



THE SUPPLY CORPS **2040** STRATEGIC VISION STUDY





DEPARTMENT OF THE NAVY
5450 CARLISLE PIKE
PO BOX 2050
MECHANICSBURG, PA 17055-0791

Commander
Naval Supply Systems Command

31 Mar 10

Chief of Supply Corps

In 1989 the Supply Corps unveiled its first strategic vision document: The Supply Corps 2010 Study. As we enter the targeted year of the original study, we are releasing our second comprehensive strategic planning effort: the Supply Corps 2040 Strategic Vision Study. The timeframe out to 2040 is purposeful; today, the Supply Corps is accessing and training the senior leadership of the Corps in that year. This strategy spans the timeframe of their careers, and lays out a viable billet structure and career continuum for their generation of Supply Corps officers.

This important document updates our mission, vision, and strategy and will guide our community sponsorship actions to ensure we are building the acquisition, business and logistics capabilities required to support the Navy and Joint warfighters in the future. The study provides both a near-term focus and a forward-looking perspective. It drives immediate actions that help shape the Supply Corps across the Future Years Defense Program while simultaneously looking over-the-horizon to ensure that we are taking actions now that optimally position the Corps for future success.

The study represents a comprehensive effort. It identifies the core competencies and enduring traits that drive our competitive advantage and value proposition. At the same time, it highlights new skills that we should develop to succeed across a wide variety of new missions and possible futures. Underlying both of these elements, it validates our functional lines of operation and identifies future market segments critical to the Navy in which the Supply Corps should invest.

The action plan presented as a result of the detailed analysis, findings, and recommendations will be executed by adopting a governance process, led by the Supply Corps flag officers, that drives accountable actions and includes periodic course correction capability. Just as importantly, we must ensure our strategy is articulated in our strategic communications and in our mentoring program so we can instill constancy of purpose.

This study was a true collaborative, community effort that included the contributions of many of our active, reserve, and retired Supply Corps officers. That same collaborative approach will be continued as we transition into execution.

I would like to express my personal appreciation and a hearty BRAVO ZULU to the study lead, Captain Beth Howell, and everyone who contributed to the project and helped make it a success.

A handwritten signature in black ink, appearing to read "M. J. DEN".

M. J. DEN
Rear Admiral, SC, USN

Table of Contents

SECTION 1: INTRODUCTION

FORWARD	4
EXECUTIVE SUMMARY	7
ASSUMPTIONS, FINDINGS AND RECOMMENDATIONS	10

SECTION 2: BACKGROUND

A DAY IN THE LIFE OF A SUPPLY CORPS OFFICER ALTERNATIVE FUTURE – HYPERCOMPETITIVE WORLD: DOING MORE WITH LESS	16
CHAPTER 1: SETTING THE STAGE	17
STUDY PURPOSE	17
STUDY DELIVERABLES	18
FUTURE ENVIRONMENT	19
CHAPTER 2: MISSION, VISION AND STRATEGY	20
SUPPLY CORPS MISSION	20
SUPPLY CORPS VISION	20
SUPPLY CORPS STRATEGY	20
STRATEGIC FOCUS AREAS	22
A DAY IN THE LIFE OF A SUPPLY CORPS OFFICER ALTERNATIVE FUTURE – HYPERCOMPETITIVE WORLD II: MANAGING THROUGH TECHNOLOGY	24
CHAPTER 3: SUPPLY CORPS 2010 STUDY	26
SUPPLY CORPS 2010 STUDY OVERVIEW	26
SUPPLY CORPS 2010 STUDY ASSUMPTIONS	26
IMPLICATIONS FOR THE 2010 SUPPLY OFFICER	27
SUPPLY CORPS 2010 STUDY RECOMMENDATIONS	27
ASSESSMENT OF THE 2010 STUDY RECOMMENDATIONS	28
SUMMARY	34
A DAY IN THE LIFE OF A SUPPLY CORPS OFFICER: ALTERNATIVE FUTURE – COLLABORATIVE WORLD: GLOBAL PURCHASING AGENT	35
CHAPTER 4: RECENT AND ONGOING COMMUNITY MANAGEMENT INITIATIVES	36
SUPPLY CORPS OFFICER DIVERSITY PROGRAM	36
SENIOR LEADERSHIP ADVISORY COUNCIL (SRLAC)	37
SUMMARY	39
A DAY IN THE LIFE OF A SUPPLY CORPS OFFICER: ALTERNATIVE FUTURE – COLLABORATIVE WORLD II: FACILITATING AMERICAN INFLUENCE	40

SECTION 3: ANALYSIS

CHAPTER 5: ANALYSIS PROCESS	41
5 FORCES DEMAND MODEL FOR COMMUNITY MANAGEMENT	41
STRATEGY MODEL (NSPP) FOR OFFICER DEVELOPMENT	47
SUMMARY	49
CHAPTER 6: ASSUMPTIONS	50
GLOBAL ENVIRONMENT	50
NATIONAL ENVIRONMENT	52
DEFENSE ENVIRONMENT	53
NAVY ENVIRONMENT	54
THE SUPPLY CORPS OFFICER ENVIRONMENT	54
SUMMARY	55
CHAPTER 7: COMMUNITY MANAGEMENT ANALYSIS	56
OPERATIONAL DEMAND	57
EFFECT AND MITIGATION STRATEGIES TO DATE	64
PROBLEM MAGNITUDE	66
SUMMARY	69
CHAPTER 8: ASHORE DEMAND	70
ARTICULATED DEMAND	70
ENVIRONMENTAL LANDSCAPE	71
BARGAINING POWER OF SUPPLIERS	73
MARKET RIVALRY – OUR COMPETITORS	74
BARGAINING POWER OF BUYERS	75
FUNCTIONAL REVIEW	76
FUNCTIONAL REVIEW – FINDINGS AND RECOMMENDATIONS	79
SUMMARY	86
CHAPTER 9: JOINT STRATEGY	88
HISTORICAL CONTEXT	89
APPLICATION OF FIVE FORCES MODEL	92
JOINT MILESTONES TODAY	95
LOOKING FORWARD	99
SUPPLY CORPS JOINT VISION	100
SUMMARY	101

