

MPT&E Transformation Industry Day #1



OPNAV N1

December 6, 2016



Industry Day Overview

Time	Topic	Speaker
0800-0815	Welcome: Admin & Logistics, Ground Rules	CAPT John H. Windom (OPNAV N1 / ASN(RD&A))
0815-0830	Chief of Naval Personnel: Navy Vision	VADM Robert P. Burke (CNP (OPNAV N1))
0830-0845	Executive Director OPNAV N1: MPT&E Transformation Vision	Dr. Patrick O'Connell (ED (OPNAV N1))
0845-0915	MPT&E Program Manager: Overview	CAPT John H. Windom (OPNAV N1 / ASN(RD&A))
0915-1015	Functional Overview: Operating Model	CAPT Jim Waters (OPNAV N1) Ms. Ann Stewart (PERS 2) Ms. Jackie Wilcher (OPNAV N10)
1015-1030	BREAK (15 mins)	ALL
1030-1130	OPNAV N16: Technical Overview	Mr. Jim Coffman (CIO OPNAV N16)
1130-1200	Sea Warrior Program Office (PMW 240): Overview	Mr. Patrick Fitzgerald (PMW 240)
1200-1215	BREAK (15 mins)	ALL
1215-1245	MPT&E Program Manager: Notional Acquisition Approach / Industry Homework	CAPT John H. Windom (OPNAV N1 / ASN(RD&A))
1245-1300	BREAK (15 mins)	ALL
1300-1345	Q&A Panel & Close-out	CAPT John H. Windom (OPNAV N1 / ASN(RD&A)) - Moderator <ul style="list-style-type: none"> • CAPT Jim Waters (OPNAV N1) • Mr. Patrick Fitzgerald / Mr. Justin Fanelli (PMW 240) • Mr. Andrew Tash / Ms. Nuria Hernandez (OPNAV N16) • Ms. Jackie Wilcher (OPNAV N1) • Ms. Ann Stewart (PERS 2)



Welcome: Admin and Logistics

- **Please silence all phones**
 - Lobby or cafeteria can be used for phone calls throughout the day
- **Restrooms**
 - Exit out the rear doors, take three right turns (around auditorium)
- **Cafeteria**
 - Cafeteria open: 7:00 to 11:00am and 11:30am to 2:00pm
- **We will have three 15 minute breaks**
- **The Government's official response will always be in writing**



Welcome: Ground Rules

- **How to submit questions today:**
 - All questions must be submitted in writing on the form provided—please hand it to one of the MPT&E Transformation staff
 - **If you need additional forms:** please raise your hand and one of our MPT&E Transformation staff will provide to you
 - We will informally answer questions at the end of the presentation during our scheduled Q&A panel
 - Please keep questions within scope of the material covered at Industry Day
- **Next Steps:**
 - Written copies of all questions and answers will be posted on the Federal Business Opportunities (FBO) website: www.FBO.gov
 - Today's presentations will be made available on the FBO website



Vice Admiral Robert P. Burke

Chief of Naval Personnel



Dr. Patrick O'Connell
Executive Director, OPNAV N1



MPT&E Transformation Approach

- **Moving from Vision to Implementation**
 - Due Diligence
 - Paradigm Shift — Operating Model and IT
- **Transformation to encompass Organization, Process, IT, etc.—An IT Enabled Business Process Change**
- **Looking to Engage with you to help us on our Journey**
 - Lessons Learned
 - Best Practices
 - Modern Technology
 - Ideas



Practical, Output Based Approach

TODAY

- On Premise
- Highly Customized
- No Authoritative Data Environment
- Not Integrated
- Very Expensive
- Poor Analytics
- Unsustainable

FUTURE

- Requirements Developed
- Alignment to COTS
- Targeted RFIs
- Cloud Assessment
- Pilots

- Off Premise
- Vanilla
- Intuitive
- Authoritative Data Environment
- Unified
- Cost Effective
- Subscription
- Robust Analysis
- Sustainable



CAPT John H. Windom
Program Manager, OPNAV N1 / ASN(RD&A)



Program Overview

Overarching Goals:

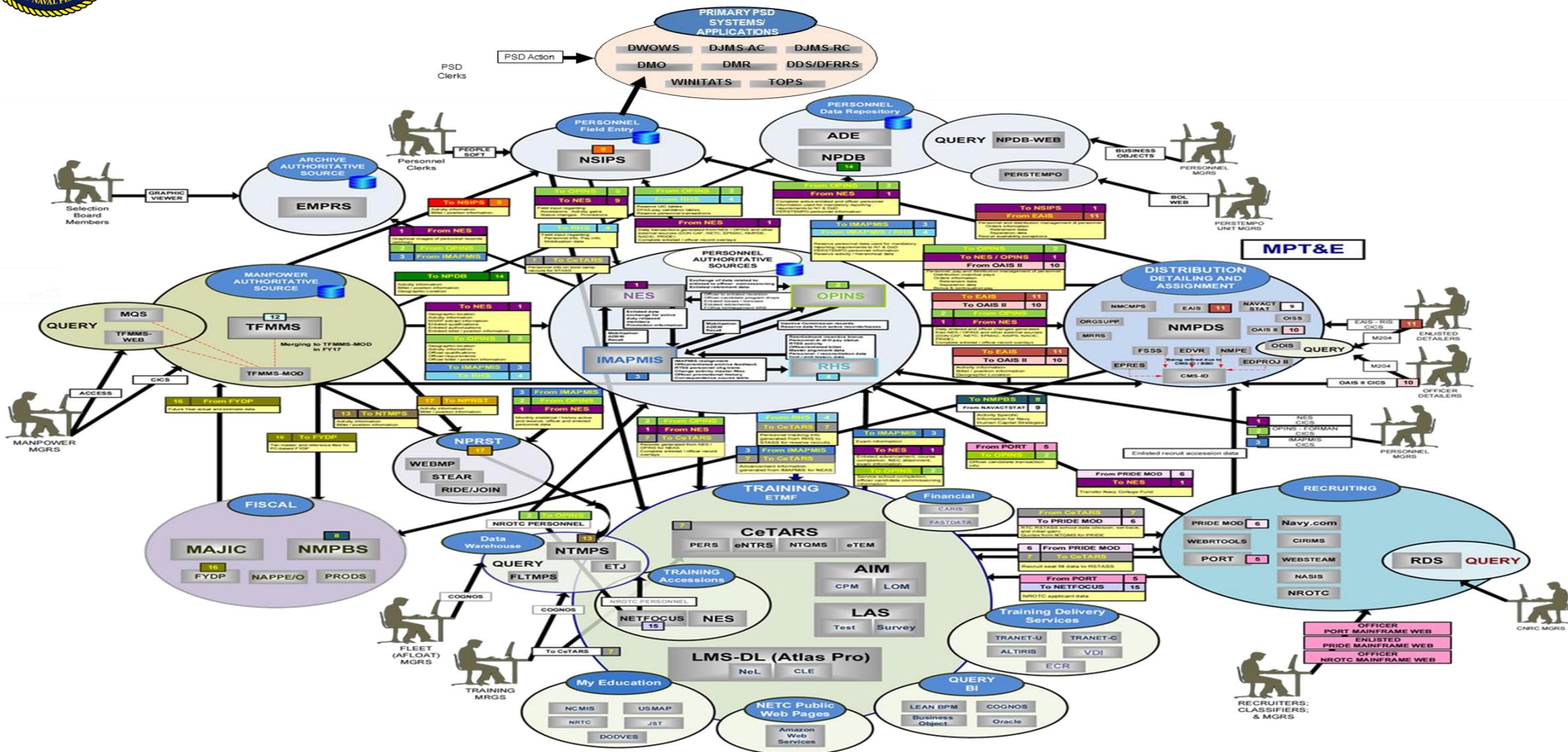
- To acquire an integrated Commercial Off-The-Shelf (COTS) solution and related integration services in support of delivering the requisite capabilities in fulfillment of the Navy's Manpower, Personnel, Training & Education (MPT&E) mission requirements/objectives. Some key human resource (HR) areas include: personnel, pay, billet distribution, training, talent management and digital records management.
- To the maximum extent practical, leverage existing Programs of Record (PORs) to facilitate the MPT&E Transformation.

