



# **BUSINESS PLAN**

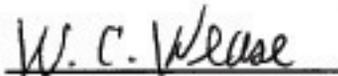
## **FY 2002/2003**

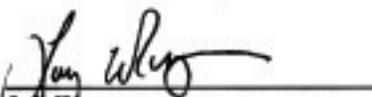


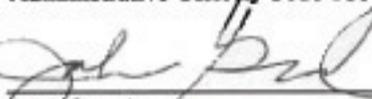
## Purpose and Commitment

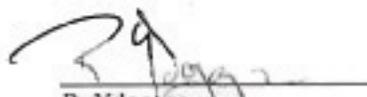
Achievement of the vision articulated in this plan and progress toward our strategic goals will result in providing the highest quality products and services to our customers. We, the Executive Steering Committee, chart the direction and focus of this command. Thus, we commit ourselves to these goals and fully endorse the implementation of this business plan.

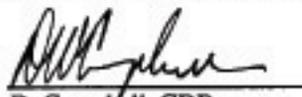
  
T.J. Murphy, CAPT USN  
Supervisor, Code 100

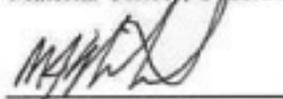
  
W.C. Wease  
Business Planning and  
Customer Relations, Code 120

  
J. West  
Administrative Officer, Code 180

  
John Grawl  
Maintenance Evaluation and  
Planning Division, Code 220

  
R. Ydoga  
Contracts Officer, Code 400

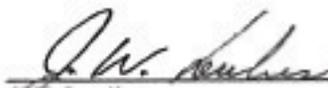
  
D. Campbell, CDR  
Material Officer, Code 500

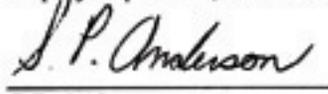
  
M. Neibert, CDR  
Repair Officer, Code 600

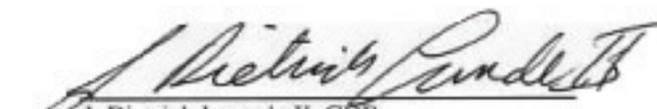
  
Jimmy Jones  
Waterfront Operations Director, Code 602  
(RAV/TAV)

  
W. Hutspiller  
Comptroller, Code 700

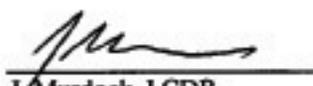
  
J. Cardinale  
Detachment Colts Neck

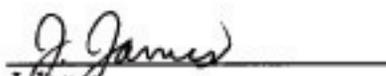
  
J.W. Louies  
Deputy Supervisor, Code 101

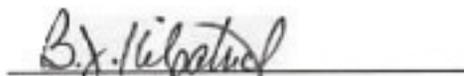
  
S.P. Anderson  
Legal Counsel, Code 130

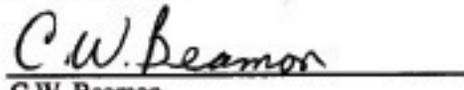
  
J. Dietrick Lamade II, CDR  
Engineering Officer, Code 200

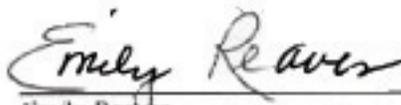
  
Warren Kennedy  
Chief Engineer, Code 240

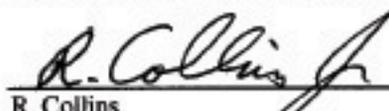
  
J. Murdock, LCDR  
Contracts Deputy, Code 401

  
J. James  
Deputy Material Officer, Code 501

  
Bobby Kilpatrick  
Waterfront Operations Director, Code 601  
(CNO AVAILS)

  
C.W. Beamon  
Waterfront Operations Director, Code 603  
(QA/ESH/NNSY)

  
Emily Reaves  
Information Technology, Code 800

  
R. Collins  
President, IFPTE, Local 10

# Commanding Officer's Message



These are exciting times for SUPSHIP Portsmouth. We are the Navy leaders in private sector, surface ship repairs. Operating in the Navy's largest homeport, we are engaged in innovative contracting initiatives and waterfront schemes designed to provide efficient ship maintenance. We are the focal point for new teaming arrangements with the robust and dynamic Hampton Roads private sector, our public sector partners, and other Navy activities that participate in ship modernization.

We have a rich heritage of supporting America's Navy. We are proud of past and present contributions, but as the challenges of the future unfold, we must assess our progress toward our vision and goals and adjust our strategic plans accordingly. Therefore, we have revised our business plan to incorporate a new set of goals and action strategies to attain them.

While our strategic planning allowed us to plot where we are, where we want to go, and how to get there, the best plan in the world is useless if we do not act on it. As Will Rogers said, "Even if you're on the right track, you'll get run over if you just sit there."

An important feature of our business plan is the establishment of a set of balanced performance measurements that allow us to assess our progress towards achieving our strategic goals. Our performance will be appraised in five key perspectives: our customers' perspective, our stakeholder perspective, our internal business perspective, our financial perspective, and our learning and growth perspective.