CHAPTER 10: OFFICER DEVELOPMENT	102
SUPPLY CORPS OFFICER DEVELOPMENT CONSTRUCT TODAY	103
MENTOR THEM	109
EVOLUTION OF THE OFFICER DEVELOPMENT MODEL – THE CAREER CONTINUUM	110
STRATEGY MODEL FOR OFFICER DEVELOPMENT	111
CAREER TRAINING FOR 2040 – INITIAL COURSE CORRECTIONS	119
SUMMARY	121
CHAPTER 11: FINDINGS AND RECOMMENDATIONS	122
STRATEGIC FOCUS AREA: COMMUNITY MANAGEMENT	123
STRATEGIC FOCUS AREA: OFFICER DEVELOPMENT	131
STRATEGIC FOCUS AREA: ENVIRONMENTAL LANDSCAPE	130
STRATEGIC FOCUS AREA: GOVERNANCE	131
CHAPTER 12: GOVERNANCE AND NEXT STEPS	138
THE NEXT STEPS	140
SUMMARY	141

SECTION 4: ADDENDUM

ENDNOTES	142
BIBLIOGRAPHY	143
ACRONYMS/ABBREVIATIONS	144
GLOSSARY	148
ACKNOWLEDGEMENTS	154

Introduction

The objective of this study is to develop a strategic vision positioning the Supply Corps to provide sustained logistics capabilities required to execute the “Cooperative Strategy for 21st Century Seapower” and the “Capstone Concept for Joint Operations.”

Strategy documents, shipbuilding plans and stakeholder demand confirm the sustained requirement for Navy Supply Corps officers. The continued need for U.S. Navy platforms and expeditionary units to execute maritime missions will require Supply Corps officers in traditional leadership roles aboard legacy platforms and in non-traditional roles supporting expeditionary operational units. Demand also remains strong for senior Supply Corps officers as they develop professionally and transition to leadership, policy, planning and strategy roles. The challenges inherent in managing this demand and developing Supply Corps officers underscore the need for a unified community vision and strategy.

Therefore, as directed by the Vice Chief of Naval Operations, the Chief of Supply Corps, RADM Lyden commissioned the Supply Corps 2040 Strategic Vision Study. The study deliverables include:

- A Supply Corps strategy including specific objectives with an accompanying action plan.
- A community management plan providing courses of action to remediate the challenges in our force employment billet structure and an assessment of our current business portfolio with a determination of our enduring lines of operation.
- An officer development plan with accompanying career planning guidance providing courses of action to reduce gaps in future skill sets.

- A governance process with periodic course correction capability to check execution efforts against the plan.

SUPPLY CORPS MISSION

The Supply Corps mission reflects strong culture, heritage and traditions, while conveying dedication and flexibility in delivering core expertise to support maritime and joint strategies. To remain a relevant force in fulfilling this critical role, the Supply Corps mission is:

Supply Corps...Delivering Sustained Logistics Capabilities to the Navy and Joint Warfighter.

SUPPLY CORPS VISION

Our strategic vision is embodied in the following statement which articulates a specific goal and a high level description of how the Supply Corps will create value.¹

The Supply Corps will produce autonomous, resourceful military logisticians with broad skills who deliver operational logistics, supply chain management, and acquisition and business capabilities to provide mission readiness.

SUPPLY CORPS STRATEGY

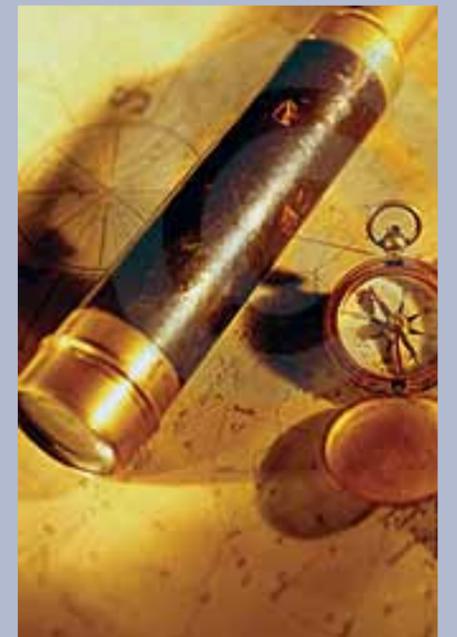
Derived from the mission and vision statements, the strategy details an organization’s attitude, behavior, character, and values. The strategy is broad with room for flexibility and growth of new skill sets and capabilities, yet bounded by core competencies validated during the study.

The Supply Corps will...

- Remain connected to the Navy and joint warfighter to ensure we meet their requirements.
- Develop officers who provide operational advantage to the Navy and joint forces.
- Invest in a diverse and inclusive community of autonomous, resourceful, leaders, with broad skills, and business acumen.
- Leverage our premier operational expertise across all mission sets and theaters.
- Drive best business practices.
- Champion weapons systems life cycle management process improvement.
- Serve at the forefront of the Navy’s energy management and environmental stewardship efforts.

Supply Corps...Delivering Sustained Logistics Capabilities to the Navy and Joint Warfighter.

The Supply Corps will produce autonomous, resourceful military logisticians with broad skills who deliver operational logistics, supply chain management, and acquisition and business capabilities to provide mission readiness.



SCOPE

Predicting the future, especially one that extends 20 to 30 years, is nearly impossible with any degree of accuracy. For that reason, much of this study focuses on a near-term, executable time frame bound by the upcoming Future Years Defense Plan (FYDP). However, a 30-year horizon was chosen as the junior officers (JOs) being hired today will be the Supply Corps' leaders in 2040. This study is designed to lay the developmental pipeline ensuring those leaders will be ready to successfully execute our future logistics mission.