Some of the things we will be looking for:

- System Functionality and Scalability
- Interoperability
- Configurability vice Customization
- Customer Support
- Privacy and Security
- System Updates
- Interfacing/Information Exchange
- Record and Archive Management
- Auditability
- Training



Today's Environment





MPT&E Current Environment

- **Breadth & Depth:**
 - 327,503 Active Duty Sailors and 108,864 Reserves (as of SEPT 2016)
 - MPT&E supports personnel management for Sailors
- **Integrated, global delivery network of approximately:**
 - 61 Personnel/Pay Administration Support System locations (43 Personnel Service Detachments and 18 Customer Support Desks), supported by 15 IT systems
 - 7,100 recruiting personnel serving 1,000+ stations, supported by 9 IT systems
 - 227 CONUS training sites supported by 19 IT systems



Overview / Scope

- **Leveraging the commercial market** – Seeking a COTS-based integrated HR solution
- **Integrate with existing MPT&E systems** – We cannot simply “throw away” what we have
- **Open architecture** – Substantially reduces “vendor-lock” concerns
- **Aligning functional requirements with technical viability** – Enhances affordability
- **Architecture depiction** – “As-is State”
 - Including interface requirements
 - There will be unknowns
- **Leveraging Programs of Record (PORs)**
- **Proof of Concepts (POCs) and Field Tests (FTs)** - Employed to solidify our requirements and understanding of the market capabilities
- **Authoritative Data Environment(s)** – Accurate and quality data is paramount
- **Scalable solutions** – Reducing risks to cost, schedule and performance
- **No business system(s) transition of this magnitude is seamless** – must minimize impact to our Sailors/Users
- **Governance** - In support of alignment to COTS and our inherent resistance to change
- **Dynamic Navy HR Environment** – Sustainment versus transformation
- **Transparency** – The Government is not trying to trick or fool you!



PM Promise

We will...

- ✓ Be respectful of your time and resources
- ✓ Be responsive to your questions and concerns
- ✓ Execute fair and equitable processes
- ✓ Value your good ideas
- ✓ Protect the information you share with us
- ✓ Not seek to direct partnerships, alliances, joint ventures within the vendor/contractor community in order to support fulfillment of the Government's requirement



CAPT Jim Waters
Deputy Executive Director, OPNAV N1



MPT&E Transformation Goal and Guiding Principles

Challenge: Successful but not Efficient and Affordable

Goal: Successful and Efficient and Affordable

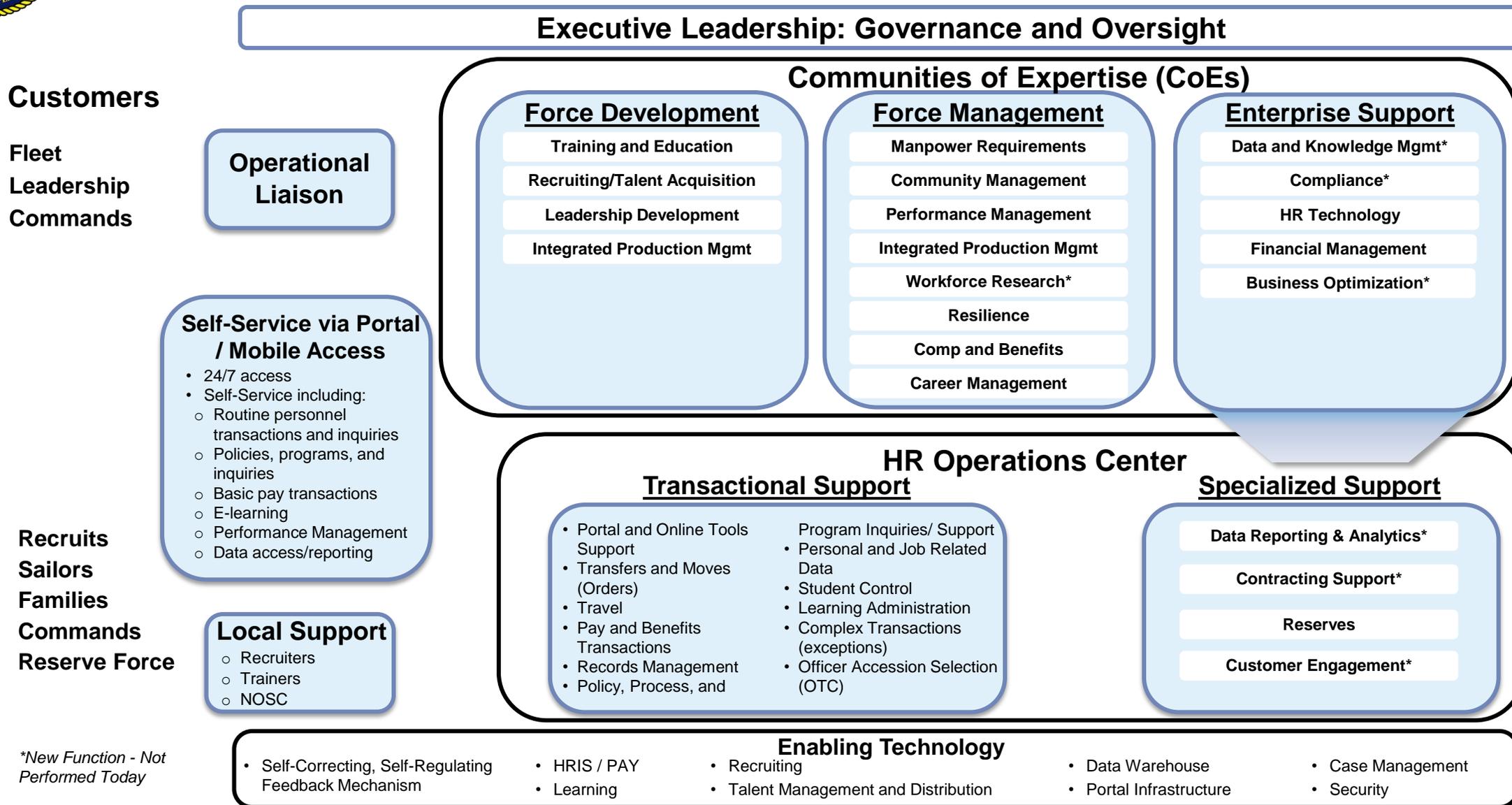


Guiding Principles

- Fresh, holistic view of processes, procedures and paradigms
- Organize around common goals, processes and work
- Automate to fullest extent possible with common commercially available technology
- Systemically accurate, timely and authoritative data
- Transparent, modern user experience with increased Sailor satisfaction
- Maximal agility through advanced analytic algorithms
- Enhanced Sailor/workforce development, distribution, and management



Proposed MPT&E Operating Model



*New Function - Not Performed Today



Ms. Ann Stewart

PERS 2



Goals

- **Process Transformation (Including interface requirements)**
 - Transform labor intensive, antiquated paper based processes into standardized, automated processes that support audit readiness, improve customer service, and require less complex management oversight
- **Customer Support**
 - Provide outstanding customer service and respond to customer service delivery preferences of Navy service members and their families
- **Develop the “right” workforce**
 - Enhance the skills and abilities of the workforce so they can sustain the future operating environment
- **Leverage technology**
 - Deliver integrated and accessible pay and personnel technology solutions that are secure, support audit requirements, are easy to use, and accessible from a wide range of customer locations



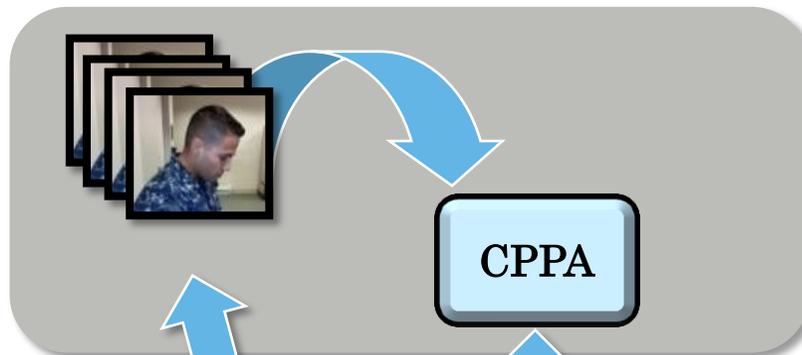
Personnel Support Detachment (PSD) Consolidation Business Case

- **Extremely decentralized organization**
 - Difficult to standardize
 - Challenge: Optimal and efficient use of resources
- **Economies of scale**
 - Manpower efficiencies to build:
 - Travel Claim Processing Center (TPC)
 - Function Service Centers (FSCs)
 - Customer Service Center (CSC)
- **Not fully dependent on IT/automation improvements**
- **Incremental change can happen within existing PASS POR, minimal facility upgrades**



Current Service Delivery Model

Command



CPPA: Command Pay and Personnel Administrator
CSD: Customer Service Desk
DFAS: Defense Finance and Accounting Services
NSIPS: Navy Standard Integrated Personnel System
NPC: Navy Personnel Command
PSD: Personnel Support Detachment

