Navy Enterprise Resource Planning (ERP)

27 October 2004
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Briefing Outline

• NAVY ERP
  – Evolution Of Navy ERP
  – Scope of Navy ERP Systems
  – What the Pilots Proved
  – One Program With One Mission
  – Convergence Strategy
  – Scope Of Navy ERP Templates

• MARITIME SOLUTION
  – Functionality Overview
  – System Consolidation
  – Status
  – Geographic Rollout Scope

• Summary
# Evolution of Navy ERP

## Efforts That Established Mission Need

<table>
<thead>
<tr>
<th>Mandate</th>
<th>Pilots</th>
<th>One Navy Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revolution In Business Affairs &amp; JV 2020 Vision</td>
<td>Pilot established 1998</td>
<td>ASN (RDA) directed convergence of Navy ERP Pilots</td>
</tr>
<tr>
<td>Commercial Best Practices (CBP) ESG established</td>
<td>Directed use of commercial approach</td>
<td>CNO &amp; SECNAV declared support for Convergence to proceed</td>
</tr>
<tr>
<td>Give priority to investments that will cut our operating or business costs, such as Enterprise Resource Planning (ERP)</td>
<td>Goals:</td>
<td>Navy ERP PMO Established</td>
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<tr>
<td></td>
<td>- Standardize DoN processes</td>
<td>Requirements letter signed by ASN (RD&amp;A) and N4</td>
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<td></td>
<td>- Provide an Integrated Enterprise solution that seamlessly supports end-to-end capability</td>
<td>Operational Requirements Document Development Initiated</td>
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<td>- Demonstrate ability to provide accurate, consistent, timely financial information from a single source</td>
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<td>- Manage and track cost drivers</td>
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</table>

## ERP Enables The Navy To Realize Leadership Vision
# Scope Of Navy ERP Systems

<table>
<thead>
<tr>
<th>Pilot</th>
<th>Sponsor</th>
<th>Area(s) of Focus</th>
<th># of Geographic Sites</th>
<th># of Users</th>
<th>Stand-Up Date</th>
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<tbody>
<tr>
<td>SIGMA</td>
<td>NAVAIR</td>
<td>Program Management, including linkage among Contracting, Financial, and Workforce Management</td>
<td>5</td>
<td>6200</td>
<td>Oct 02</td>
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<td></td>
<td>4</td>
<td>14300</td>
<td>Jan 03</td>
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<tr>
<td>CABRILLO</td>
<td>SPAWAR</td>
<td>Warfare Center Management</td>
<td>5</td>
<td>3500</td>
<td>Jul 01</td>
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<td>SMART</td>
<td>NAVSUP</td>
<td>National &amp; Local Supply Management, Intermediate-Level Maintenance Management Interface to Aviation Depots</td>
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<td>440</td>
<td>Jan 03</td>
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<tr>
<td>NEMAIS</td>
<td>NAVSEA / FFC</td>
<td>Regional Maintenance, including Intermediate-Level Maintenance Management, Project Systems, and Workforce Management</td>
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<td>5400</td>
<td>Jun 02 – Nov 03</td>
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<td></td>
<td></td>
<td></td>
<td>2</td>
<td>4500</td>
<td>FY 04/05</td>
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</table>
What The Pilots Proved

• ERP can be used to:
  – Operate and manage a major Echelon 2 acquisition command and Echelon 3 subordinate commands (PM, Workforce Management, FM, Procurement)
  – Integrate Maintenance and Supply in performance of aviation and ship maintenance, provide visibility of resources across activities and optimize supply chain management
  – Validate compliance with the CFO Act and provide significant reductions in legacy IT and data base systems with resultant cost reductions and data quality / timeliness benefits

No Longer A Question Of “Can We?”
One Program With One Mission

- Navy ERP Mission
  - To reinvent and standardize Navy business processes for acquisition, financial and logistics operations
- Program’s Key Objectives
  - Build an integrated financial system
  - Optimize end-to-end value chains across functional and organizational boundaries
  - Collapse the pilot programs to produce a single product for the Navy
  - Maximize ROI through effective deployments and sequencing of functionality
Convergence Strategy

Common Solutions Centrally Developed & Managed – Drives Process & Data Standardization

Today
- Cabrillo
- NEMAIS
- Sigma
- SMART

One Solution
- Supply APS
- Naval Aviation
- Maritime & C4ISR

Global Accelerated SAP Approach:
• Recommended by industry and SAP for Large Global Organizations
• Allows development of solution for Navy ERP that has both common (global and locally development components)
Scope of Navy ERP Templates

Template 1.0

- Finance
- Program Management
- Workforce Management
- Wide Area Work Flow (Interface)
- Defense Travel System (Interface)
- I-Level Maintenance
- Plant Supply
- Wholesale Supply / APS

Potential Future Requirements

- Afloat Solution
- Weapon System Asset Management
- O-Level Maintenance
- Depot Level Maintenance (Aviation & Maritime)

Spiral Development Driven by Operational Realities and the Business Case
# Program Schedule

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<thead>
<tr>
<th>Key Events</th>
<th>FY04</th>
<th>FY05</th>
<th>FY06</th>
<th>FY07</th>
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Rev: 7Feb04

FY 14 FOC→
MARITIME SOLUTION
NEMAIS
NEMAIS Functionality Overview

- **Financial Management**
  - Financial/Budgeting
  - Managerial Acct
  - Financial Acct (Includes OPTAR Fin Mgt)

- **Program Management**
  - Program / Proj Mgt
  - Planning, Prog & Budgeting

- **Human Resources Management**
  - Workforce Planning & Admin
  - Training & Development
  - Time & Attendance
  - Organization Mgt

- **I-Level Maintenance**
  - Notification Generation
  - Maintenance Planning (Shop)
  - Maintenance Control
  - Work Planning & Prep
  - Material Rqmts Planning (MRP)
  - Maintenance Execution
  - Inspection & QA
  - Maintenance Completion
  - Configuration Mgt
  - Scheduling
  - Content Management
  - Work Load Forecasting

- **Plant Supply**
  - Requisition Processing
  - Inventory Management
  - Material Rqmts Planning (MRP)
  - HAZMAT Management
  - Non-Std Procurement
  - Asset Management (Plant Property)
NEMAIS Functionality

- Complete a Project
- Financial Management
- Create and Fund Project
- HR Management
- Broker Work
- Work Execution
- Supply/Procurement
- Job Planning
NEMAIS Status as of 20 Oct ’04

397 Ships in SAP (includes Navy and Non-Navy)

381 Active (Budgeted) Projects

104,461 Jobs Inducted

381 Active (Budgeted) Projects

20,329 Brokered & Working

84,132 Jobs Completed

72 Projects Closed

27-Oct-04
Geographic Rollout Scope

Number of Ships (San Diego): 57
Number of Ships (Ingleside): 20
Number of Ships (Mayport): 22
Number of Ships (Norfolk): 89
Number of Ships (COMLANTFLT - OTHER): 40
Number of Ships (COMPAACFLT - OTHER): 54
Number of Ships (Yokosuka): 20
Summary

- NEMAIS and ERP will be the organizing force for all ship maintenance
  - Aligned with leadership goals and objectives
  - Harmonizes processes across the enterprise
  - Provides fundamental data for decision makers at all levels
- Navy Pilots have proven COTS implementation in a DoD environment
- Baselining complete / Pilot Interoperability phase on schedule
- Navy ERP maximizes efficiency of war-fighter business processes to support critical decision making
  - Integrated solution
  - Aligns with external architectures
  - Common data and business processes
  - A lean architecture