I encourage each of you to read this plan and understand your role in *Keeping America's Navy Number One in the World!*

A handwritten signature in black ink, which appears to read "T. J. Murphy". Below the signature, the name "T. J. Murphy" is printed in a small, black, sans-serif font.



## **Table of Contents**

## **Page**

Introduction and Business Overview.....	5
Strategic Perspective.....	6
Mission	
Vision	
Guiding Principles.....	7
Organizational Overview.....	8-9
Market Analysis.....	9
Internal and External Assessment .....	10
Customers.....	10-11
Stakeholders.....	12
Strategic Alliances/Partnerships.....	12
Key Suppliers.....	13
Competitors.....	14
Core Equities.....	14-15
Stewardship.....	15
Workload.....	16
Response to Business Analysis – The Realities .....	16
Risk.....	17
Strategic Goals, Objectives, Strategies, Measures .....	18-22

## **Introduction and Business Overview**

The FY 2002/2003 Supervisor of Shipbuilding, Conversion and Repair, Portsmouth Business Plan is the framework for the Command's commitment to excellence performance. This plan is applicable to both SUPSHIP Portsmouth and its Colts Neck Detachment. The business plan is aligned with the Naval Sea Systems Command (NAVSEA) strategic goals and corporate initiatives and identifies the means for SUPSHIP Portsmouth to support the NAVSEA Corporate Strategy and the NAVSEA "Critical Few."

The strategic planning process sustains and strengthens, or identifies necessary changes to fulfill our command mission. We accomplish our strategic planning process in accordance with SUPSHIP Portsmouth Instruction 5224.3. The output of the strategic planning process is our business plan. The business plan will continually change as market forces, customer expectations as well as needs, and shifts in our alliances and partnerships drive us to reassess.

In working towards our vision, we consider a number of external and internal forces that influence the success of the command in achieving its mission and goals. We assess our strengths, weaknesses, opportunities and threats, obtain customer and employee feedback on their expectations and concerns, as well utilize guidance from our recent Command Performance Inspection. All these factors shape and drive our approach to the future. This process results in the establishment of our strategic goals, which when attained, will permit us to our vision. We will use objectives and strategies for meeting each strategic goal and balanced performance measures to continually assess our progress goal attainment.

The strategic planning process is championed by the Executive Steering Committee (ESC) and is linked to our triennial Unit Self-Assessment. The ESC is responsible for updating and monitoring the implementation of the business plan.



## Strategic Perspective

### *Our mission is our reason for being.*

Supervisor of Shipbuilding, Conversion & Repair, Portsmouth, Virginia is co-located with the largest concentration of Atlantic Fleet ships. We are the Naval Sea Systems Command on-site representative for assigned ship repair and modernization availabilities, and provide one stop shopping for planning, procurement, and administration of Department of Defense (DOD) ship repair/maintenance contracts accomplished in the private sector in the Mid-Atlantic Region. We provide nationwide support of the ship repair planning process as the Ship Availability Planning and Engineering Center (SHAPEC) for the ARS, DD-963, AOE, and AGF Ship Classes. We offer a variety of unique services including life cycle technical services, alteration development and installation, material assessments, messing and berthing barge program management, and maintenance strategy support for surface ships. We accomplish this by maintaining and utilizing a diverse and highly skilled work force.

### *Our vision represents where we want to be in the future.*

Keeping the fleet ready to go in harm's way as the number one provider.



## **Guiding Principles**

These are the desired values and accepted beliefs that characterize our actions in the accomplishment of our mission.

**RESPONSIVENESS**- *We respond to the needs of our customers and co-workers.*

**COMMUNICATION** - *We are honest, open, clear, and prompt in communicating with our customers and co-workers.*

**INTEGRITY**- *We commit to personal and professional integrity and ethical performance.*

**TECHNICAL EXCELLENCE** - *We dedicate ourselves to technical excellence, cost consciousness, innovation, protection of the environment, and continuous improvement.*

**EMPOWERMENT** - *We foster an environment that empowers people to take initiative by assigning authority and responsibility to the lowest appropriate level.*

**ACCOUNTABILITY**- *We accept responsibility and are accountable for our decisions and for the quality, safety, and reliability of our products and services.*

**RESPECT**- *We value and respect each other, promote individual and team development, and recognize accomplishments.*

**DIVERSITY** - *We ensure an equal opportunity environment and we value the strength a diverse work force brings to our organization.*

**BUSINESS PRACTICES** - *We use sound business processes and procedures, seeking ways to continually improve our decisions, products, and services and to reduce costs.*