E-Leave

PSD/CSD



- Sample Transactions
- Marriages and births
 - Relocations
 - Special Pays

NPC



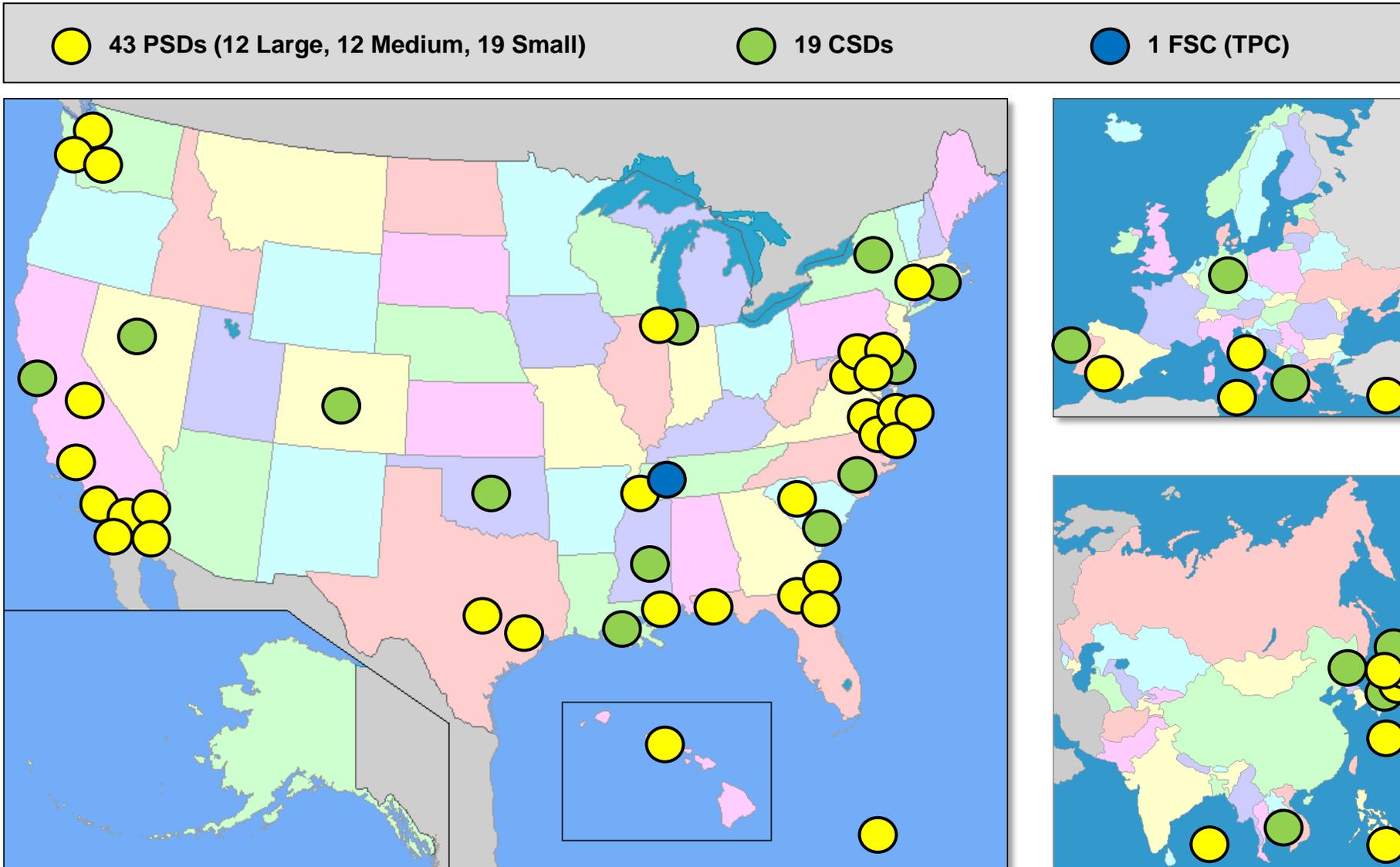
NSIPS



DFAS

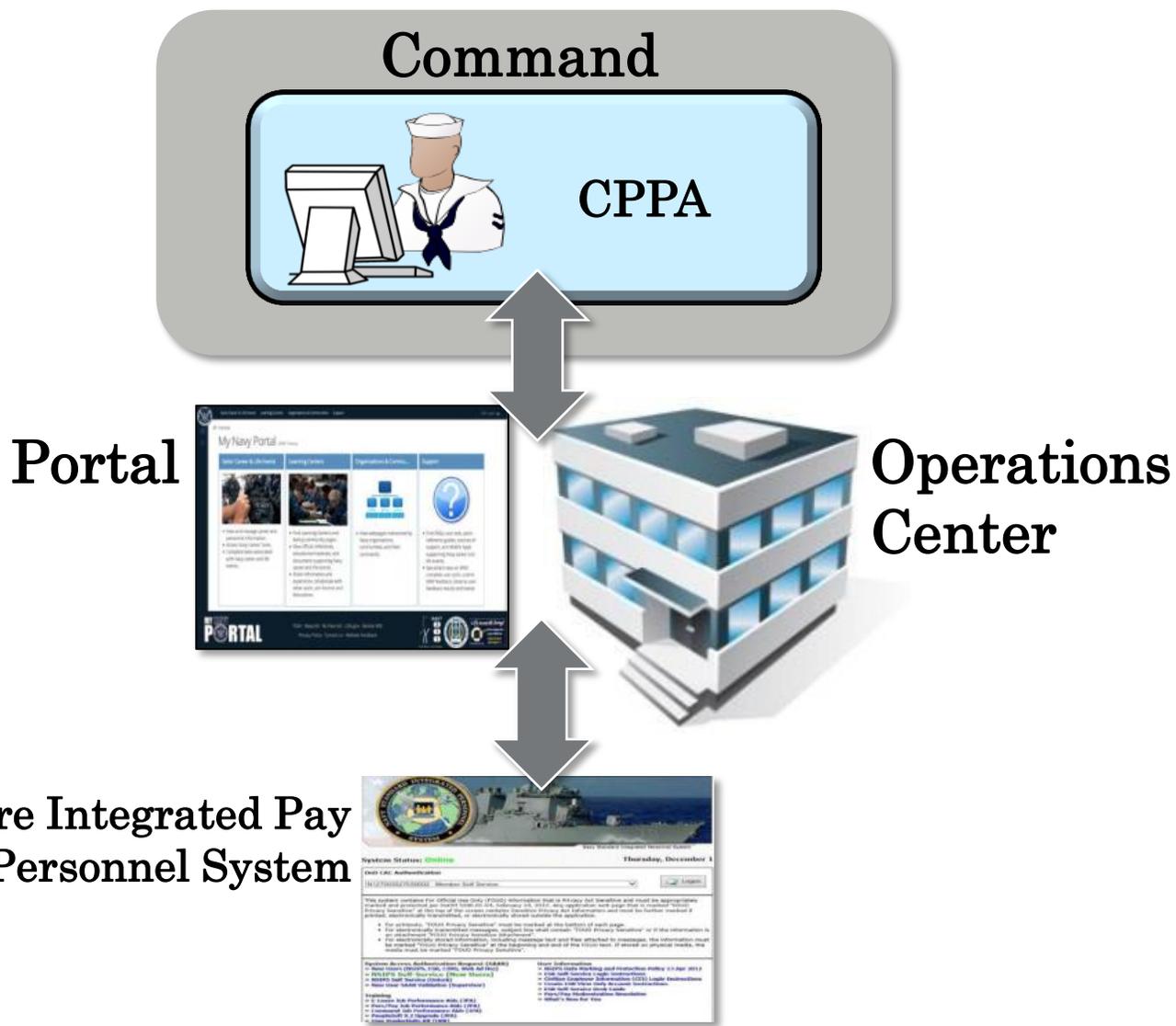


Current Service Delivery Centers





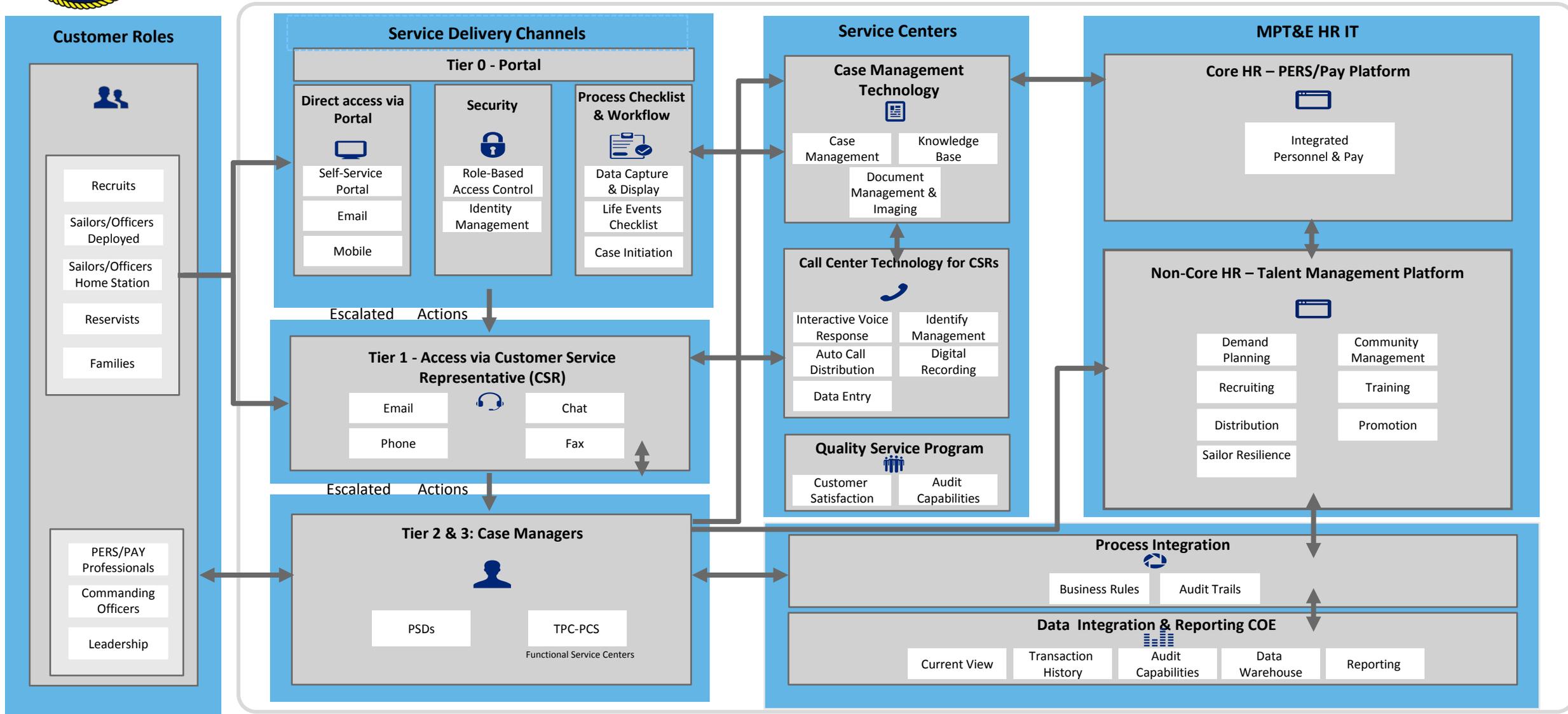
Future Service Delivery Model



CPPA: Command Pay and Personnel Administrator



Notional HR Operations Center





Ms. Jackie Wilcher

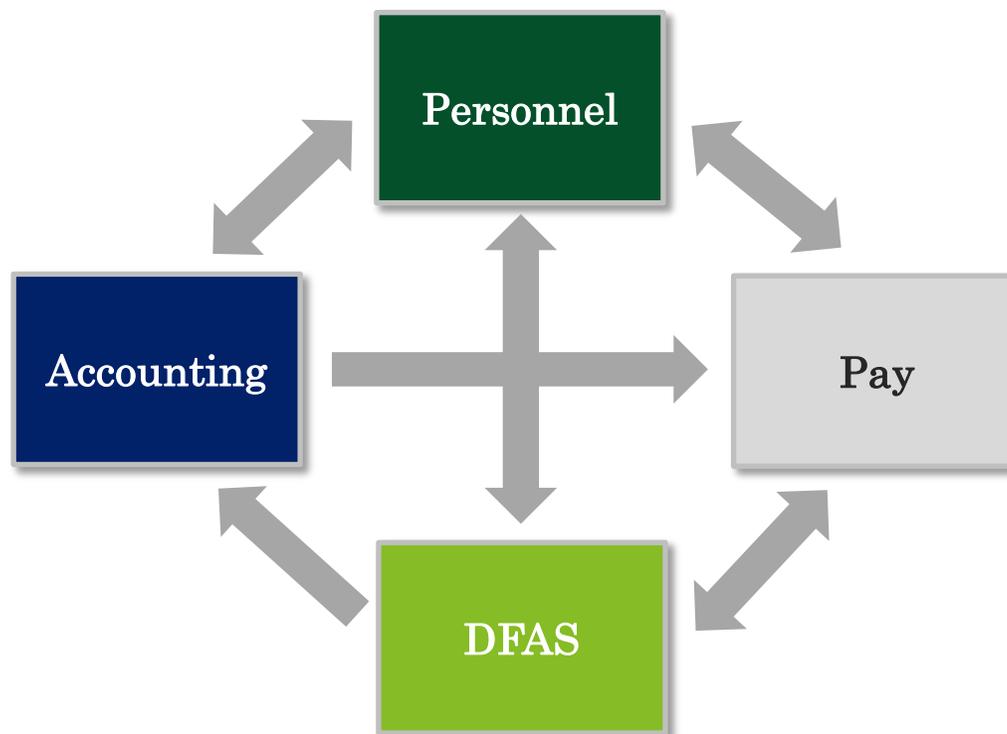
OPNAV N10



Pay and Personnel - Current Model

In the As-Is environment, functions are segregated and business area centric