Executing the future logistics readiness mission will require a total force. However the scope of this study is limited to the active duty Supply Corps officer community and the billet structure, core competencies, lines of operation, and training and education pipeline required to produce effective leaders.

The study examines organization or "stakeholder" requirements to produce a community strategy rather than a commentary and prediction of which organizations will be charged with the Department of Defense (DoD) logistics readiness mission. The community strategy transcends organizational boundaries by focusing on developing officers who will carry out the logistics readiness mission regardless of organization.

The study is divided into four parts. Part 1 is a high-level overview including an executive summary with a consolidated list of assumptions, findings, and recommendations. Part 2 includes background information and a detailed review of the Supply Corps 2010 Study. Part 3 provides the detailed analysis along with the complete list of assumptions, findings, and recommendations. The final part is an appendix and includes the documentation and data behind the analysis. Throughout Part 2 are short vignettes describing potential futures in which Supply Corps officers may find themselves.



Executive Summary

Today, Navy and DoD activities employ 2,685 active duty Supply Corps officers worldwide. Linked by mission and commitment, Supply Corps officers serve with multi-agency and multi-national partners as business professionals leading and working in supply chain, acquisition/contracting and operational logistics environments. These skill sets will remain relevant in a dynamic environment characterized by distributed operations and **expanded mission sets in humanitarian assistance, disaster relief, and asymmetric warfare**. As capability versus threat-based deployment models increase in importance, so does the **requirement for increased joint, interagency, intergovernmental, and multi-national (JIIM) collaboration**.

Supply Corps capability in this environment will include a demand signal for even more agility and flexibility. To remain a relevant force in fulfilling this critical role, the Supply Corps mission is:

Supply Corps...Delivering Sustained Logistics Capabilities to the Navy and Joint Warfighter.

And, as we continue to fulfill our critical role in the Navy's Maritime Strategy, we will adhere to our vision to—

Produce autonomous, resourceful, military logisticians with broad skills who deliver operational logistics, supply chain management, and acquisition and business capabilities to provide mission readiness.

COMMUNITY MANAGEMENT

Despite strong demand from Navy and joint warfighters for Supply Corps officer expertise, the Supply Corps faces an almost certain future of decreasing end strength. Our enduring motto, 'Ready for Sea', is challenged as technological enhancements, coupled with new missions sets and operating environments, lead to new platforms and new logistics support philosophies that will reduce or eliminate the traditional roles of junior Supply Corps officers on afloat platforms. As we continue to develop distance support, we run the risk of eliminating the foundational training and personal development opportu-

Expanded mission sets...increased collaborative partnerships

Erosion rate of junior officer billets is creating an unsustainable billet pyramid and officer development pipeline

Our leadership development model is at risk

nities that are the building blocks of senior Supply Corps officer expertise. The *erosion rate of JO billets is creating an unsustainable billet pyramid and officer development pipeline. This results in a billet structure and associated officer development pipeline that cannot be maintained and puts our Supply Corps officer leadership development model at risk.*

Traditional tools used to mitigate a JO to control grade (CG) (O4-O6) officer imbalance, such as promotion flow point and opportunity rate, have been pushed to the limits allowed by law. Therefore, new courses of action are being developed as a result of this study allowing the Supply Corps to attain the force structure required to execute the DoD maritime logistics strategy.

BUSINESS LINES OF OPERATION

The principal Supply Corps' lines of operation serving Navy and non-Navy stakeholders are Supply Chain Management, Acquisition Management, and Operational Logistics. Complementary lines of operation requiring the skills and experience desired by Supply Corps stakeholders are Business Management, Financial Management, and Operations Analysis/Research. These lines of operation will be enhanced with leadership, business and logistics skills demanded by Supply Corps stakeholders. Officer training, education, and experience will be reshaped to deliver qualified officers in assignments that yield the greatest advantage to the DoD mission, combating the sustained global terror threat, providing humanitarian assistance and disaster relief (HADR), and protecting international commerce across global sea lanes.

OFFICER DEVELOPMENT

'Throw them in the deep end, educate them and mentor them' will remain the enduring model for officer development.² While JO billets at sea are decreasing, challenging expeditionary and support assignments ashore will emerge to bridge the gap in requirements for traditional JO operational development tours. Core competencies developed within this model will be enhanced with new skills and key success factors that will arm officers for the 2040 environment.

Supply Corps officers remain service logisticians first, and embedded in the development pipeline are emerging joint training, education and experience opportunities. Continuous training and education over a career continuum, reinforced with experience tours, will prepare officers with the broad skills and competencies in demand by Supply Corps stakeholders. Mentoring will continue to serve as the principal means to guide officers in recognizing and developing the competencies valued by the community and its stakeholders.

GOVERNANCE

The recommendations from this study are designed to ensure the Supply Corps develops officers with skill sets to support the Navy and its mission. Optimal community management requires a formal unifying strategy and annual guidance to align the diverse group of stakeholders whose decisions impact the community. The Supply Corps will form a body of leaders and subject matter experts who will join the Chief of Supply Corps in executing the vision, updating the strategy and fulfilling strategic objectives under measurable goals. This guidance will provide a framework for community management alternatives that shape the billet structure in a pervasive effort to avoid billet shortfalls and to ensure officer training, education and experience pipelines meet stakeholder needs and officer development milestones. The annual strategy update will also provide mentors and protégés with career planning guidance focusing on a career continuum.

In his foreword to the Supply Corps 2010 Study, RADM Daniel W. McKinnon said, "We are living in a period of remarkable change." Those words are even more relevant today than they were 20 years ago. In an evolving era characterized by diminished discretionary federal spending amid rapid social and technological change, the Supply Corps needs to articulate a strategy positioning itself to remain relevant to meet the needs of the Navy, DoD and the nation. The Supply Corps 2040 Strategic Vision Study provides a strategic framework with recommendations that form a platform for continued dialogue and engagement on issues relevant to our community's viability.

