

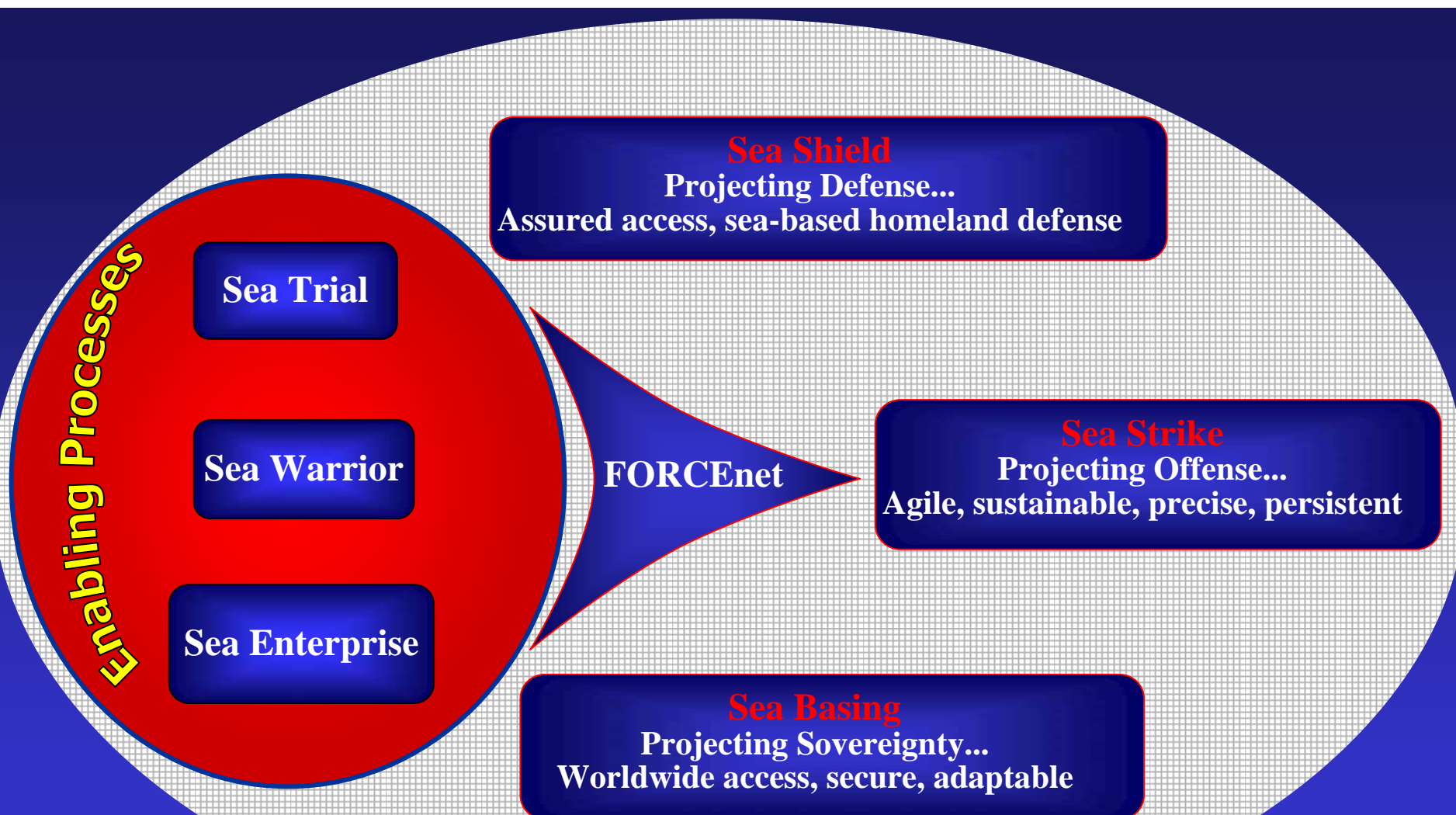


2005 DOD Maintenance Symposium & Exhibition

**Tuesday (10/25), 14:00-16:00 Breakout/Technical Session:
Reinventing the Wheel or an Idea Whose Time has Come?
*Ideas that are Transforming Defense Maintenance (Ships)***

Captain Joseph Campbell
Commander, Norfolk Naval Shipyard
Portsmouth, Virginia

Statement A: Approved for public release; distribution is unlimited



Transformation/Change is a continuous process!