**TEAMWORK**- *We team with our customers, competitors, industry, and each other on the basis of trust.*

**WORKPLACE** - *We provide a safe and productive work environment.*



## **Organizational Overview**

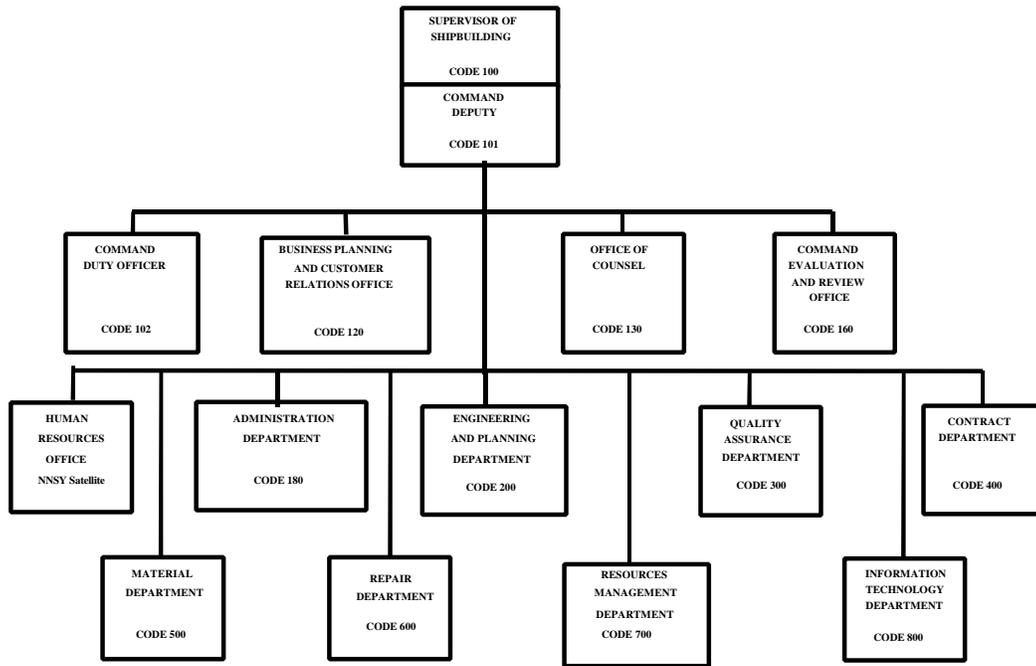
The Supervisor of Shipbuilding, Conversion and Repair, USN, Portsmouth (SUPSHIP Portsmouth) is a tenant activity whose headquarters are located within Norfolk Naval Shipyard, Portsmouth, Virginia. The command is one of nine geographically dispersed SUPSHIP activities. We are an Echelon 3 Navy field activity under the cognizance and claimancy of the Naval Sea Systems Command (NAVSEA). NAVSEA is the largest of the Navy's five systems commands. NAVSEA engineers, builds, maintains, modernizes, and supports America's Navy Fleet of ships and combat systems. NAVSEA 04X1 is responsible under SEA 04 for resource planning, management, and execution of SUPSHIP functions. SEA04 and the Supervisors of major SUPSHIP commands form the SUPSHIP Board of Directors (BOD), which provides guidance and oversight of SUPSHIP mission accomplishment.

SUPSHIP Portsmouth's area of responsibility covers the States of Virginia, North Carolina, Maryland, Pennsylvania, New Jersey, and New York. Additionally, SUPSHIP Portsmouth oversees a detachment located at Weapons Station Earle, Colts Neck, New Jersey.

In the role of DOD's designated Contracting Authority for ship repair contracts, SUPSHIP Portsmouth performs the major functions of naval ship repair and overhaul, with this role expanded to include maintenance and modernization by procuring and administering contracts with private shipyards. As NAVSEA's Technical and Business/Contractual Agent-On-Site, our command is accountable for the field execution of NAVSEA's contractual, technical, and fiduciary responsibilities for ship repair conducted in the private sector. We directly support operational readiness of the Fleet.

Internally, we have reassessed our engineering functions and determined a single point of responsibility is necessary for final technical authority of all engineering programs and engineering core equities. Thus, we reestablish the Chief Engineer position as Code 240. Other transitions include realigning the Class Maintenance Programs to the Engineering and Planning Department (C200) and the most recent establishment of the Business Planning and Customer Relations Office (C120). These changes support the NAVSEA corporate alignment and enable us to better serve our customers.

## SUPSHIP PORTSMOUTH ORGANIZATIONAL CHART



### Market Analysis

We are unique in the market we serve. SUPSHIP Portsmouth provides a one stop, totally integrated approach to managing all facets of ship repair contracts within the private sector in the mid-Atlantic region. Consequently, we provide one governmental face to the shipbuilding and ship repair industry. SUPSHIP Portsmouth plays a key role in NAVSEA’s corporate initiative to present a single NAVSEA face to our principal customers, Fleet units and organizations. We also provide consistency and uniformity in the policies and practices seen by the highly specialized business sector of shipbuilding and ship repair firms.

SUPSHIP Portsmouth is primarily a field technical and engineering activity, with Contract Administrative Services (CAS) as one aspect of our broader, integrated mission. Our current on-site operation has evolved commensurate with the unique industry that we oversee and the requirements of fleet customers that we serve. We are uniquely situated to manage the integration of contractor personnel with ship’s force, shipyard workers, and other Government personnel performing the myriad of activities necessary to ensure an integrated, operational, combat ready and cost effective product to the fleet. Our command is the fleet agent ensuring ship’s force quality of life during maintenance periods.

Our goals, objectives, and business plan align with the NAVSEA Corporate Strategy and support the NAVSEA “Critical Few”.