Need unifying strategy and annual guidance



- Business Lines of Operation**
- Supply Chain Management
 - Acquisition Management
 - Operational Logistics

Core competencies will endure

Assumptions, findings, and recommendations

This section is a high level summary of the study's assumptions, findings and recommendations. The detailed analysis supporting them is contained in the body of the document.

Key assumptions in the 2040 Strategic Vision Study contributing to the analysis include:

- Iraq and Afghanistan will occupy global and national attention for another decade.
- Global operations will feature increased operational and organizational flexibility characterized by asymmetric warfare and distributed operations employing agile, scalable unit-level joint forces. Force structure will include the creation of general-purpose forces capable of operating independently at increasingly lower echelons.
- Military forces capable of operating across the full range of potential conflicts, will provide lift, logistics, and security to JIIM organizations and host nations (HNs).
- The current economic situation in the United States will likely shift funding away from the DoD and create a challenging environment characterized by funding and resource constraints, budget reductions that lead to level or reduced fleet sizes and an increased reliance on technology over manpower.
- Continued political and economic pressure will strengthen the movement toward a joint operating environment as the services conserve budgetary authority and continue efforts begun in the mid-1980s toward becoming a more integrated military force.
- Executing the maritime logistics strategy will continue to require supply and logistics professionals.

Implications for the Supply Corps:

- The future logistics professional must be flexible in dealing with multiple environments.
 - Supply Corps officers will expand their skill sets to be successful in an operational environment with an increasingly joint character.
 - The increasing emphasis on joint operations requires coordination with all services and an understanding of logistics from diverse perspectives. Supply Corps officers may need earlier exposure to joint concepts to acquire the necessary experience and exposure to fully function in the joint environment.

- Supply Corps officers will further develop joint expertise as traditional supply competencies such as warehousing, inventory management and parts procurement are centrally provided by the Defense Logistics Agency (DLA) and as Supply Corps officers continue to fill operational positions for the Joint Force Commander (JFC).
- The Supply Corps will need to train, educate and develop its officers to remain aligned to the warfighter.
 - The skill sets required for nontraditional operations, such as humanitarian assistance/disaster relief (HADR), are not necessarily the same as those required for operating on an afloat platform.
 - Contingency contracting, joint operations, understanding how to work with JIIM organizations and language skills may form part of the core curriculum at Navy Supply Corps School.
- The decreased availability of JO billets afloat will diminish traditional developmental opportunities that have been linked to the Supply Corps officer's recognized ability to solve problems in a self-sustaining environment.
- Legacy platforms will provide a developmental experience for a smaller number of JOs.
- The Supply Corps may need to explore alternative models for developing senior officers, recognizing there may be value in a staffing model which provides a short-term, highly experienced CG officer without the obligation of a long-term or Reserve career.
- Like the Navy as a whole, the size of the Supply Corps end strength is not expected to increase commensurate with Navy force structure.
 - Restricted funding may intensify the Active Component (AC) reliance on the Reserve Component (RC) to fill AC manning shortfalls as a total force.
 - There is some likelihood that trade-offs will be made, such as decreasing the size of the Supply Corps to grow high demand/low density communities like nuclear power, cyber warfare and special warfare.
 - Future force shaping strategies will likely include billet roll downs and vertical billet cuts but opportunities may exist to consolidate similar functions under one community.



The Supply Corps 2040 Strategic Vision Study generated multiple findings and recommendations listed in Chapter 11 of this study. A summarized list of the most critical findings and recommendations are outlined below:

FINDING: The Navy and the Supply Corps will be smaller in 2040. Sustained pressure to find savings through end-strength reductions is likely to remain a key component of stakeholder Program Objective Memorandum (POM) submissions for at least the next decade and perhaps across the planning horizon. Budget Submitting Officers (BSOs) will continue to be pressured to reduce manpower budgets over the FYDP and will pay at least part of this tax with Supply Corps billets.

RECOMMENDATION: Develop and maintain a prioritized list of billets that can be used to negotiate with stakeholders when manpower taxes are levied. The list should include billets for roll down, realignment and divestiture.

FINDING: The most fundamental problem facing the Supply Corps today is the loss of JO operational billets.

- Decommissionings and proposed future afloat manning profiles will result in a 25 percent loss of JO afloat billets by 2030.
- The decrease in JO operational opportunities puts the officer development model at risk and produces gaps in CG billets.

RECOMMENDATION: Increase the pipeline for additional developmental JO billets by investigating opportunities for additional JO expeditionary operational assignments.

FINDING: There is a JO to CG billet imbalance.

- JO billet losses without corresponding reductions to CG billets are leading to an imbalance in the ratio of JO to CG billets resulting in a diminished capability to develop a sufficient number of CG officers.
- New demands for CG ashore billets are not filtered through business rules developed from a community strategy.
- Supply Corps officers continue to fill uncoded general supply program management and staff billets ashore that do not align to Supply Corps lines of operation.

RECOMMENDATION: Develop an executable implementation plan based on the mitigation options presented in the study by taking the following steps:

- Develop and maintain a list of potential billet roll downs that can help shape the community.
- Continue promoting Lieutenant Commanders at year of commissioned service (YCS) 9.
- Review the requirement for lateral transfers of unrestricted line officers (URL) at or near YCS 4.
- Shape CG billets in concert with Chief of Naval Personnel (CNP) and other stakeholders during annual promotion and accessions plans.
- Develop a billet evaluation process for new requirements that considers alignment with Supply Corps lines of operation, billet pyramid balance and end strength.

- Develop and enforce billet compensation rules for new requirements.
 - Explore the following alternatives: civilian-military conversions; retention bonuses; additional civilian MBA (810) opportunities; direct hire of civilian logistics professionals and career on/off ramps.

FINDING: There is no clear method of identifying skill sets and lines of operation.

- Forty-two percent of CG ashore billets are not coded with a subspecialty code.
- There are more than 40 Additional Qualification Designators (AQDs) used by Supply Corps officers, the majority of which do not help in identifying lines of operation.

