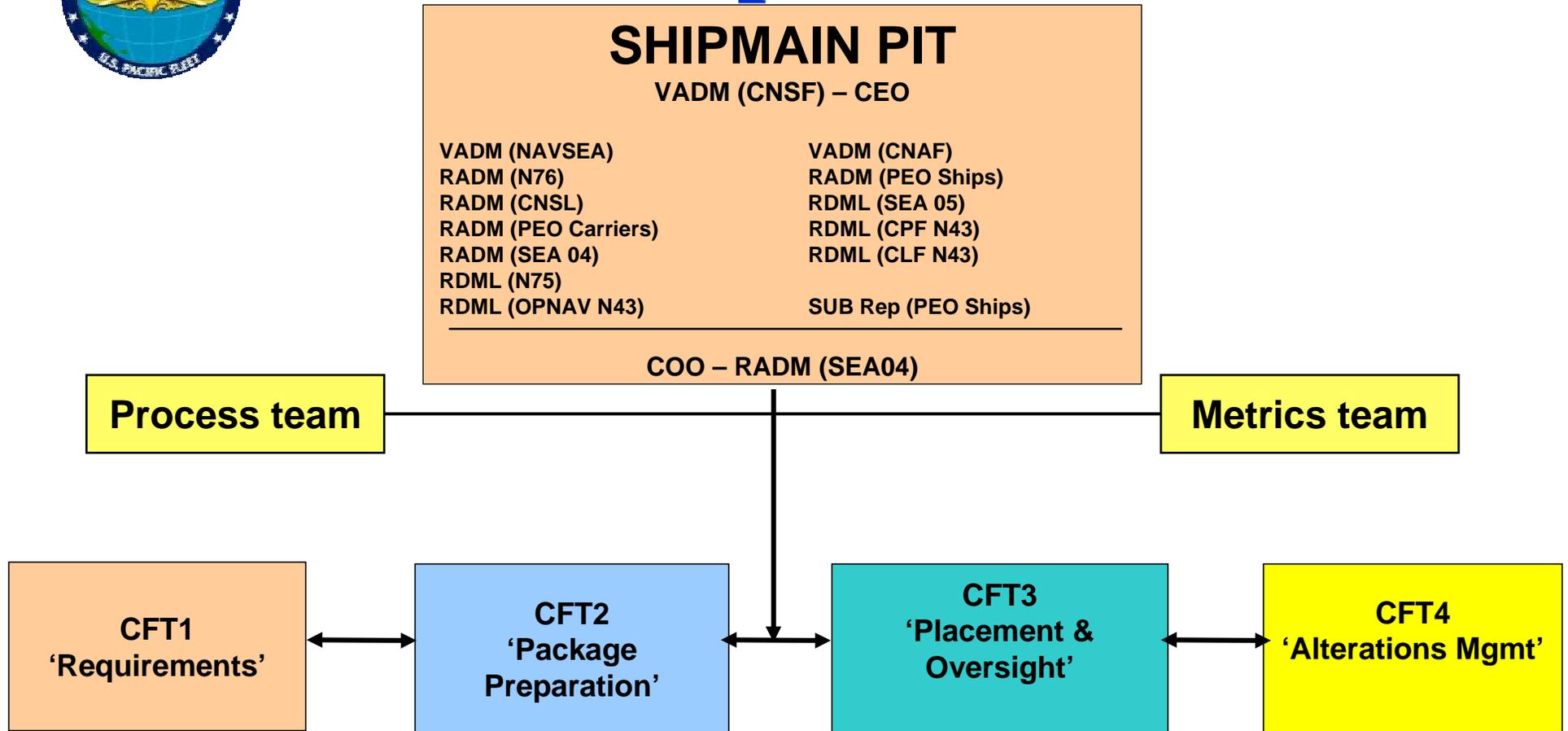
AND

- Remove Barriers





Leadership Team Structure





Challenge: Change the Culture

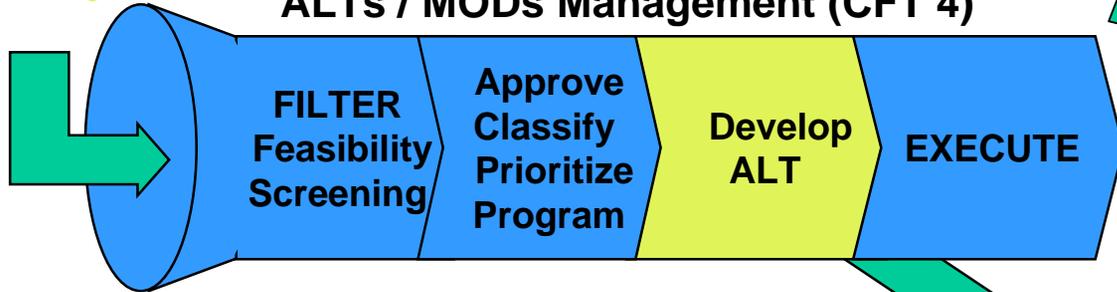
- The culture of an organization is
 - The way we do things. The way we think about things. Norms and behaviors.
 - ... a set of communally held norms and beliefs, as well as certain behaviors that naturally result from those norms and beliefs.
 - We say a culture is ‘strong’ when many individuals share the norms and beliefs, and there is a strong tendency to behave in certain ways.
- Culture matters because
 - The business environment is continually changing.