CNO Priorities & NAVSEA Taskers: Fully Aligned

CNO

Maintaining
Current
Readiness



Building a
21st Century
Workforce



Building a
Navy for the
Future



Naval Sea Systems Command Roles
and Responsibilities in the Naval
Warfare Domain Enterprises

Assessment of the Organizational
Alignment to Support the
Enterprise Construct

Defining and Measuring Output and
Outcome

Assessment of Current & Future
Initiatives

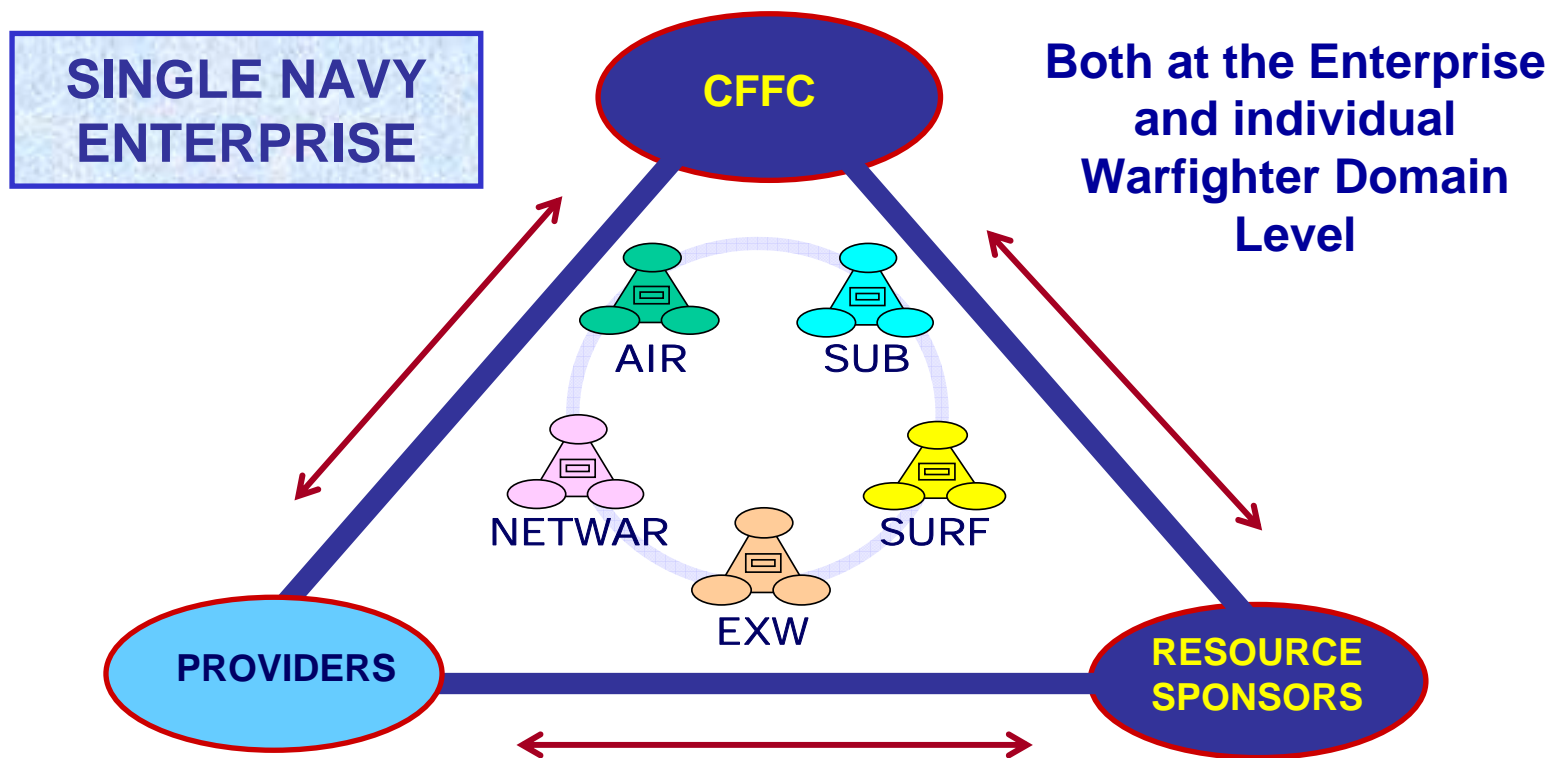
Strategic Communication Plan

Enhancing the PEO/NAVSEA
Partnership

Enhancing the NAVSEA/ONR
Partnership and Technology
Transition

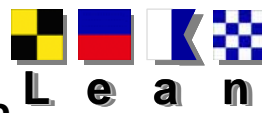
Alignment of NAVSEA Contracting
to a Competency Construct