RECOMMENDATION: Clarify methods of identifying skill sets and lines of operation.

- Implement the functional review proposed billet coding.
- Initiate an AQD review.
- Establish a "Fit" metric which would align billets requiring subspecialties with the qualifications of officers assigned to those billets. Monitor and report results.

FINDING: The Supply Corps 2040 Strategic Vision Study validated the three principal lines of operation; Supply Chain Management, Acquisition Management and Operational Logistics.

- Business Financial Management, Operations Research, and Acquisition Distribution Management are complementary skill sets that help Supply Corps officers succeed in their career.
- Petroleum Management is a subset of supply chain management and operational logistics.

RECOMMENDATION: Implement functional review billet coding to align billets to principal and complementary lines of operation.

FINDING: The Supply Corps is not fully invested in information technology and weapons station management ashore career paths.

RECOMMENDATION: Realign these billets to other applicable lines of operation.

**Navy Operational Logistics Support Command (NOLSC) billets remain key supply chain management jobs.*

FINDING: The factors that make the Supply Corps successful today and provide competitive advantage are its ability to develop autonomous, resourceful leaders; to be positioned alongside the warfighter to provide operational unit support; to bring broad-based skills and business acumen to all tasks; and to leverage extensive networks.

RECOMMENDATION: Explore new mechanisms to further competitive advantages by -

- Communicating this message to external and internal stakeholders.
- Institutionalizing a community culture that embraces the competencies and seeks to maintain and enhance them.

Be prepared for manpower reductions

Develop additional junior officer billets

Mitigate junior officer to control grade officer imbalance

Match skill sets and lines of operations

Three principal lines of operation

Realign ordnance and IT

Capitalize on social networking

FINDING: The Supply Corps does not capitalize on social networking tools to connect and share knowledge among its officers.

RECOMMENDATION: Develop a strategy to capitalize on social networking solutions to facilitate communication and knowledge sharing.

FINDING: There is no formal governance process to manage community health.

RECOMMENDATION: Establish a formal governance process that includes the following components:

- A strategic guidance that is published annually.
- Strategic focus areas and measures of effectiveness.
- Business rules and metrics.
- Institutionalized scenario-based planning to refine the Supply Corps' strategy.

Publish Supply Corps Annual Guidance

FINDING: Joint assignments shifted from routine logistics support roles within defense agencies to logistics planning and operations requirements within the Joint Chiefs of Staff (JCS) and JFC without a deliberate strategy.

Joint Professional Military Education (JPME) II is the principal constraint in developing the largest possible pool of joint qualified Supply Corps officers under the current detailing model.

RECOMMENDATION: Develop a community strategy (Supply Corps Joint Logistics Concept) for employing, developing and assigning Supply Corps officers within the joint environment.

- Identify a community of interest (COI) sponsor to manage community strategies and investments across the joint environment.
- Develop a community strategy for employing, developing, and assigning Supply Corps officers within the joint environment.
- Continue to selectively detail officers with best prospects for promotion to joint tours.
- Evaluate training pipelines for sufficient quotas to maximize the ability to produce the largest pool of joint-qualified officers.

Develop a joint strategy



Chapter 1

SETTING THE STAGE

A Day in the life of a Supply Corps Officer – Alternative Future-Hyper-Competitive World: Doing more with less

Hypercompetitive World



Doing More with Less

The world is a dangerous place with conflict driven by resource rivalry and terrorism. Supply Corps officers are challenged to provide logistics support to deployed naval forces with tight budgets and threatened supply lines. Improvements in logistics technology have not delivered on their promise, so Supply Corps officers rely on traditional approaches.

LTJG Bobby Johnson III, SC, USN, shivers as he sits quietly reviewing requisition status at his desk in the Engineering Supply Office of the seabase USS PENNSYLVANIA,* off the coast of Alaska. Suddenly, the lights flicker off; battle lanterns energize; and the 1MC blares, “LOUD EXPLOSION, PORT SIDE. FIRE IN THE PORT TURBINE GENERATOR. LOSS OF THE PORT AC BUSES. RIG THE SEABASE FOR REDUCED ELECTRICAL.” Terrorist attack? Equipment failure? The cause of the casualty is unclear as Johnson slips on his sound-powered phone headset and reports the status of his compartment. He pulls his trusted Mag-Lite out of his desk drawer and hopes that the battery in his notebook computer has enough juice. It will be much easier to identify and locate the necessary repair parts using his computer, but without it he can still run down to the extensive storeroom to find and deliver what the ship needs without it.

Bobby suspects that this is some kind of terrorist attack which is commonplace in a world marked by severe, global, geopolitical instability. Seabases like the PENNSYLVANIA are deployed around the world to protect U.S. access to vital natural resources. Bobby is one of 10 Supply Corps officers assigned to the seabase, providing logistic management and financial support to the ship and joint expeditionary forces. Lack of routine maintenance and disruptions to the supply chain have Supply Corps officers overextended. Long deployments, high OPTEMPO, unreliable communications and threats to shipping and aircraft have required greater self-sufficiency from deployed naval forces. Budget constraints and frequent fuel shortages have required an increased degree of resourcefulness from officers like Bobby.

After two three-month extensions, Bobby is looking forward to the completion of his tour so that he can spend more time with his family. Communications home have been sporadic during this nine month deployment. Shore duty, at the Southeast Regional Maintenance Center, where Bobby will manage the logistics support for the regional ship construction and repair facilities, is looking pretty good at the moment.

LTJG Bobby Johnson’s world is quite foreboding and certainly not one that most Supply Corps officers would probably elect to serve in. The ever-present danger of imminent attack and constant conflict weighs heavily on the young junior officer (JO). Fortunately, LTJG Johnson, like the world he inhabits, is fictitious. However, his world is one of four possible future scenarios that are placed throughout this paper to help us think about what could await a Supply Corps Ensign as he or she begins a potential 30-year career in the Supply Corps. That perspective, the 30-year future of a brand new Supply Corps officer, is what frames this study and is the reason we are naming this effort the Supply Corps 2040 Strategic Vision Study.