 - New environments often require new behavior.
 - New behaviors may not be compatible with the old culture.
 - Culture can get in the way of change, by causing old behaviors to continue.

**You must change the way people think,
in order to change they way they behave.**

ALTs / MODs - Scope in SHIPMAIN

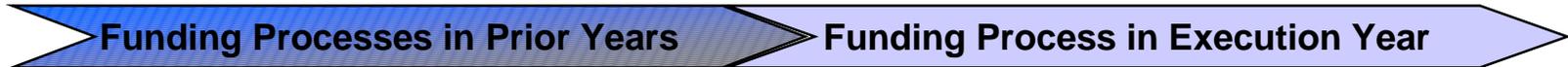
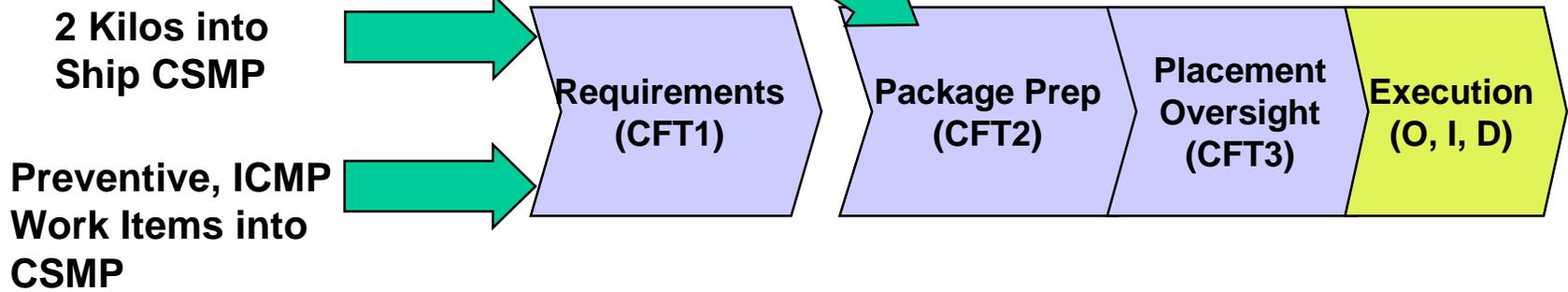
Central Point for ANY and ALL proposed changes to ship and ship systems

ALTs / MODs Management (CFT 4)



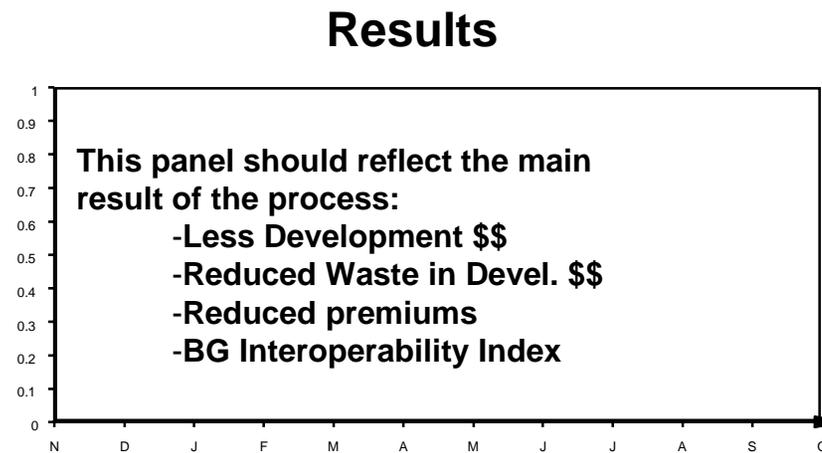
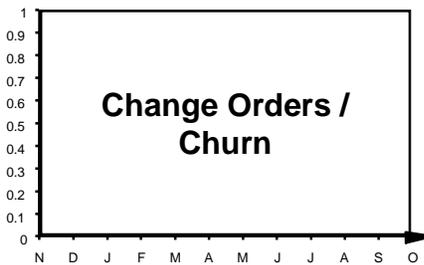
Monitor Median age of Alteration