- Each function formulates independent strategies and work plans
- Limited communication and collaboration between functions
- Difficulty to identify authoritative data sources

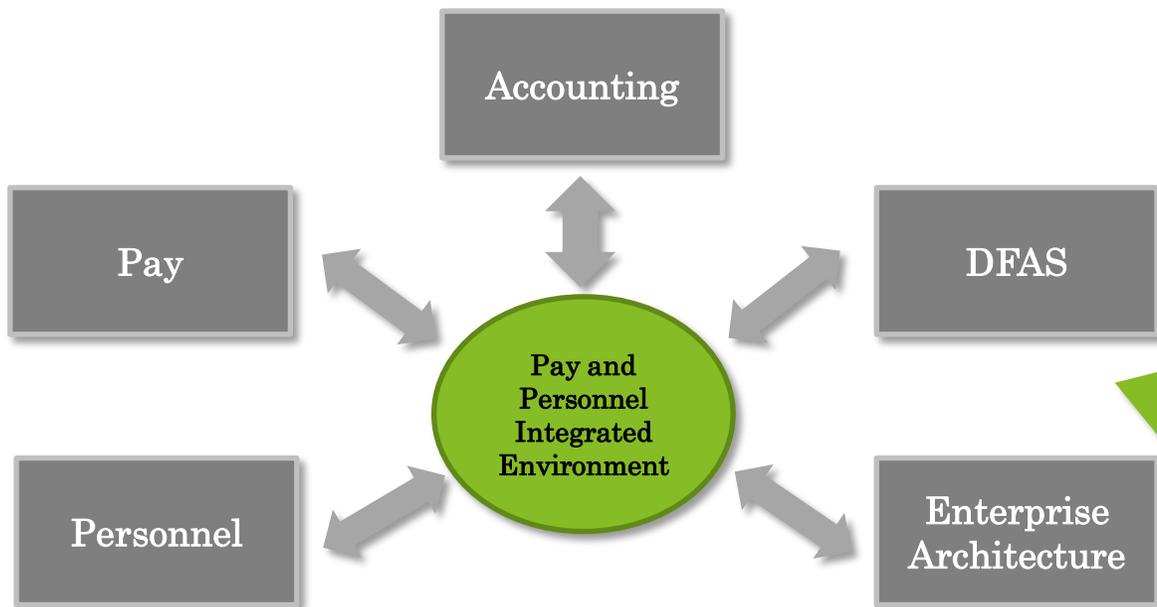


These challenges affect the Navy's ability to efficiently and effectively manage, disburse, and account for Service Members' pay and entitlements which are necessary to meet audit compliance



Integrated Pay and Personnel - Future Model

In the future operational model, data, business processes and functions, such as Pay and Personnel systems will be enterprise oriented and integrated.