STUDY PURPOSE

The objective of the 2040 Strategic Vision Study is to develop a framework that positions the Supply Corps to continue to provide sustained logistics readiness while remaining relevant and highly valued by our customers—primarily the Navy and joint warfighters—in a resource-constrained environment.

Despite strong demand from Navy and joint warfighters for Supply Corps officer expertise, the Supply Corps almost certainly faces a future of decreasing end strength. Our enduring motto, Ready for Sea, is challenged by technological enhancements, new missions sets, and different operating environments that lead to new platforms and logistics support philosophies that will reduce or eliminate the traditional role of junior Supply Corps officers on afloat platforms. As we continue to develop distance support, we run the risk of eliminating the foundational training and personnel development opportunities that are the building blocks of senior Supply Corps officer expertise.

One basic assumption made in this study is that the Supply Corps officer has inherent skills in high demand. To quote VADM P.M. Heckman, former Commander of the Naval Sea Systems Command; “[Supply Corps officers]... are my business managers; my key interface between industry and the fleet users, the bureaucracy and private industry. They bring to the process, an irreplaceable management perspective, fleet experience, business education, based on practical training and hands-on experience. No other group, civilian or otherwise, carries this blend of credentials.”³ This opinion holds true today and was recently validated in a survey conducted by the Supply Corps Senior Leadership Advisory Council (SRLAC):



Basic assumption: Supply Corps officers have skills in high demand

*There are several options for sea basing. Some options use amphibious ships with high speed connectors. Others use one platform with lighterage and underwater storage units. This vignette takes liberty with the one platform option.

“Supply Corps officers are inherently diverse... a distinct advantage over their joint counterparts.” Unrestricted line (URL) VADM

“Supply Corps (officers are) more proficient than logisticians from other services... Supply Corps (officers are) experts in Supply Chain Management, Maintenance, and Modernization.” URL RADM.⁴

Senior officers interviewed in 1989 for the 2010 study expressed a high regard for the Supply Corps and its direct support of the fleet citing Supply Corps business and management expertise as major factors in their success. During the last 20 years, the Navy has experienced some fairly dramatic changes in its missions, force structure and the geopolitical environment in which it operates, which have resulted in new and often competing demand signals for Supply Corps competencies. Other Contingency Operations (OCO) have pulled Supply Corps officers into a broad array of assignments, outside the scope of what we consider a traditional career. The Navy has expanded its mission set into new areas such as humanitarian assistance/disaster relief (HADR), Theater Security Cooperation, and asymmetric warfare, each of which rely on logistics for mission success. Force structure changes are also making us assess our future role in the Navy. The Littoral Combat Ship (LCS) currently does not embark a Supply Corps officer and future destroyer platforms will be staffed with senior enlisted personnel. Other platforms are also reducing their manning requirements, potentially affecting Supply Corps officer billets. These factors impact the number of experience tours available for junior Supply Corps officers which may negatively affect their ability to learn the diverse logistics skills and proficiencies that have enabled them to excel in the past.

STUDY DELIVERABLES

While the last 20 years have been operationally dynamic, the next 20 years are projected to be just as demanding. Therefore, there is clearly a need for the Supply Corps to once again create and communicate a comprehensive strategy aligned with the projected needs of the Navy. To this end, in February 2009, ADM Patrick Walsh, then Vice Chief of Naval Operations, endorsed a recommendation by RADM Mike Lyden, Chief of Supply Corps, to conduct a 2040 Strategic Vision Study with the following deliverables:

- A proposed Supply Corps vision and strategy including specific objectives with an accompanying action plan.
- A community management plan providing courses of action to remediate the challenges in our force employment billet structure, an assessment of our current business portfolio and a determination of our enduring lines of operation.
- An officer-development plan with accompanying career-planning guidance providing courses of action to reduce gaps in future skill sets.
- A governance process with periodic course-correction capability to check execution efforts against the plan.

FUTURE ENVIRONMENT

Predicting the future, especially one extending 20 to 30 years is nearly impossible with any degree of accuracy. For that reason, much of this study focuses on a near-term, executable time frame bound by the next Future Years Defense Plan (FYDP). To help us frame our community management analysis, we reviewed Harvard professor Dr. Michael E. Porter’s Five Forces Shaping Demand model⁶ which helped us focus and consider all the demand forces impacting the Supply Corps community.

For the officer development review, we used the Navy Strategic Planning Process (NSPP).[†] NSPP is Navy’s approach to understanding the future strategic environment. It frames the analysis of our current skill sets and enables us to determine any high-risk gaps requiring near term action to mitigate.

NSPP was used to develop our Supply Corps community proposed vision and strategy. NSPP employs a scenario-based strategic planning approach to improve our insight and foresight about the future environment in which we will live and work. The process produces a flexible strategy that can be used across a range of possible futures as illustrated by the fictitious officer scenarios presented throughout this document. NSPP is a repeatable and sustainable process used to understand the interaction of trends and uncertainties, discern the range of risks the Navy will be required to manage, and provide an adaptive strategy that can respond to, reduce, and hedge against future uncertainty. The study is not trying to pinpoint the future, but rather to understand and plan for a range of possible futures that may exist.