The NAVSEA Corporate Strategy identifies goals focused on the following:

- People
- Customers
- Knowledge Management
- Business Processes
- Engineering
- Future Concepts
- Integrated Product Support

The NAVSEA Critical Few are:

- Confederation to Corporation
- Inter-operability
- Distance Support (Anchor Desk)
- Maintenance Enterprise Resource Planning (ERP/NEMAIS)
- Submarine Factory
- Navy/Marine Corp Intranet (NMCI)
- Strategic Sourcing
- Fleet Modernization Program (FMP)
- Force Protection

### **Internal and External Assessment**

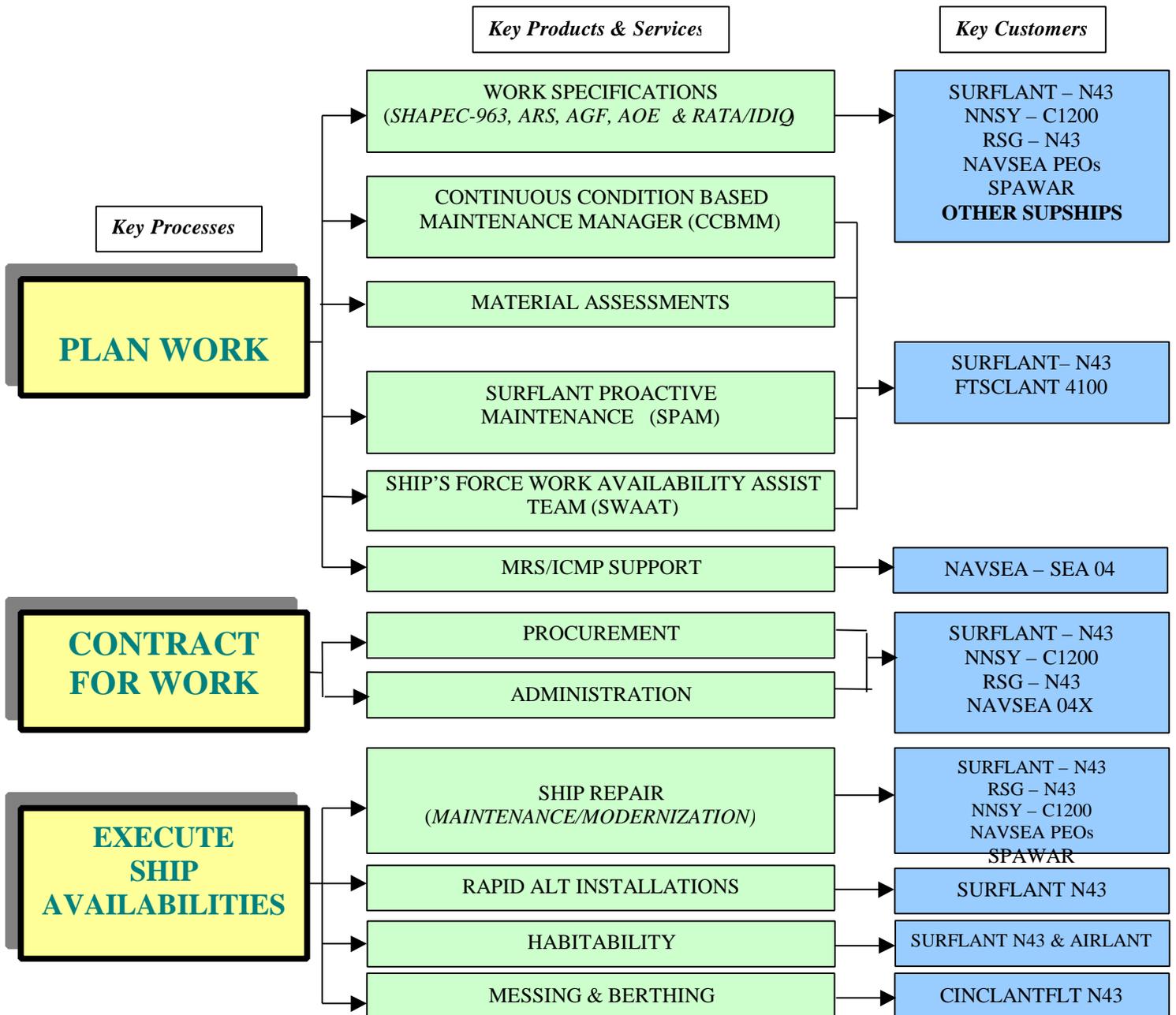
Marketplace dynamics present opportunities and threats to our command. Changes in economic conditions, technology, maintenance strategies, and environment influence our ability to meet our mission. We seek to focus on strengths, minimize our weaknesses, counteract threats, and take the greatest possible advantage of opportunities available.



### **Customers**

Customers are direct recipients/beneficiaries of the products and services that SUPSHIP provides. We conduct periodic customer assessments to identify their expectations, requirements, and concerns and to determine areas where improvements can be made. The end user of our products and services is the Fleet.