Expected Benefits

- End-to-end business processes
- Timely, accurate, and consistent computation and payment of Service Member pay and entitlements
- Flexibility to add, modify, or delete entitlements
- Precise identification, allocation, and management of financial resources
- Accurate reporting
- Auditable IAW CFO Act of 1990 (Public Law 101-576)

BREAK

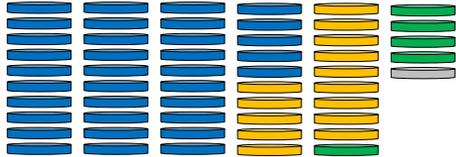


Mr. Jim Coffman
Chief Information Officer, OPNAV N16
Manpower, Personnel, Training & Education (MPT&E)
IT Transformation



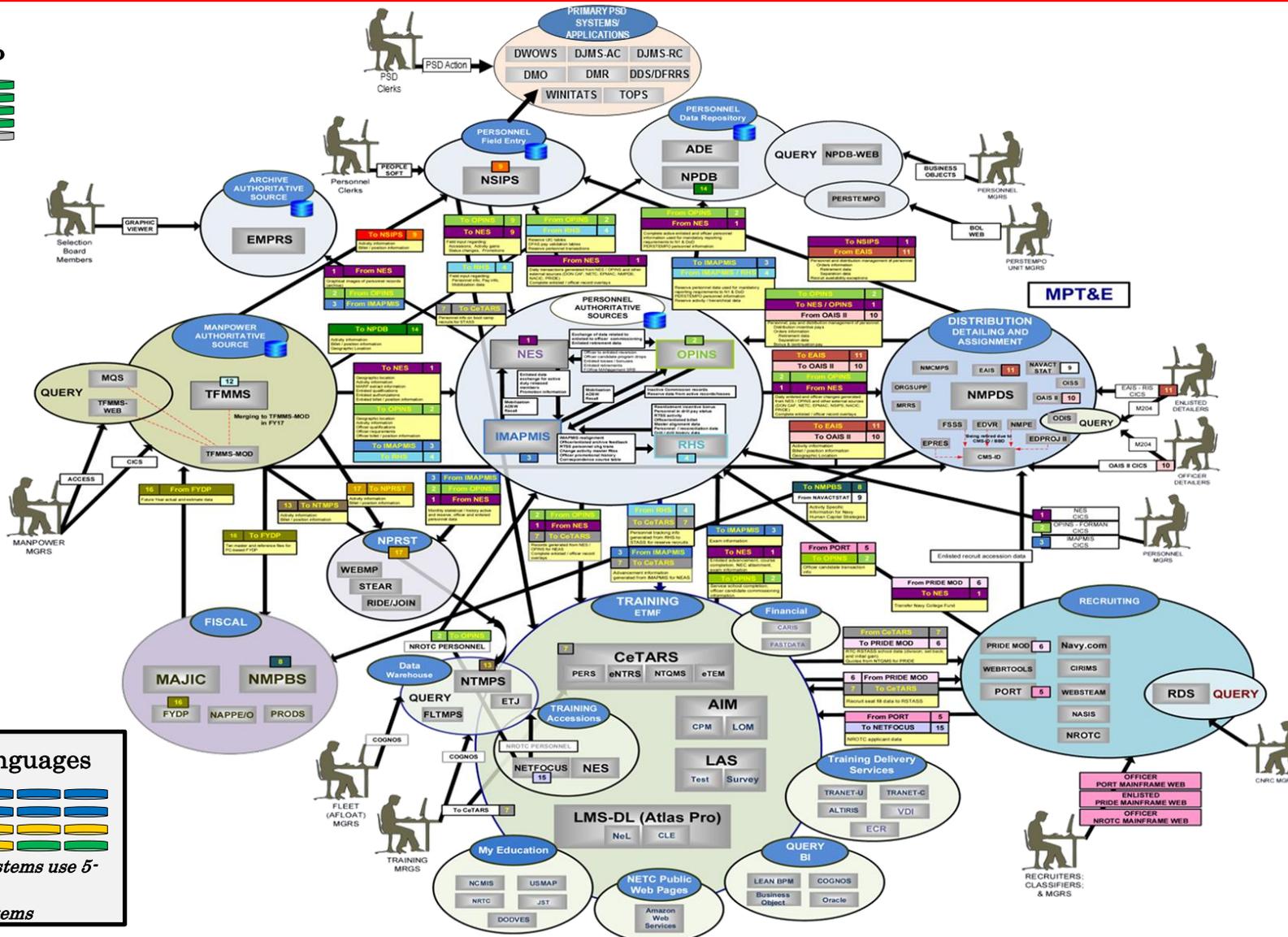
MPT&E Current State

55 Systems Across N1/CNP



Functional Commands

- BUPERS
- NETC
- CNRC
- USNA



11 Systems Use Multiple Operating Systems

9 OS Across 55 Systems

42 Systems Use Multiple Languages

8 of these 42 Systems use 5-10 languages

21 Total Languages Across 55 Systems

10 Systems are 31+ years old

Average Age: 15 years



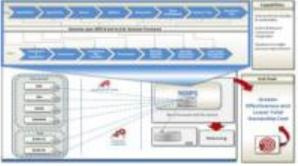
Current IT Challenges

- **Overly Complex Data Management**
 - Authoritative Data Spread Across Many Systems
 - Poor Ratio of Manual to Automatic Data Entry
 - Fragmented Data Center Management
- **Limited Sailor Self-Service**
 - Complicated User Interfaces
 - Few HR Actions Available through Self-Service
 - Multiple Points of Entry through Various Portals
 - No Mobile Access
- **Complex Legacy Infrastructure**
 - Systems Overly Complex, Antiquated, Customized and Labor-Intensive
 - Many Workarounds Required
 - Increasing Cost for Limited Value



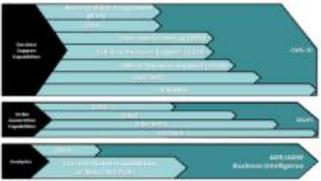
Path Towards Modernization

As-Is



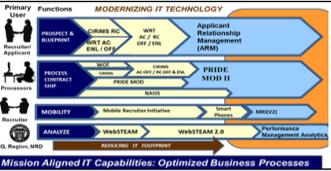
Legacy PERS/PAY Consolidation

- **Highly customized** integrated PERS/PAY system
- USN ownership of all elements
- 6-year incremental approach



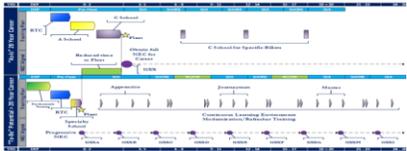
Distribution

- Transparent, market-based detailing
- Greater user choice in career decisions
- **Customized** GOTS solution
- BBD: 5 years; assignment system consolidation: 7-year incremental approach



Recruiting

- Modernized IT process supported by mobile devices and biometrics
- **Customized** GOTS solution
- 6-year incremental approach



Learning IT Continuum

- Ready, Relevant Learning
- **Customized** GOTS solution integrated with COTS
- LMS-DL Mod: 3 years; Collaborative Learning Environment: 3 years

Outcome

Current Path

- USN maintains ownership of IT equipment and people
- **Highly Customized** solutions
- USN responsibility to implement upgrades
- Consolidates some legacy systems, but only reduces 55 systems to 43
- USN maintains data centers

To-Be

Transformation

- ~90% Vanilla Integrated Pay & Personnel
- 10% API Bolt-ons
- Develop a Single Source of Truth
- Establish Single Point of Entry Self-Service Portal
- Enable Mobile Access
- Adopt Commercial Cloud Service Offerings
- Consolidate Legacy MPT&E Systems
- Reduce Application Customization
- Shrink IT Footprint

Desired Path

- Fewer systems
- **Little to no customization**
- Well integrated end-to-end
- Leverage benefits of cloud
- Auditable PERS/PAY
- Authoritative data environment
- Evolves naturally
- Ad hoc capability
- Least cost



MPT&E IT Transformation Goals

1) Develop a Single Source of Truth

- Data Strategy and Governance
- Operational Data Store
- Data Warehouse Consolidation

2) Enable Sailor Self-Service

- Single Point of Entry Self-Service Portal
- Mobile Access
- Enterprise Identity and Access Management