Only Develop Alts That will be executed In a relevant time frame

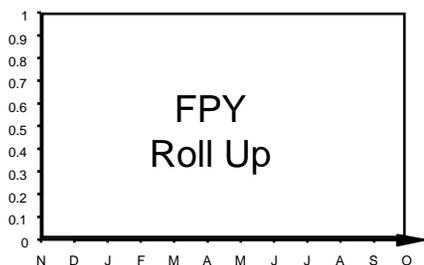
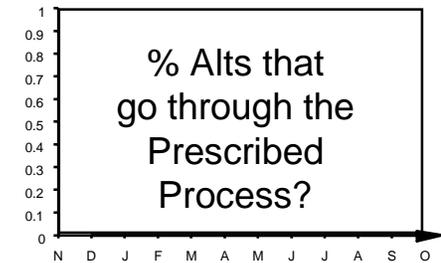
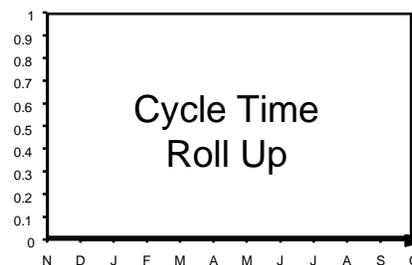
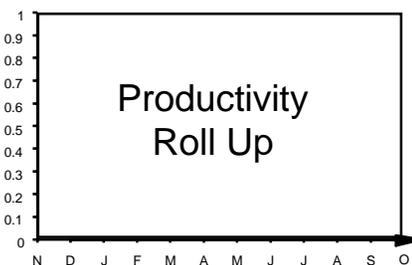




ALTs / MODs – Bridge Plot



Drivers





BACK UPS



SHIPMAIN

- Multi-Year Effort
- Improve Efficiency of the Alterations / Maintenance Process
 - Resource Productivity
 - More MD of Work for \$\$ Spent
- Highly Cross-Functional
- Includes
 - Surface Ships
 - Carriers (HM&E Non-Nuclear)



SHIPMAIN GOALS

- Reduce cost of process while improving effectiveness
- Improve quality of work candidate description/requirement
- Reduce planning process churn, planning hand-offs, and inefficiencies in current processes
- Reduce time required from work identification to work start
- Improve First Pass Yield...do it right the first time
- Improve On Time Delivery...product provided at the right time
- Apply Cycles of Learning...learn from both good and not so good.



SHIPMAIN Barriers

BUSINESS PROCESS

- No common seamless horizontal process
- No mechanism to prioritize, coordinate, and control the launch of numerous initiatives
- Inadequate identification, verification, and articulation of the 2 Kilos
- Planning process is not meeting milestone OTD's.
- Excessive new work and growth drive premium costs
- The maintenance process does not align well with the ships' operating schedules
- Proliferation of waterfront organizations is a substitute process for a common seamless process



SHIPMAIN Barriers

CULTURAL

- No single process owner
- Lack of a process mindset
- Accept surface maintenance as disjointed functions
- Difficult to make and institutionalize major changes due to short tours and multiple silos
- What the CO wants, the CO gets
- “We want CASREPs fixed now” regardless of cost
- Decisions frequently made with emotion not data
- Unclear accountability of ships’ force and Port Engineers



SHIPMAIN Architecture

- Process performance improvement effort divided into 4 Cross Functional Teams (CFT)
 - Work identification and authorization – CFT 1
 - Better 2K's and less rework
 - Work package preparation – CFT 2
 - Planning only what's executed, getting funding and material delivered on time
 - Contract Placement/Oversight – CFT3
 - Delivering the right contract that allows contractor to perform at his best, eliminating changes from contract
 - Alterations/Modifications – CFT4
 - Goal is to eliminate planning for alts that are not installed and deliver installation products on time to facilitate package prep effort.
- This process currently involves over 6000 personnel, our goal is to cut this in half over a 4 year period.
 - Vast majority of these personnel belong to non-fleet activities (SUPSHIPs, planning yards, CHET/EHET, etc)
- An overarching Performance Improvement Team (PIT) will oversee the efforts of the 4 CFTs and ensure commonality of processes and metrics