**Our key external customers and the products and services we provide are:**



- Support Functions
- ADP
  - ADMINISTRATION
  - TRAINING
  - MAIL/FILE
  - SECURITY
  - COMPROLLER
  - BUSINESS PLANNING
  - LEGAL
  - PERSONNEL
  - FACILITIES
  - TRAVEL
  - MATERIAL (SUPPLIES)

- Critical Success Factors
- 1. Location – we are co-located with the largest concentration of Atlantic Fleet ships**
  - 2. Ability to obtain experienced personnel**
  - 3. Flexible contracting strategies**

## **Stakeholders**

Our stakeholders influence budget, funding, and resource allocation and fill a stewardship or regulatory role. Our principal stakeholders are:

- NAVSEA 04X1
- NAVSEA 092
- COMNAVSURFLANT N43
- OPNAV N46
- OSD
- EPA, OSHA
- Congress, OMB, GAO
- State and Local Governments

## **Strategic Alliances/Partnerships**

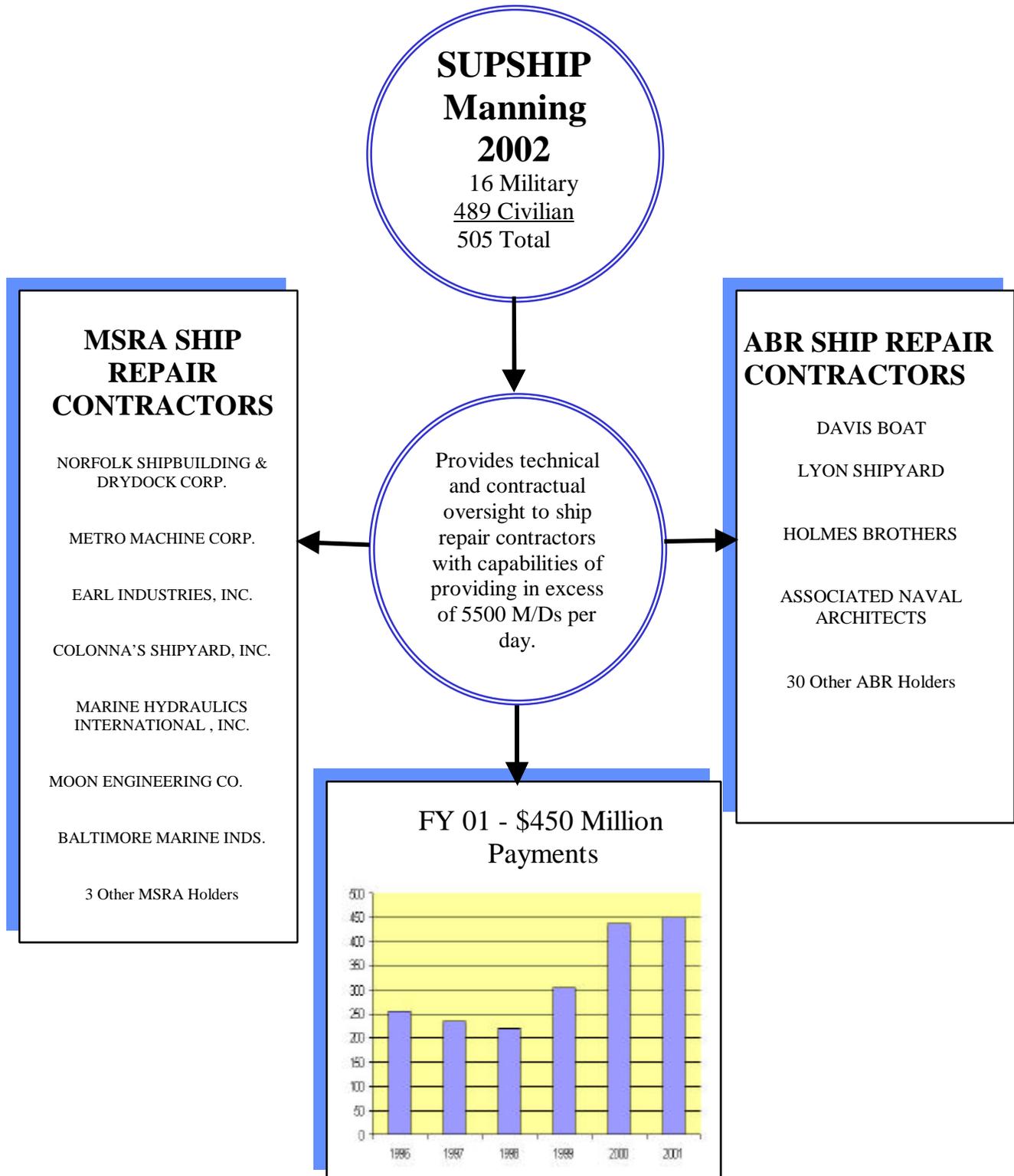
Our success depends on our ability to nurture and leverage relationships within the corporation, with other DOD components, and with other organizations that contribute to mission success. Our critical strategic alliances and partnerships are with:

- FTSC
- SPAWAR
- NNSY
- SUPSHIP Community
- Tidewater Ship Repair Association
- SHAPEC
- Tidewater Association of Service Contractors
- Public/Private Teams



## Key Suppliers

We evaluate the strengths of our suppliers and note areas for improvement using the Contract Performance Assessment Reporting System (CPARS). Likewise, we receive feedback from our suppliers on what is expected of SUPSHIP Portsmouth via ship repair industry organizations such as South Tidewater Association of Ship Repairers and Tidewater Association of Service Contractors.