NAVSEA: A Provider Command

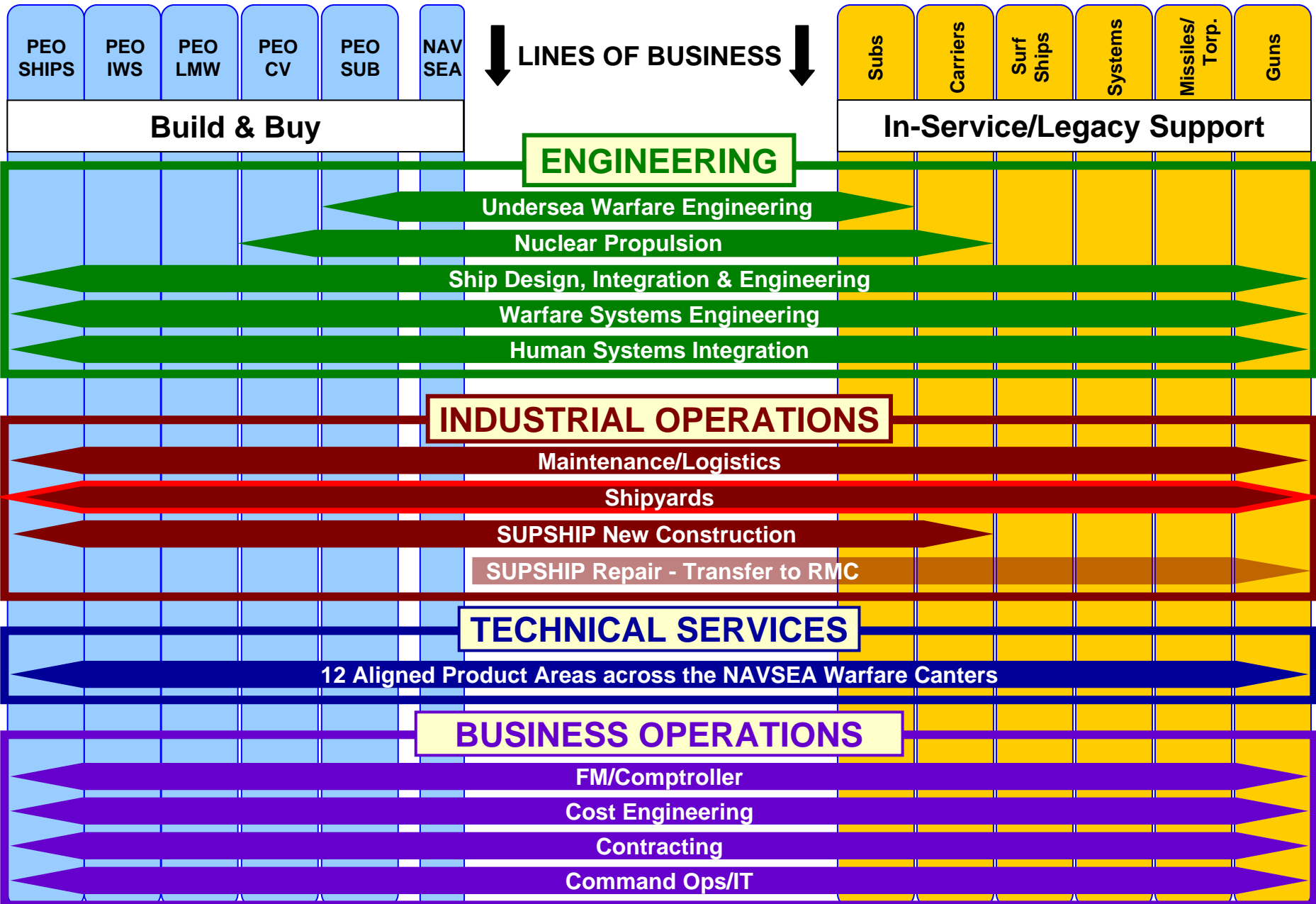


This is where we are headed

NAVSEA's Lines of Business



NAVSEA Business Model: Seamless Support Across the Enterprise



SEA POWER 21

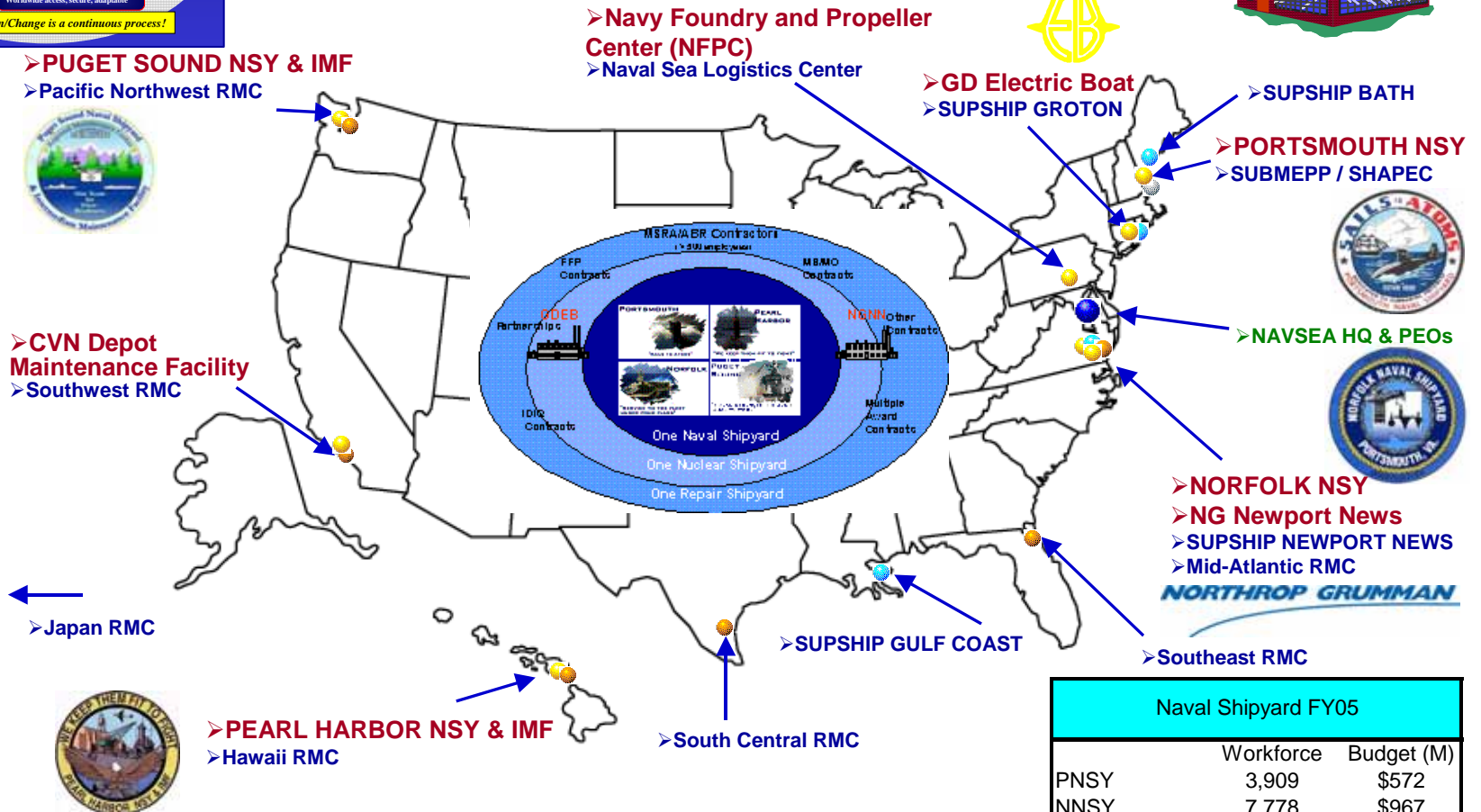
Sea Trial
Projecting Defense... Assured access, sea-based homeland defense

Sea Warrior
FORC... Projecting Offense... Agile, sustainable, precise, persistent

Sea Enterprise
Sea... Projecting Sovereignty... Worldwide access, secure, adaptable

Transformation/Change is a continuous process!