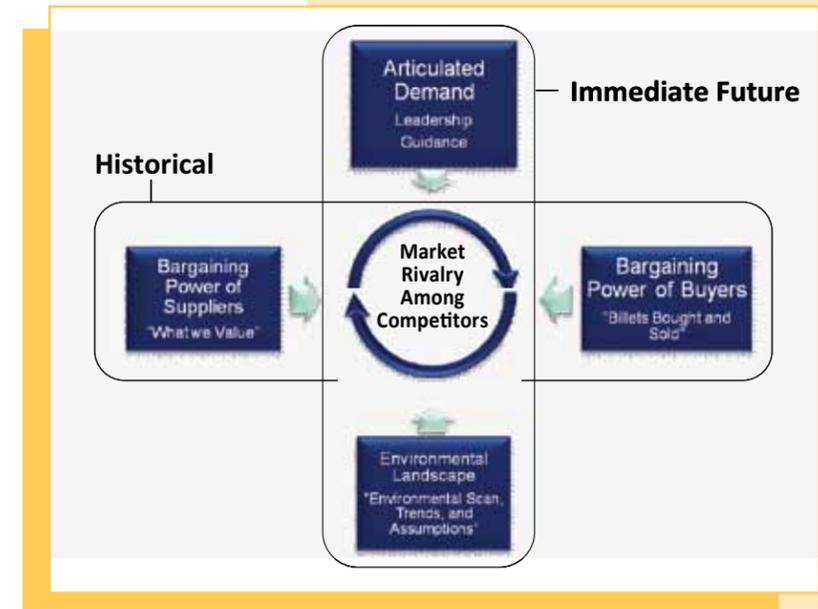
Prior to engaging in our background discussion and analysis of the Supply Corps, we felt it was important to provide an overarching mission, vision and strategy to frame the study and ensure consistency in our approach.



Employing two analysis models: Five Forces Model and Navy Strategic Planning Process Model

SUPPLY CORPS 2040 STRATEGIC VISION STUDY DELIVERABLES:

- Community management plan
- Officer development plan
- Supply Corps strategy
- A governance process



[†] CNO Futures Project and N-4 are currently using a scenarios driven approach to plan for four potential future worlds. This approach provides flexibility in planning and allows for course correction as one potential future world or the other begins to dominate. NSPP is based on models developed by Decision Strategies International.

Chapter 2

MISSION, VISION AND STRATEGY

The Supply Corps mission, vision, strategy statement, and strategic focus areas synthesize overarching Navy and DoD strategic documents. Also considered were Supply Corps Senior Leadership Advisory Council (SRLAC) focus area findings, the community management analysis of billet structure and lines of operation, an environmental landscape, alternative future development scenarios, and subsequent key success factors derived from the Navy Strategic Planning Process (NSPP).

SUPPLY CORPS MISSION

The Supply Corps mission-**Delivering Sustained Logistics Capabilities to the Navy and Joint Warfighter**-conveys our dedication to supporting the maritime and joint strategies and to remain a relevant force in fulfilling this critical role.

SUPPLY CORPS VISION

Our strategic vision is embodied in the following statement that articulates a specific goal and a high level description of how the Supply Corps will create value.⁷

The Supply Corps will produce autonomous, resourceful military logisticians with broad skills who deliver operational logistics, supply chain management, and acquisition and business capabilities to the Navy and joint warfighter.

SUPPLY CORPS STRATEGY

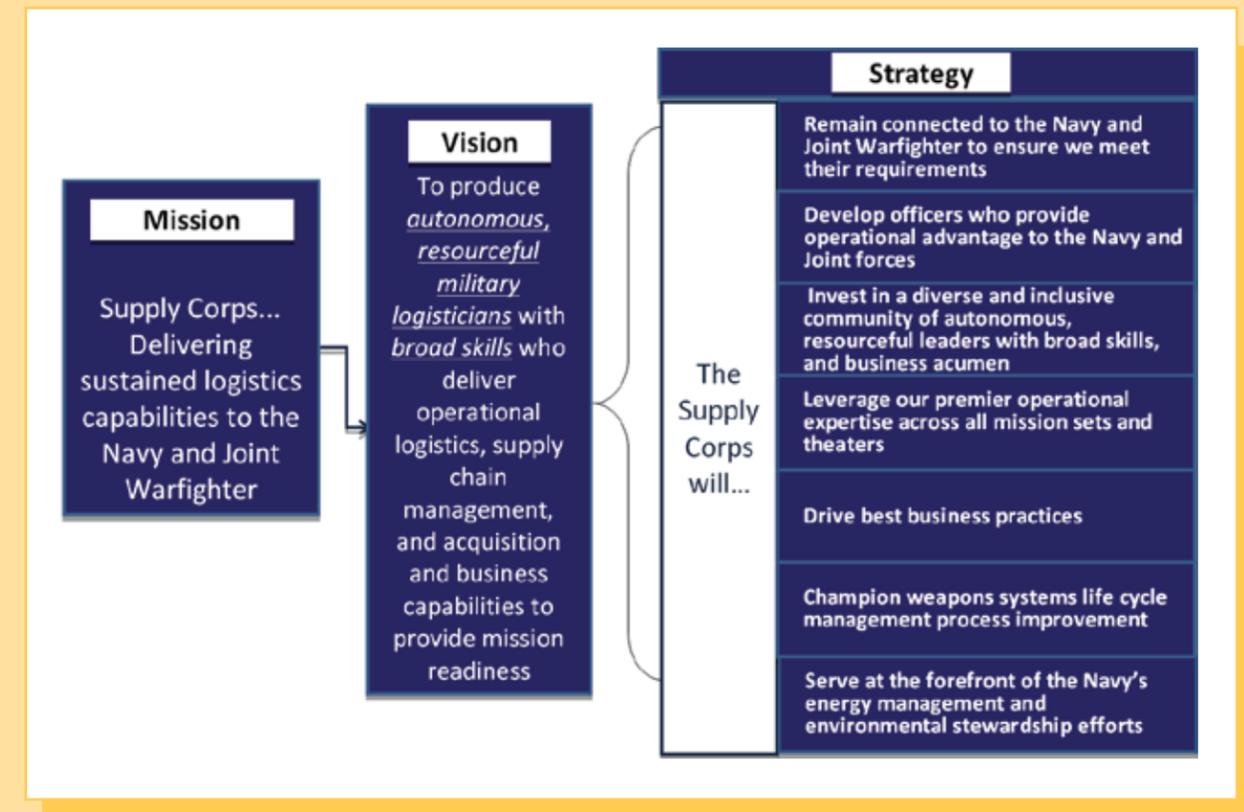
Derived from the mission and vision statements, the Supply Corps strategy encompasses our attitude, behavior, character, and values. The strategy is broad with room for flexibility and growth of new skill sets and capabilities, yet is bounded by core competencies validated during the study.