## Competitors

- The command does not appear to have competition for our direct funded work, since we are the designated DOD CAS agent for ship repair. However, the jobs at SUPSHIP Portsmouth do face threats that may be considered competitive in nature. There are other governmental activities, such as the Defense Contract Management Agency, Fleet Industrial Supply Center, and Defense Logistics Agency who perform a portion of the services we offer. But none perform as a one stop plan, contract and administration activity. This is also true with the private sector contractors. A number of them provide only portions of products and services we provide, but not as a total integrated package. In the maintenance assessment area, we do have competition.
- A recent study conducted for SUPSHIP Bath indicated that, due to the mission critical and highly complex nature of SUPSHIP programs, they do not lend themselves oversight by an activity not:
  - Solely accountable and responsible to the United States
  - Fully aligned with the ultimate highest interests of the DOD
  - Intimately familiar with the entirety of the program

## Core Equities

Our Core Equities are comprised of both a critical capability and the means to sustain that capability.

Core equities are **not** products and services.

Core equities **are** people, skills, and/or facilities.

These critical capabilities are required to perform our mission and achieve our

### Business Operations:

Supporting functions for the business accountability and management of people (including Expense Operating Budget Funding) to oversee the Navy's ship conversion and construction contracts.

### Contract Administration:

Provide Procuring Contracting Officer (PCO) functions in support of solicitation(s) and/or Administrative Contracting Officer (ACO) functions in support of administration of assigned contracts for new construction, conversion or repair availabilities. Administration functions ensure contractor compliance with technical and quality requirements of the contract.

### Engineering:

Engineering support and design services for the administration of Navy ship repair, conversion and construction contracts (includes work statement development and advanced planning).

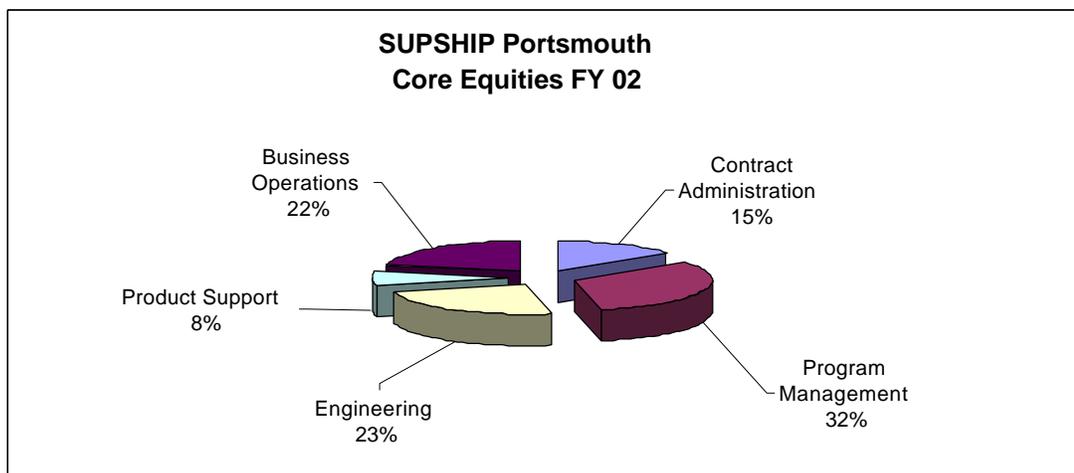
### Program Management:

Accountable for program execution, oversight and management of contract administration to ensure adherence to cost, schedule, and technical requirements.

### Product Support:

Provide ships in new construction, conversion or repair availabilities with Life Cycle Logistics support. Accountable for government property and Integrated Logistics Support.