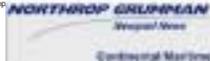
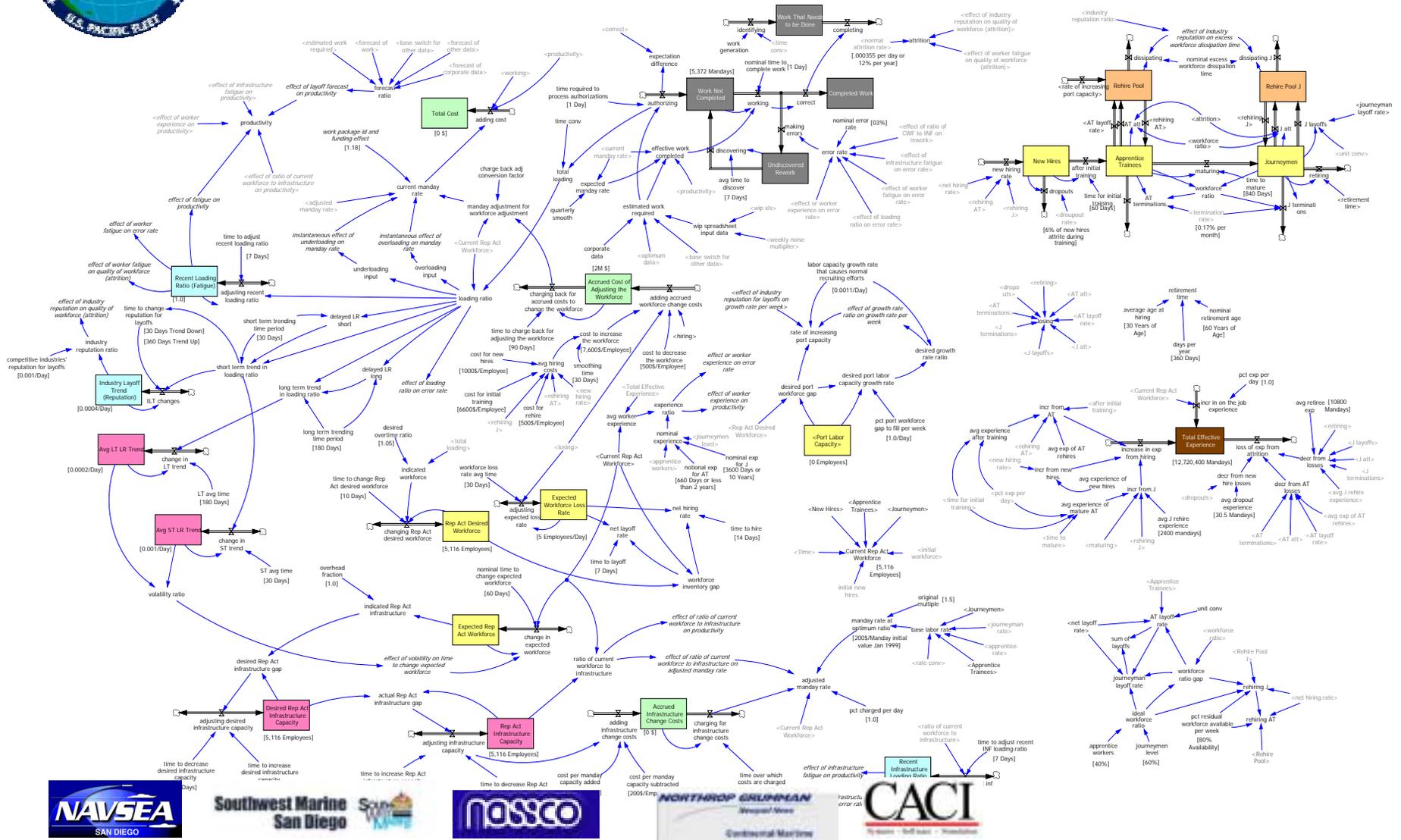
Challenge: Shift Paradigms

- Organizations operate with a system of values, rules and procedures.
- They are based on the paradigms (mental models) of the Leadership Team.
- Paradigms evolve over time and are based on experience and beliefs about the organization and the environment in which it operates.
- Thus the paradigms of the people who lead the change process influence how change occurs.
- To make fundamental changes in SHIPMAIN, Senior Leadership must make fundamental changes in some of their mental models.