3) Reduce Infrastructure

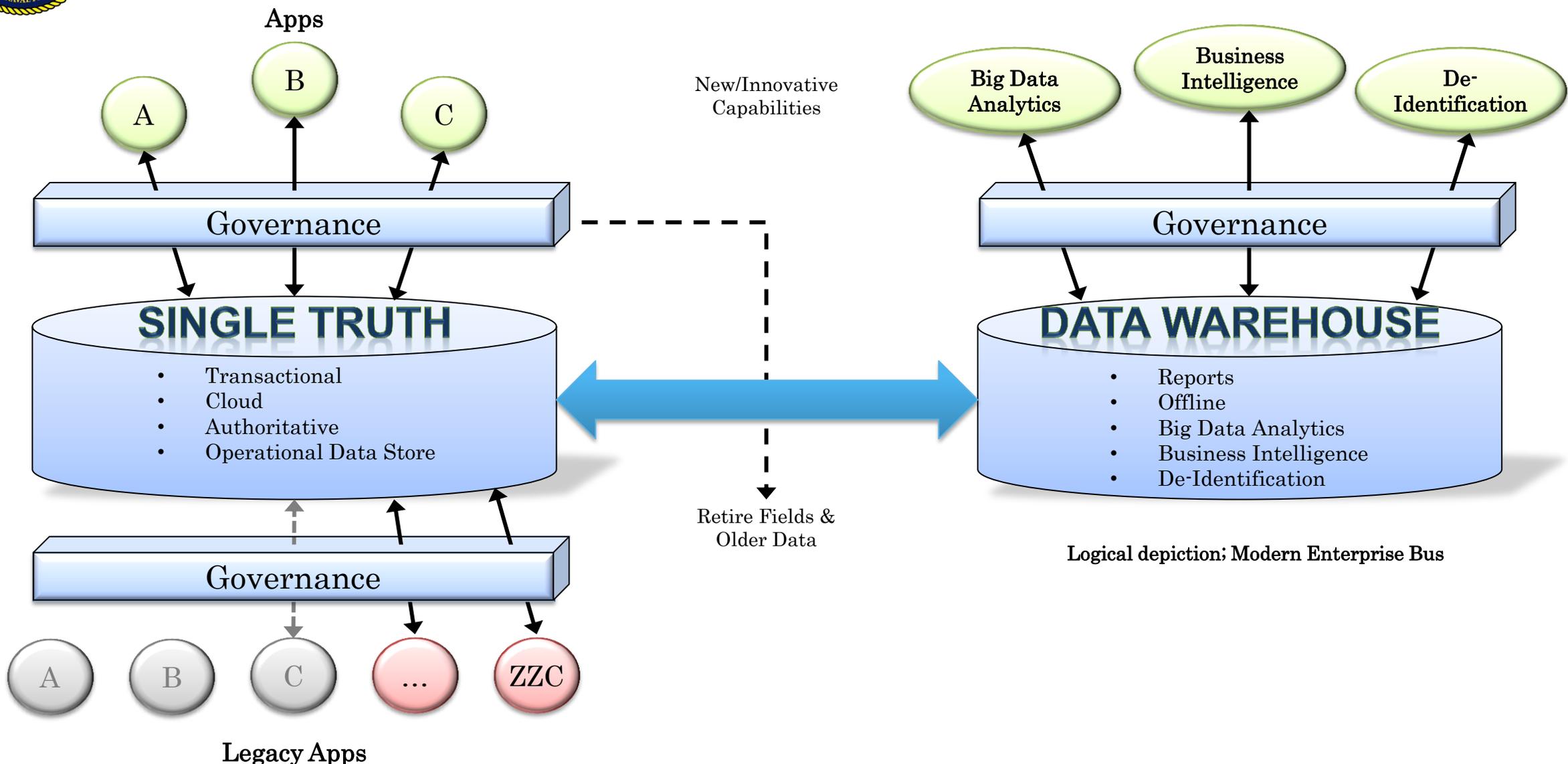
- Consolidate Legacy Systems
- Close Data Centers
- Migrate Legacy Networks to NMCI

4) Reduce Application Customization

- COTS Strategy and Governance
- Adopt Commercial Cloud Service Offerings
- Enable API Access for Bolt-on Requirements