- One Shipyard -



| Naval Shipyard FY05 | | |
|---------------------|---------------|----------------|
| | Workforce | Budget (M) |
| PNSY | 3,909 | \$572 |
| NNSY | 7,778 | \$967 |
| PSNSY&IMF | 9,879 | \$1,063 |
| PHNSY&IMF | 4,266 | \$491 |
| Total | 25,832 | \$3,093 |

Reducing the Cost of Maintenance & Increasing Operational Availability of Ships

Partnering With the Shipyard Industry

National Shipbuilding Research Program (NSRP) Advanced Shipbuilding Enterprise (ASE)

Government collaboration with industry
to reduce cost and eliminate waste



Sponsored by the National Shipbuilding Research Program

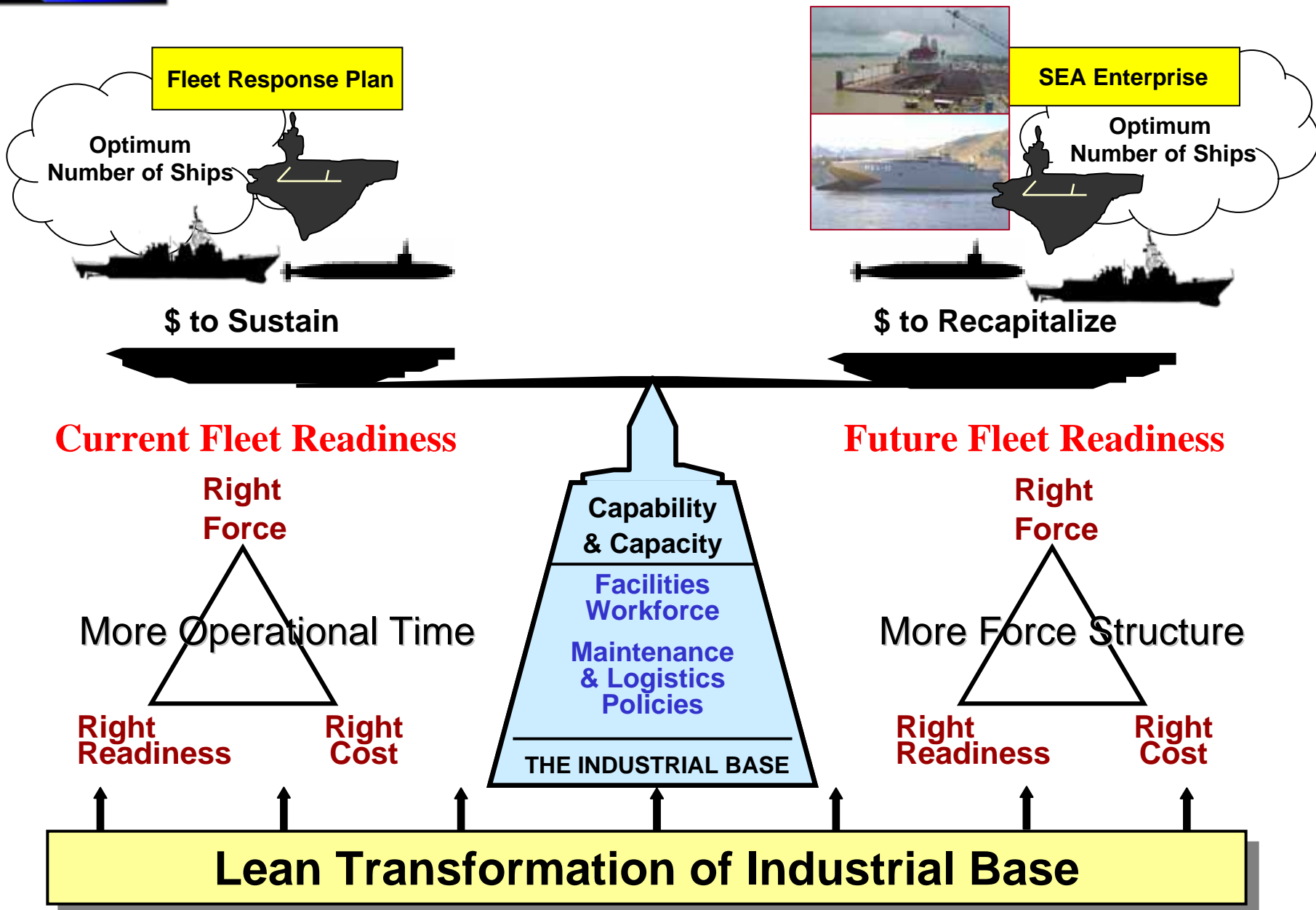