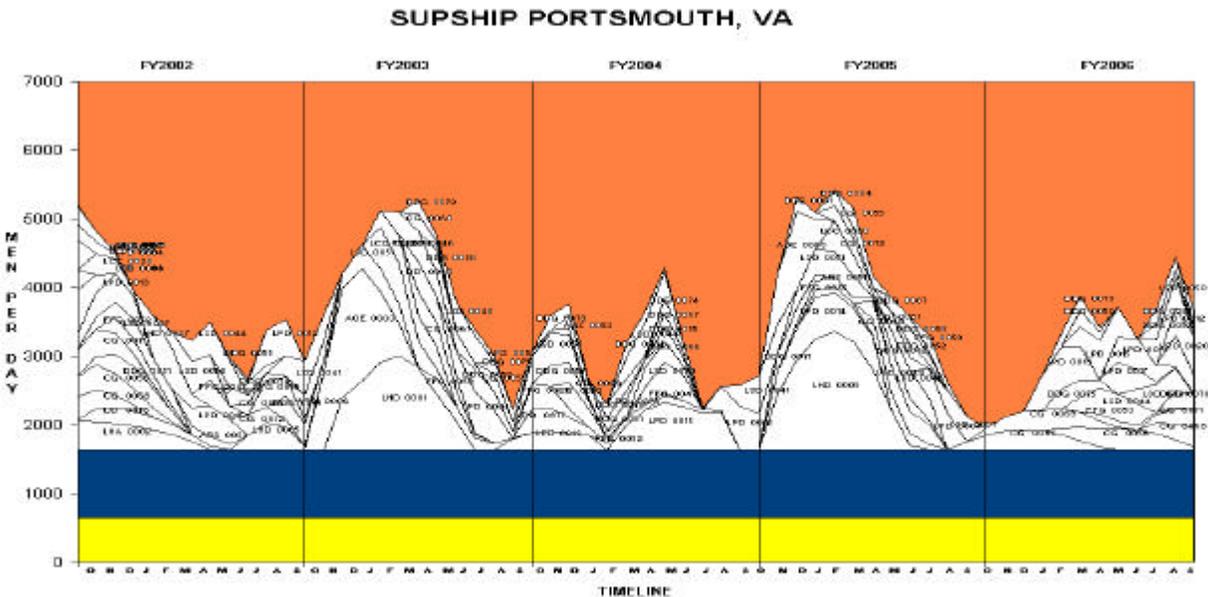
- Distribution of personnel across core equities



## Stewardship

- We will maximize our customers' return on investment through ownership and continuous improvement of our product delivery processes.
- We will ensure that mission accomplishment does not jeopardize or compromise the special trust our country and community place in us by:
  - Considering the environmental impact of our operations.
  - Maintaining a safe working environment for our employees, customers, partners, and suppliers.
  - Actively contributing to the local community.
- We will provide our employees opportunities for professional and personal growth by providing education, training, and work experience opportunities and by promoting community involvement.

## Workload



Our projected workload continues a historical pattern of highs and lows. During previous years, Congressional supplement ship maintenance funding has lessened the severity of the light workload periods. We anticipate a similar situation for late FY02 and early FY 03.

SUPSHIP Portsmouth has significantly downsized over the past decade. Our current manning numbers are projected to be relatively stable, but there are significant unknowns regarding future budgets and resource sponsorship.

## Response to Business Analysis -The Realities

As a result of the market analysis actions described above, and in recognition of the fact that SUPSHIP Portsmouth is part of a larger NAVSEA Corporation, the ESC developed a list of assumptions. These assumptions assisted in framing the future vision from a command perspective:

- NAVSEA's corporate mission is Fleet Support. SUPSHIP Portsmouth is a core provider in support of this mission for private sector work in the Mid-Atlantic Region.
- Corporate enterprise resource solutions will drive our business.
- Fiscal constraints and budgetary pressures will not decrease.

- As our workload increases, the infrastructure will decrease.
- Teaming between private sector contractors and public/private entities will continue.
- Maintenance philosophies will continue to change.

## **Risk**

There is significant risk associated with delivering a quality ship on time and within budget if SUPSHIP Portsmouth is not adequately resourced and appropriately staffed to perform our on-site mission for the Navy's fleet customers. Failure to respond to this may result in:

- Inability to deliver products that meet customer cost, schedule, and quality requirements and expectations.
- Loss of alignment and inter-operability with NAVSEA, the Supervisor of Shipbuilding community, and our customers, suppliers, and partners.
- Inability to acquire, retain, and apply our most critical resource: a knowledgeable, experienced, and motivated work

We also face other risks. The ever increasing environmental and safety regulations present another significant risk. We must be prepared to meet the challenge of ensuring compliance by all contractors.

We face risks forced upon us from our customers. Maintenance and modernization funding shortfalls create work package churn. We are caught in the middle. We are trying to deliver the end user, the fleet, a quality ship to go in harm's way, but we constrained by financial considerations.



## Strategic Goals, Objectives, Strategies, and Measures

Our business plan supports NAVSEA's vision and strategic goals and provides us direction. Commander's Forum X adopted the Balanced Scorecard (BSC) methodology as the framework for deployment of the Corporate and Field Activity Strategy. The approach was reaffirmed in NAVSEA FY02/03 Corporate Business Planning Guidance.

NAVSEA Goals	SUPSHIP Perspectives				
	Customer	Stakeholder	Internal Processes	Learning & Growth	Financial
PEOPLE	✓		✓	✓	
CUSTOMERS	✓	✓	✓		✓
KNOWLEDGE MANAGEMENT	✓	✓	✓	✓	
BUSINESS PROCESSES	✓	✓	✓		✓
ENGINEERING		✓	✓	✓	
FUTURE CONCEPTS					
INTEGRATED PRODUCT SUPPORT	✓		✓		✓

More specific objectives and strategies support each goal. The objectives represent **what** SUPSHIP Portsmouth intends to accomplish with respect to its overarching strategic goal, and the strategies indicate **how** we will achieve each goal. Budget resources have been allocated and action teams will be chartered to accomplish specific objectives. The performance measures will drive the accomplishment of our strategic goals.