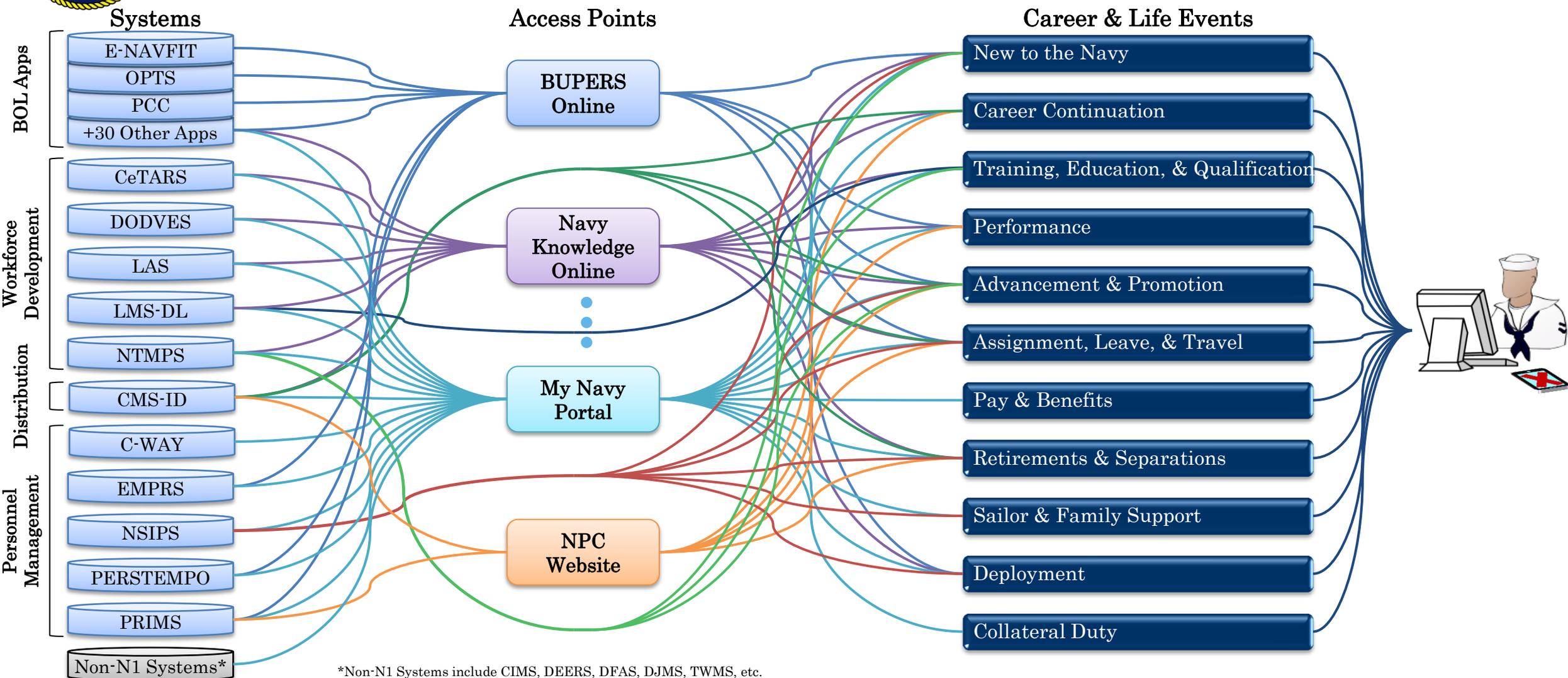


MPT&E Data Engine: Single Source of Truth





Portal: Current Self-Service Access

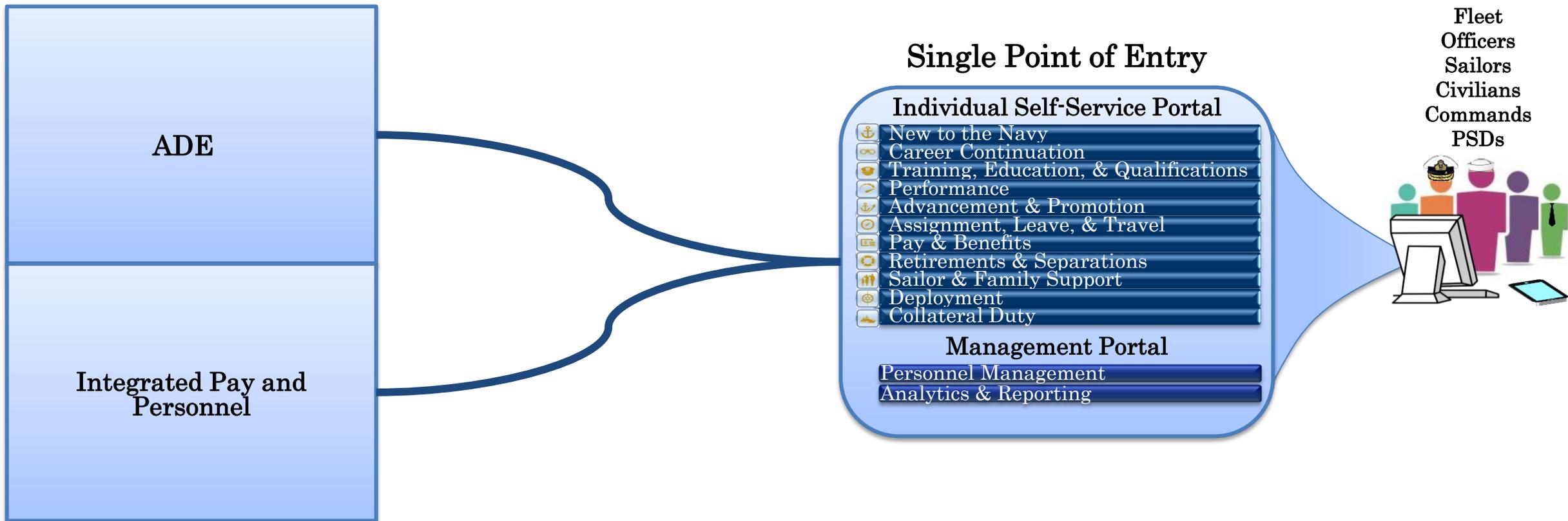


Sailors use Multiple Access Points for Routine Career Management



Portal: Future Self-Service Strategy

Future Self-Service via Portal/Mobile Access





Mobile Devices: Evolving the Sailor Experience



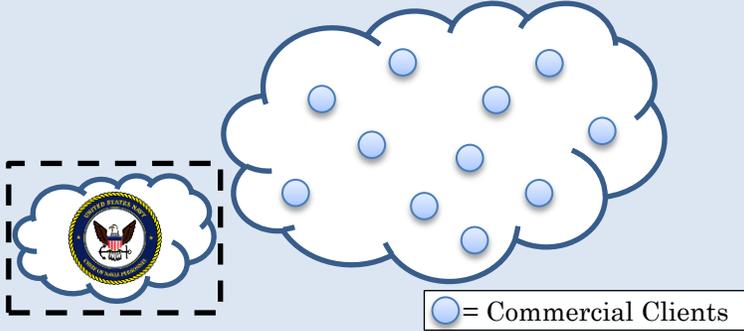


Exploring Cloud Strategies

Objectives

- Focus on Software as a service (SaaS)
- Balance cost, priorities, risk, and performance

Managed Service Offering/Private Cloud



Navy uses commercial cloud servers fenced off from non-Navy servers at a commercial cloud location.

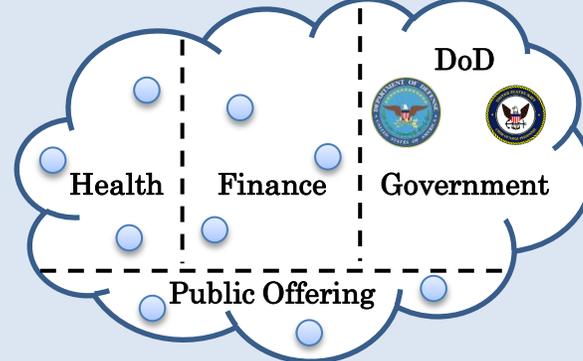
Advantages

- Lift and shift

Challenges

- Limited advantages over current data center model

Community Cloud



Multi-tenant community cloud uses same code base but different security controls for specific markets.

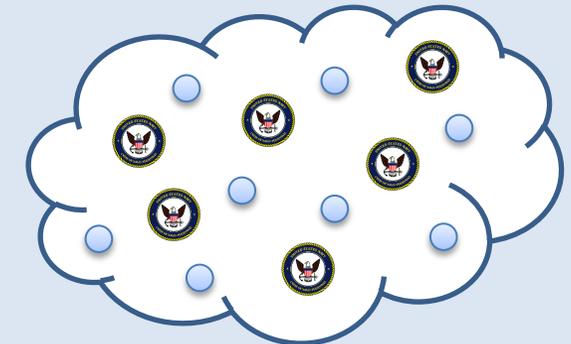
Advantages

- Some economies of scale
- Community focus

Challenges

- DoD and Government security uplift price

Public Cloud



Navy would use a commercial cloud just like any other commercial client with the same security controls.

Advantages

- Economies of scale
- No drift from industry

Challenges

- Political / regulatory barriers
- Apples-to-oranges security controls



Summary

- Develop a Single Source of Truth in an Authoritative Data Environment
- Enable Self-Service through Single Point of Entry Portal and Mobile
- Drive out Customization
- Get out of the IT Business where we can



Mr. Patrick Fitzgerald
Sea Warrior Program Office (PMW 240)



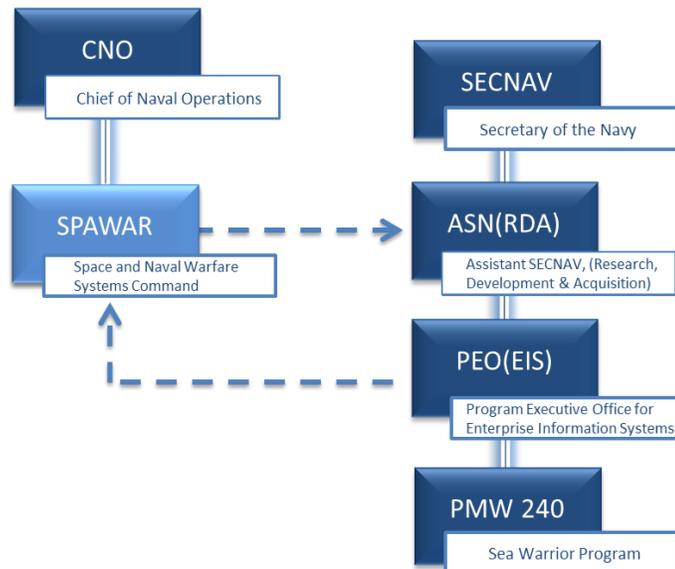
PMW 240 Sea Warrior Program Office

Mission: To rapidly identify and implement affordable IT solutions to Navy business and readiness problems for Sailors, the Fleet, Navy, and DoD customers.

PMW 240 is working closely with the Transformation Team to ensure that evolution of our systems readily supports and bridges to the Navy's future vision.

Value to the Navy:

- Extensive expertise in the rapid development and delivery of Defense Business Systems
- Economies of scale using portfolio management in a competency based organization
- Cradle to grave life cycle support
- Provide shipboard business solutions and fleet support
- Diversified and distributed team provides exceptional talent and continuity of operations





PMW 240 Portfolio

Scope of Programs

- Navy human resource management
- Criminal justice
- Fleet support
- Afloat business applications
- Navy and DoD portfolio management
- Department of Navy administration
- Joint aviation aircraft scheduling
- Enterprise portals
- Enterprise data environments and warehouses

Complexity of Programs

- Mainframe systems
- Government off the shelf systems
- Custom development solutions
- Modern ERP system
- Systems deployed on ships and subs

Sea Warrior Fast Facts:

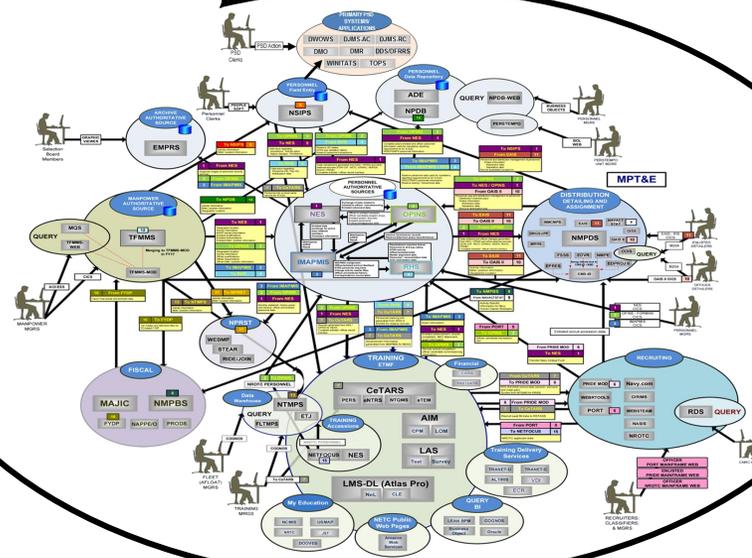
- Annual budget: \$150M+
- Total workforce: 240 military and civilian personnel, and 600+ contractors
- Includes one of largest Navy portals: 1M users
- Most extensive eLearning solution in DoD: 25M courses completed since 2000
- Integrated personnel system: ≈400K service member users
- NAVY 311 federated help desk network processes over 1M service requests annually
- Global distance support providing business information technology afloat and 24/7/365 customer support to the fleet