NSRP Lean Shipbuilding Initiative



Northrop Grumman Newport News



Smart Shift of Capital Investment



NSY Lean Transformation Plan

Shipyard Deployment Plans

- Executive Planning Sessions
- Values Stream Analysis
- Rapid Improvement Events
- Training
- Metrics

National Value Streams

- Platform NVSs (Tier-One)**
- Carrier
 - SSN688
 - SSBN/SSGN
- Process/Functional NVSs (Tier-Two)**
- Industrial Process
 - Project Management
 - Lifting & Handling
 - Material
 - Training
 - Resource Management

Human Capital Strategy

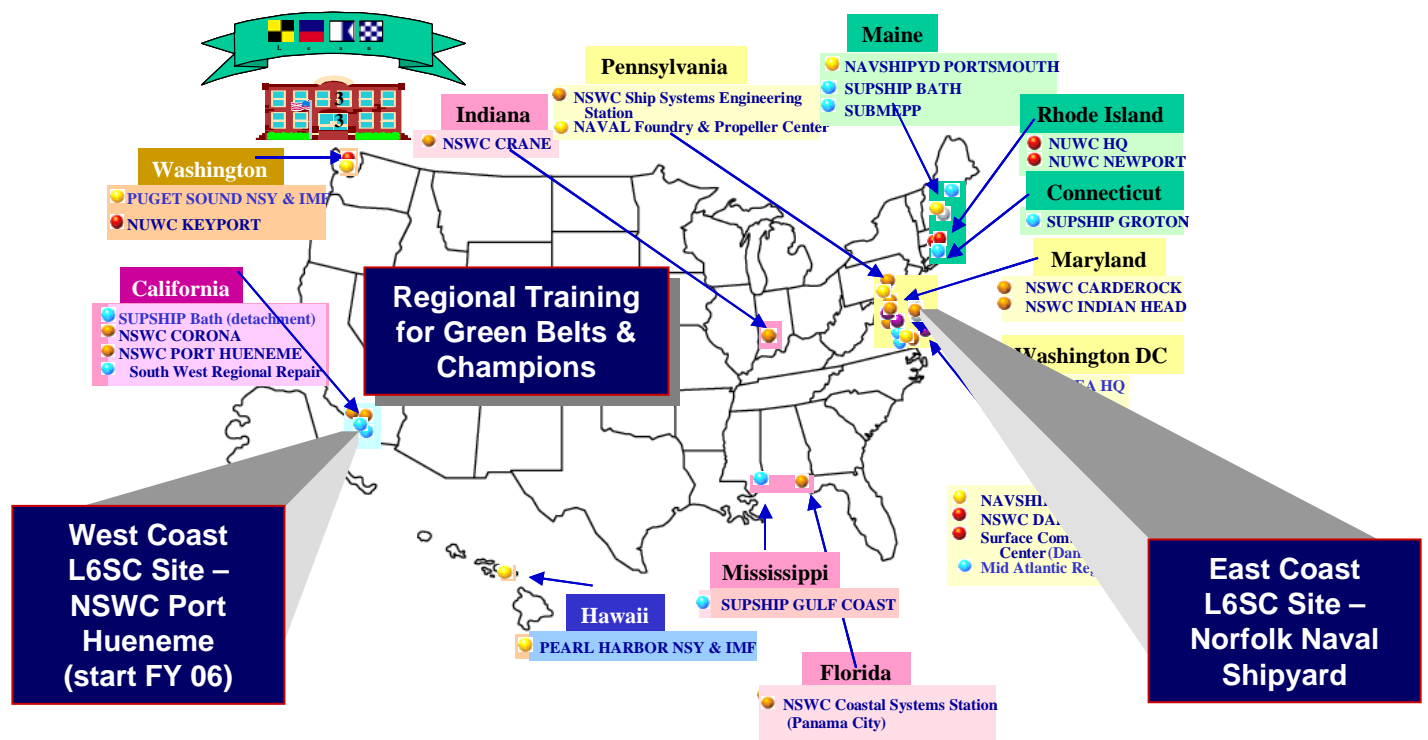
- Hiring Strategy
- Attrition
- SurgeMain
- NSPS
- Voluntary Protection Program/Safety