Strategic Goal	Objectives	Strategies	Measures	Frequency	Timing	Goal Advocate
<b>Customers</b>	Responsive to the needs of our customers	Develop and implement a systematic customer relations process and instruction. Develop methods to resolve, capture, aggregate and analyze customer complaints and use this information to improve our products and services.	Customer survey Ship's CO survey SEMAT CO survey Dissatisfaction severity index weekly sitreps weekly concerns	Semi-annual Each avail at 50% and 100% At completion of each SEMAT Quarterly	Short	Bill Wease
	Competent, empowered decision makers on the waterfront	Improve waterfront expertise through standardized training	Percent of personnel trained Training Effectiveness	Bi-annual	Long	Larry West
	Customers get the best value from the private sector contractors	<ul style="list-style-type: none"> <li>▪ Customer participation on best value boards</li> </ul>	<ul style="list-style-type: none"> <li>▪ Customer survey</li> <li>▪ % of best value awards</li> <li>▪ CPARS ratings</li> </ul>	Bi-annual	Long	LCDRMurck
	Instill a spirit of dedication to customers throughout SUPSHIP Portsmouth	Provide customer service training to all employees	Percent of personnel trained Competency rating at 6 months (TBD)	Bi-annual	Long	Larry West
<b>Stakeholders</b>	Ensure stakeholders understand the SUPSHIP role in contractor oversight	Provide accurate, reliable requirements to our sponsors	Funding provided vs. funding requested FTE execution	Throughout budget cycle Monthly	Long	William Hutsenpiller
	Develop a stakeholder survey to identify specific issues in execution efficiency	Provide input on SUPSHIP community survey via chartered action team	<ul style="list-style-type: none"> <li>▪ Survey</li> </ul>	Annual	Short	Bill Wease
	Ensure efficient use of reimbursable funding	Develop ROI for reimbursable work	<ul style="list-style-type: none"> <li>▪ Survey</li> <li>▪ M/D rate vs. market rate</li> <li>▪</li> </ul>	Quarterly Annual	Long	John Graw



Strategic Goal	Objectives	Strategies	Measures	Frequency	Timing	Goal Advocate
<b>Learning &amp; Growth</b>	A well trained, educated workforce to meet future needs	Identify technical competencies and gaps Develop & implement integrated training plan to develop technical competencies Recruit and retain workforce to execute our technical competencies	<ul style="list-style-type: none"> <li>▪ Skills gap index: Current needs vs current skills Future needs vs. future skills % of personnel meeting mandatory qualification standards Forecast workload and employment patterns Recruitment success % of recruits classified as highly qualified # of applicants per job opening acceptance rate per job offer Turnover rate Absenteeism</li> </ul>	Annual	Short	Larry We
	<ul style="list-style-type: none"> <li>▪ Create high quality of life in the workplace</li> </ul>	Develop process to systematically survey employee well being & satisfaction Evaluate level of satisfaction with the command's awards program. Recognize and award employee achievements.	Employee survey	Annual	Short	Bill Wea

Strategic Goal	Objectives	Strategies	Measures	Frequency	Timing	Goal Advocate
<b>Learning &amp; Growth (cont'd)</b>	Provide a safe work environment	<ul style="list-style-type: none"> <li>▪ Train personnel on entry into confined shipboard spaces</li> <li>▪ Train personnel on exposure to hazardous materials</li> <li>▪ Train personnel in the use of Personal Fall Arrest Systems</li> <li>▪ Perform gap analysis on mishap reporting system and ensure compliance with regulations</li> <li>▪ Identify and implement effective force protection measures</li> </ul>	<ul style="list-style-type: none"> <li>▪ % of personnel trained</li> <li>▪ Accident rate</li> <li>▪ # of injuries/severity/lost time</li> <li>Environmental/Safety contractor assessment</li> <li>% of compliance to mishap regulations</li> <li>% of force protection objectives met</li> </ul>	Annual/Annual/Bi-annual/Annual/Bi-annual	Short/Short/Short/Short/Long	Charlie Beamon Larry West
<b>Financial</b>	Quantify the value of SUPSHIP to our customers and stakeholders	<ul style="list-style-type: none"> <li>▪ Capture negotiated savings on contract modifications</li> <li>▪ Develop index of prevented quality assurance problems</li> <li>▪ Implement BSC solution to collect &amp; share organizational performance</li> </ul>	Total negotiated savings per availability# and type of prevented QA problems expressed as \$\$\$# of process improvements resulting from BSC	Annual/Annual/Annual	Long/Long/Short	Dick Ydoyaga Charlie Beamon Bill Wease
	<ul style="list-style-type: none"> <li>▪ Increase market share of ship maintenance dollars</li> </ul>	<ul style="list-style-type: none"> <li>▪ Assume all shipboard oversight work from FTSC</li> <li>▪ Provide alternate contracting vehicles</li> </ul>	<ul style="list-style-type: none"> <li>▪ TBD</li> <li>Change of dollars from previous year (progress payments for FY 98-01)</li> </ul>	TBD/Annual	Long/Long	TBD  Dick Ydoyaga

# SUPSHIP Portsmouth

Working together to get the Fleet ready to go in harm's way