PMW 240 Portfolio – MPT&E Systems

LOB/ CAPABILITIES	DISTRIBUTION	POSITION MANAGEMENT	PERSONNEL & PAY	WORKFORCE DEVELOPMENT	RECRUITING & ACCESSIONS	ENTERPRISE BUSINESS SERVICES	DISTANCE SUPPORT
RESOURCE SPONSOR	N1	N1	N1, DNS	N1	N1	N1, DON/AA, N98, N9I	N2/N6, N4
IT PROJECT/ SOLUTIONS	CMS/ID EAIS NMPDS NROWS OASIS	NMRS TFMMS	DEPT SYS IMAPMIS NES NSIPS MRRS NPDB OPINS PERSMOD PS/OPAS RHS RIMS/FM PAYMOD Others	LMS/ETMDS NKO NTMPS	ARM PRIDE MOD	ADE DADMS/DITPR DON TRACKER JALIS My Navy Portal NJIS RMI	NAVY 311 / CRM NIAPS

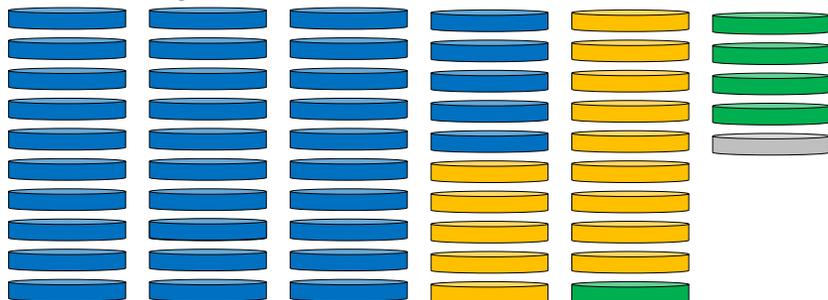
PMW 240 manages 22 of 55 N1 systems. Sustainment and modernization of these systems is aligned with and supports N1 Transformation effort.





MPT&E As-Is State

55 Systems Across N1/CNP



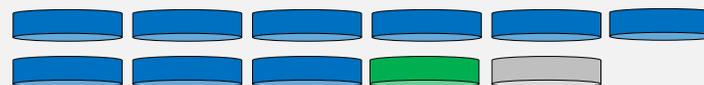
Functional Commands



Data Access

Data Modification Allowed: 35
Manual Interface: 31
Automated Interface (Time-Sensitive): 23

11 Systems Use Multiple Operating Systems

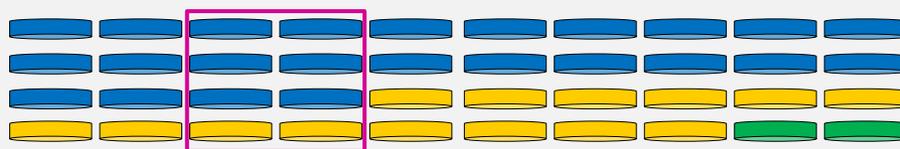


9 OS Across 55 Systems

42 Systems Use Multiple Languages*

**8 Systems written in single language*

5 Systems have no language info (in development)



8 of these 42 Systems use 5-10 languages

21 Total Languages Across 55 Systems

System Age

10 Systems are 31+ years old



Average Age: 15 years

**Too Many Legacy Systems - Too Many Different Languages & Operating Systems:
 Inefficient Support to the Sailor / High Operations and Maintenance Costs**



Ongoing Personnel & Pay Modernization (PPM) Effort

- **In advance of Transformation, PMW 240 is using the ongoing integrated PPM acquisition vehicle centered on our current Program of Record (POR) to:**
 - Increase auditability
 - Reduce customization via alignment to out of the box Commercial Off The Shelf Capability meeting OPNAV N1 requirements
 - Establish a Technical Data Repository (TDR)
 - Deliver and modernize capabilities in an extremely dynamic IT environment
- **PMW 240 is delivering and modernizing capabilities today in an extremely dynamic IT environment**
- **We are working closely with the Transformation Team to ensure that the evolution of our systems readily supports and/or bridges to the Navy's future vision**

BREAK



CAPT John H. Windom
OPNAV N1 / ASN(RD&A)



Acquisition Overview and Scope

Partnering with Industry

- Market research
- Leveraging commercial best practices and industry expertise
- Avoiding prescriptive requirements
- Use of targeted Requests for Information (RFIs)
- Inclusive of Small Business

Timely Industry Engagements

- Industry Days
- Office calls
- “My smart people talking to your smart people”

Document Releases

- Draft document releases such as: draft Requests for Proposals (RFPs), acquisition concepts, etc
- Use of a Technical Data Repository (TDR)-architectural diagrams, test data, interface control documents, etc
- Final RFP when ready



Federal Business Opportunities

FedBizOpps website:

The screenshot shows the FedBizOpps website interface. At the top, there is a navigation bar with links for Home, Getting Started, General Info, Opportunities (highlighted), Agencies, and Privacy. Below the navigation bar, there are links for Buyers (Login | Register) and Vendors (Login | Register), along with an Accessibility icon. The main content area is titled "Opportunities" and includes a "RETURN TO HOME" link. There are three tabs: "Opportunities List" (selected), "Advanced Search", and "Archives". A search tip is provided: "Search Tip: Use the Advanced Search Form for a wide array of search fields. To view opportunities by agency, go to the Agencies section. A quick search can be conducted using the fields below." Below the tip is a search bar with a "Keyword / Solicitation #" field, a "TIPS" icon, a "Posted Date:" dropdown menu set to "Last 90 Days", and "Search" and "Clear" buttons. There are also links for "Search by Agency, Set-aside, State, and Type" and "Search by Classification, NAICS code, Recovery actions, and more". The search results show "1 - 20 of 28651" items, sorted by "Posted On (Desc.)" and showing 20 items per page. The table below lists the search results:

Opportunity	Agency/Office/Location	Type / Set-aside	Posted On
BUSHING,SLEEVE (3120-01-501-6938) SPE4A614X0131 31 -- Bearings	Defense Logistics Agency DLA Acquisition Locations DLA Aviation - BSM	Combined Synopsis/Solicitation	Oct 23, 2013
5935010434859 SPE7M513X0031 59 -- Electrical and electronic equipment components	Defense Logistics Agency DLA Acquisition Locations DLA Land and Maritime - BSM	Combined Synopsis/Solicitation	Oct 23, 2013
...	Department of Labor		



What We Need From Industry

Feedback and Collaboration

- We value your opinion and will ask for targeted information
- Communication goes both ways
- Develop long-term working relationships

Proactive Cost Control

- Effective and realistic pricing
- Think like a tax payer

Innovation

- Embody creative technological solutions
- Strive for continuous process improvement

Focus on the Mission

- Never lose sight of why we are here
- Need real solutions for our Sailors



Summary – Some Industry Homework

- DoD-5000-based acquisitions (Operations of the Defense Acquisition System)
- FAR Part 15 (Contracting by Negotiations)
- Indefinite Delivery Indefinite Quantity (IDIQ) Contracts
- Contract Line Item Number (CLIN) structures: cost-type CLINs, fixed-price CLINs, etc.
- DoD Small Business Objectives (IT-related acquisition/business systems transformations)
- Sign-up to utilize the MPT&E Technical Data Repository (TDR) when ready
- Monitor Federal Business Opportunities (FBO) and SPAWAR E-commerce Websites
- Please respond to our Requests for Information (RFIs)
- Terminology - Navy versus Commercial

“THE GOVERNMENT’S OFFICIAL POSITION WILL ALWAYS BE IN WRITING!”

BREAK

Q&A Panel

- CAPT John H. Windom (OPNAV N1 / ASN(RD&A)) - Moderator
- CAPT Jim Waters (OPNAV N1)
- Mr. Patrick Fitzgerald / Mr. Justin Fanelli (PMW 240)
- Mr. Andrew Tash / Ms. Nuria Hernandez (OPNAV N16)
- Ms. Jackie Wilcher (OPNAV N1)
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Questions and Answers

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 - All questions must be submitted in writing on the form provided—please hand it to one of the MPT&E Transformation staff
 - **If you need additional forms:** please raise your hand and one of our MPT&E Transformation staff will provide to you
 - We will informally answer questions at the end of the presentation during our scheduled Q&A panel
 - Please keep questions **within scope** of the material covered at Industry Day
- **Next Steps:**
 - Written copies of all questions and answers will be posted on the Federal Business Opportunities (FBO) website: www.FBO.gov
 - Today's presentations will be made available on the FBO website