\$\$\$ Cost-Wise Readiness \$\$\$

**Lean in the Shop, Lean on the Ship,
and Lean everywhere in between**

Enterprise Training:

- NAVSEA/ PEOs
- Naval Warfare Centers
- Naval Shipyards
- Fleet
- Joint Force Involvement



Courses

| Black Belt | Six weeks of instruction over six months | | |
|----------------------|--|--------------------|---------------|
| Green Belt | Five days of instruction over 1 week | | |
| Champion | Three days of instruction | | |
| Course | # of Classes | Students per Class | Total Trained |
| Black Belt | 7 | 22 | 154 |
| Green Belt | 13 | 22 | 286 |
| VS Champion | 13 | 22+ | 286 |
| Lean Repair Exercise | 6 | 40 | 240 |
| TOTAL | 39 | | 966 |

Roles and Responsibilities



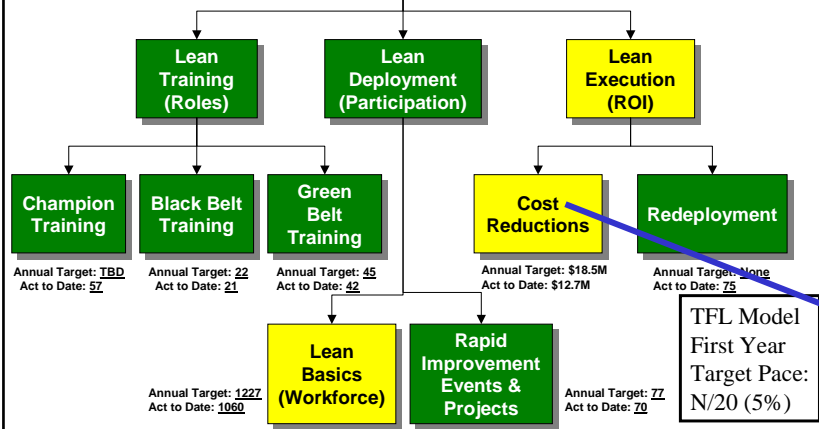
Lean Implementation Example: Norfolk Naval Shipyard (NNSY)

FY05 Lean Implementation Plan/Results

Lean Transformation Plan: NNSY Metrics Dashboard

Note: Metrics are measured against TFL Deployment Model based on N/20 Pace for FY05 per NAVSEA Memo 5200 Ser TFL/006 dated 14 Jan 06