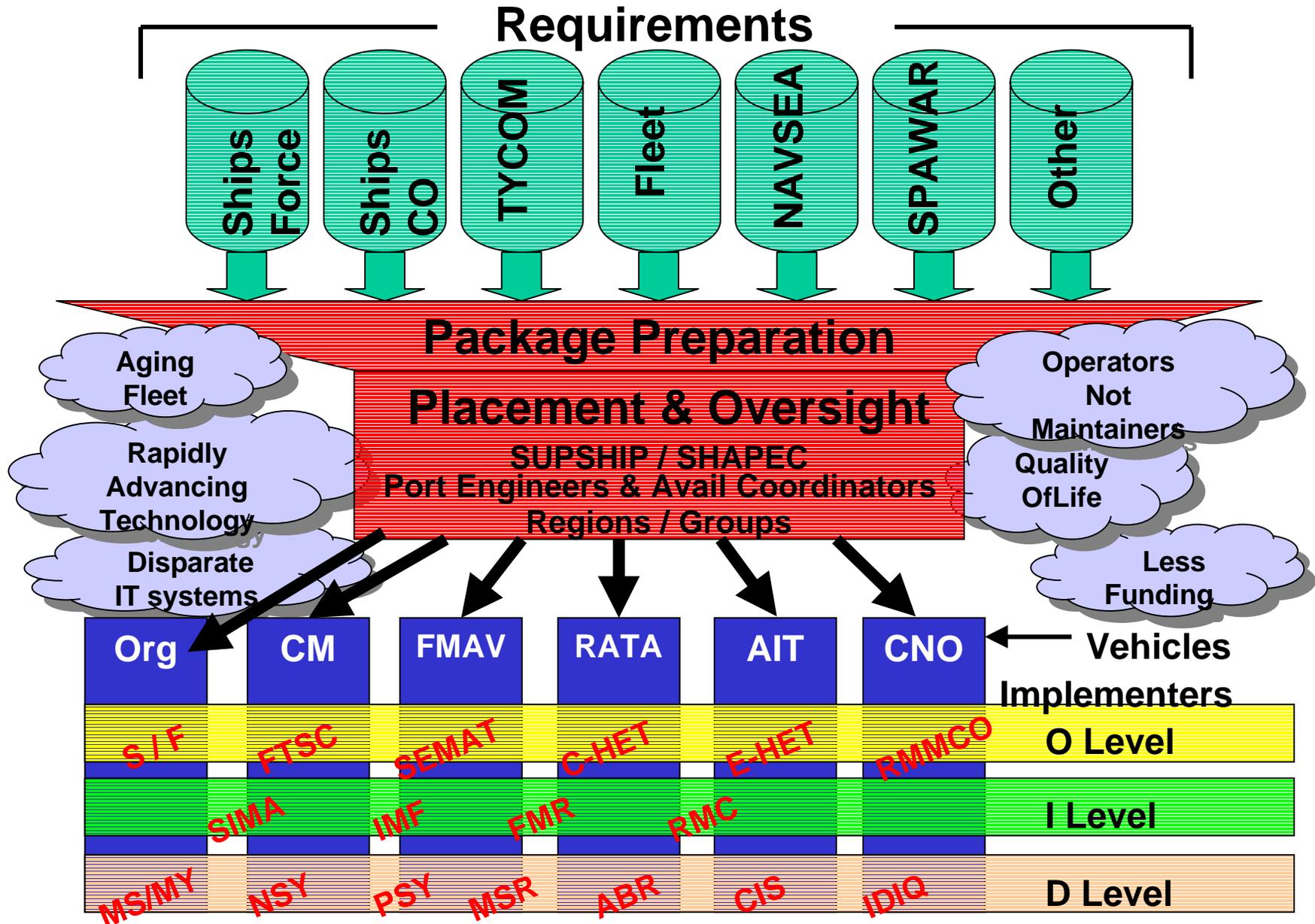
**If you want incremental change, examine your practices.
If you want breakthrough change, challenge your paradigms.**