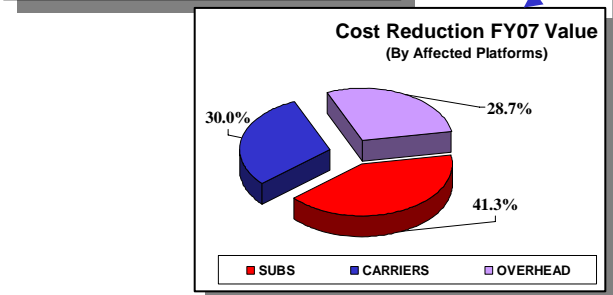
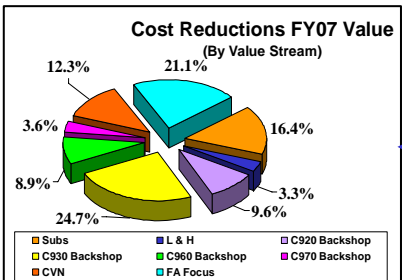
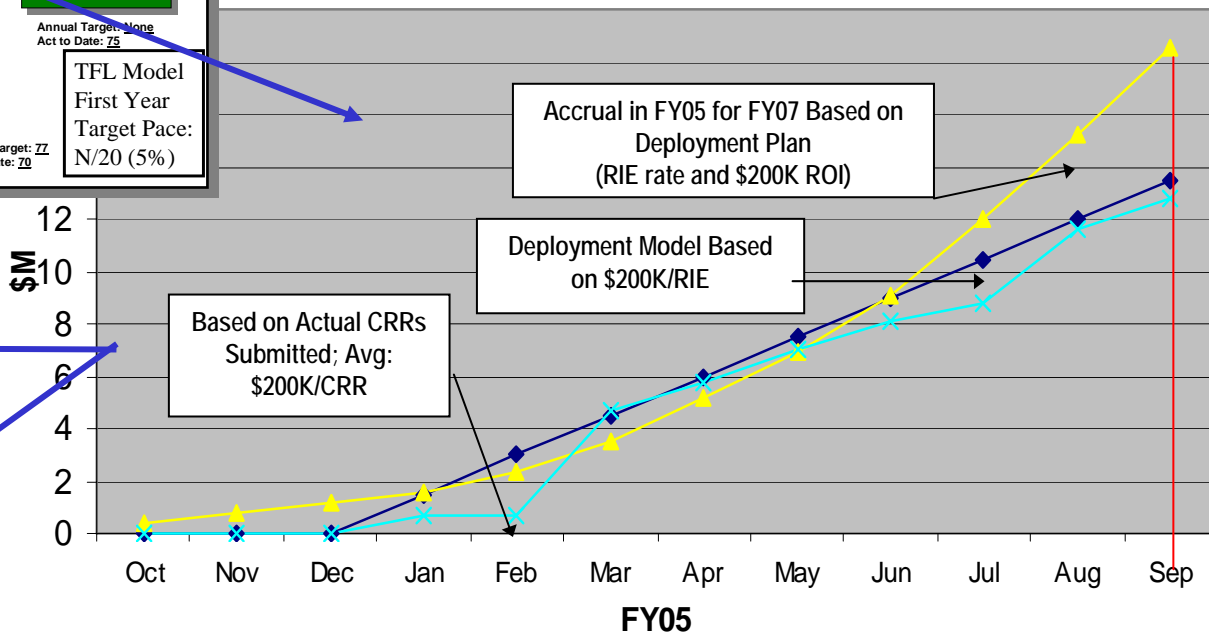
NNSY Lean Implementation



Total RIEs/Projects Completed: 72

Total CRRs Submitted: 69

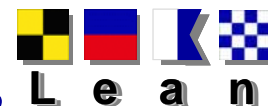
Cost Reductions



\$M

—◆— FY Model —▲— FY07 Projected Reduction —×— Actual

NNSY Process Improvement Program: "Transforming to Better Support the Fleet"

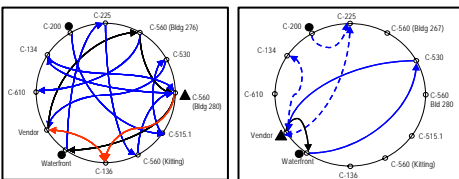
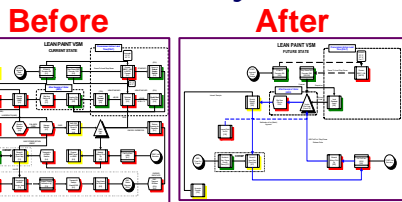


FY06 Lean Execution Strategy:

Example:

Supply Chain

"Just in Time" Delivery



Cost Reduction

FY05 \$0K
 FY06 ~\$575K
 FY07 ~\$767K

Cost Performance Schedule Performance Quality Performance Safety Performance



Example:

Submarine Structural Fab

Before After



Cost Reduction

FY05 ~\$444K
 FY06 ~\$455K
 FY07 ~\$468K



Core Mission

FY06

FY07