Complex Waterfront Model



Complex Processes - Surface Ship Maintenance



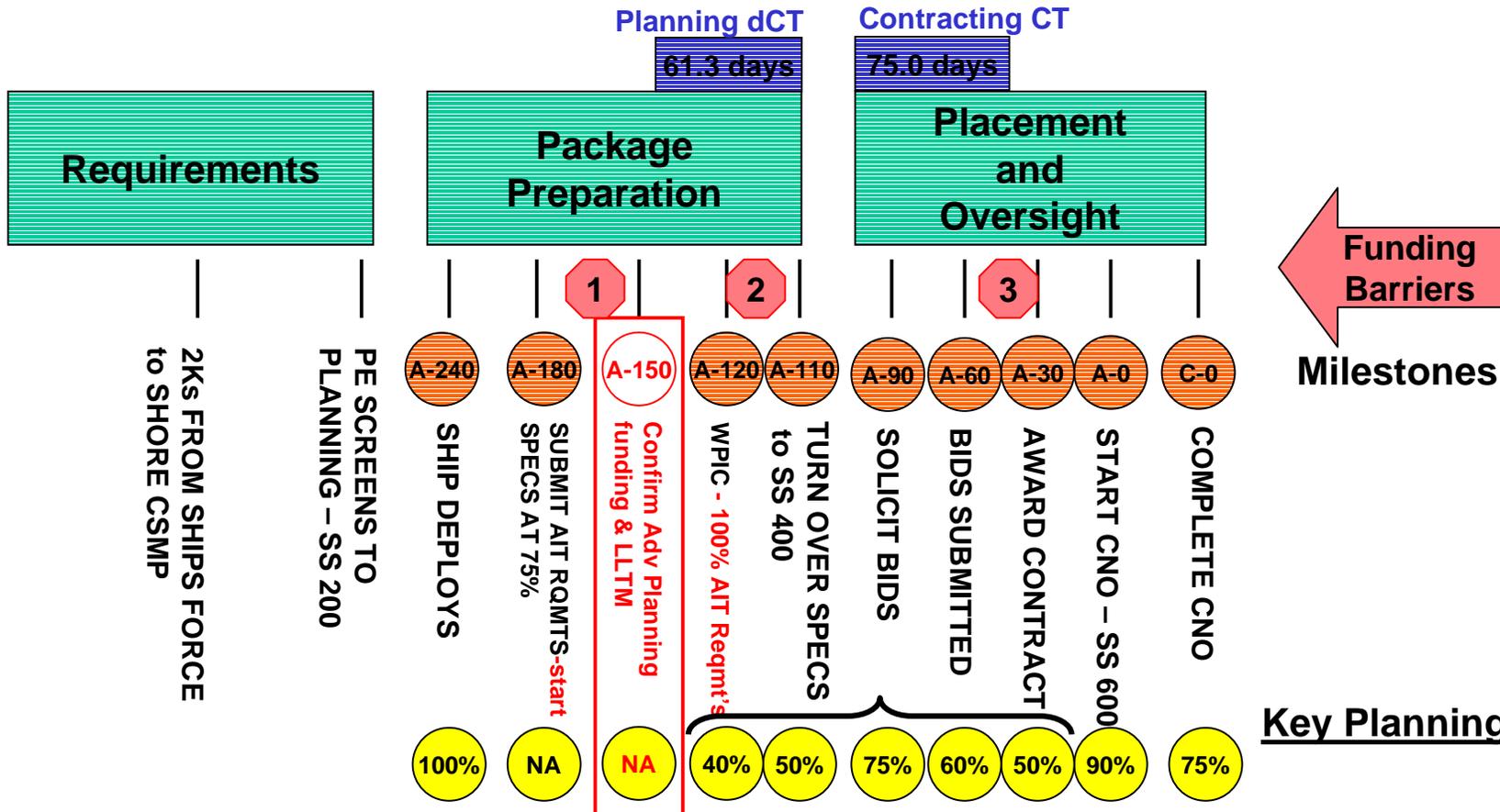
SHIPMAIN

Process Measurements (OTD, CT, FPY)



Baseline

FPY = 10%
 CT = 136 days





FMP 2002 Alteration Review Overview

17 SHIP CLASSES

	D-ALT	AER
Current Active	2397	2942
Proposed Keep	439	1351
Pass to History	1958	1591
% Reduction	82	54

Status as of 7 Jan 02