The Supply Corps will...

- Remain connected to the Navy and joint warfighter to ensure we meet their requirements.
- Develop officers who provide operational advantage to the Navy and joint forces.
- Build a diverse and inclusive community of autonomous, resourceful leaders with broad skills and business acumen.
- Leverage our premier operational logistics expertise across all mission sets and theaters.
- Drive best business practices.
- Champion weapon systems life cycle management process improvement.
- Serve at the forefront of the Navy's energy management and environmental stewardship efforts.

In addition to giving direction to the Supply Corps community, these statements also provide transparency to both community members and stakeholders about what we consider the principal lines of operation and competencies. It aims to clarify the role of the Supply Corps and career management by providing the Supply Corps community clear strategic objectives. These strategic objectives will become the basis for decision-making in the future. The Supply Corps mission, vision and strategy statement are provided in Figure 2.1.

FIGURE 2.1: Supply Corps Mission, Vision and Strategy Statement



STRATEGIC FOCUS AREAS

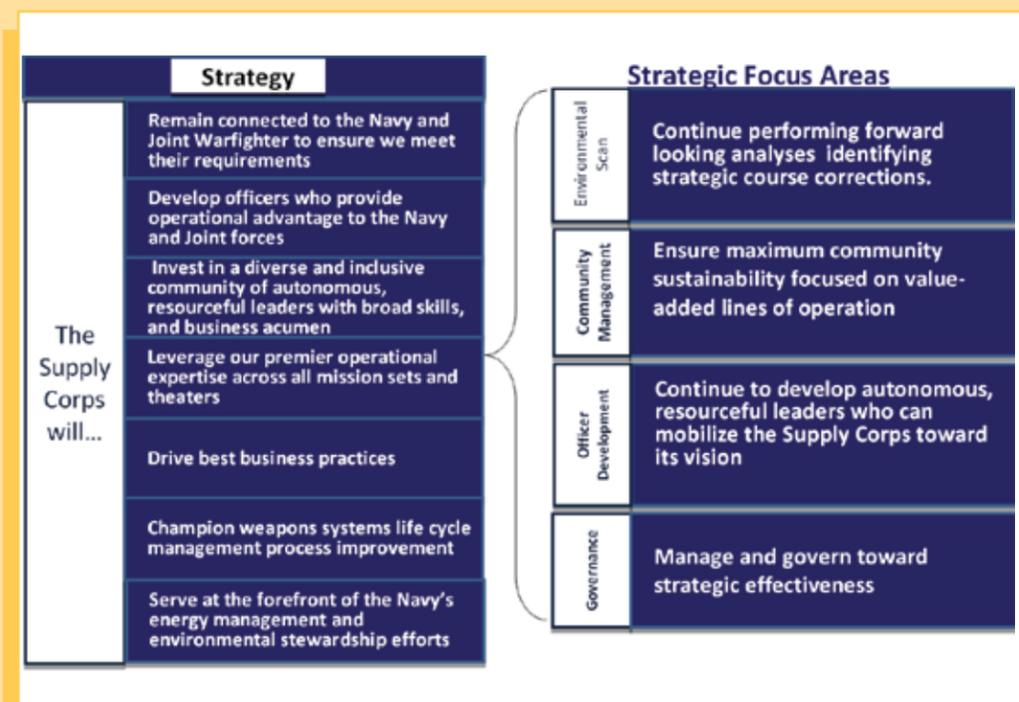
Strategic focus areas translate the vision, mission, and strategy into executable actions (See Figure 2.2). The strategy is split into four areas, each of which contains specific objectives aimed at achieving a desired result in that area. Note that although they are individually grouped, the focus areas are not independent of each other. Achieving success for one objective will most likely require multiple and complementary initiatives integrated across all four of the following strategic focus areas:

- **Environmental Landscape** - Continue performing forward looking analyses identifying strategic course corrections.
- **Community Management** - Ensure maximum community sustainability focused on value-added lines of operation.
- **Officer Development** - Continue to develop autonomous, resourceful leaders who can mobilize the Supply Corps toward its vision.
- **Governance** - Manage and govern to achieve strategic effectiveness.

These focus areas will guide the decisions, actions, and community efforts by senior Supply Corps officers united by a governance process. Governance is defined as the process whereby strategic goals are set, key relationships are maintained, the health of the organization is safeguarded, and accountability is rendered for performance.⁸ This is also important to the strategy because a strong governance process will ensure that the Supply Corps community remains on the path toward strategic success.

Before we embark on an in-depth analysis of Supply Corps community management and officer development, we will review and analyze our previous Supply Corps community strategic planning effort, the Supply Corps 2010 Study. The Supply Corps 2010 Study was the only recorded effort to map out a strategic plan to ensure Supply Corps officers continued to provide value to their stakeholders. Specifically, it is helpful to understand the Supply Corps 2010 Study process and how the assumptions and the recommendations manifested themselves. Analyzing the differences between the recommendations and how the Supply Corps actually executed them will help to better understand the constraints and restraints in implementing the Supply Corps 2040 Strategic Vision Study recommendations.

FIGURE 2.2:
Supply Corps Strategy Map



Hypercompetitive World



Managing through Technology

The U.S. armed forces rely heavily on unmanned self-healing systems. Innovations in logistics help replace on-board Supply Corps officers with centralized command and control structures. Disruptive technological advancements have significantly changed the nature of warfare.

A Day in the life of a Supply Corps Officer – Alternative Future-Hyper-Competitive World II: Managing through Technology

As LTJG Ashley Garcia, SC, USN passes through the physiological scanner, the door to her office opens, her computer boots, the room's lighting adjusts and music starts. She takes a deep breath, looks out at the protected nest of ships on the Elizabeth River and gets to work. Facing the wall-to-wall virtual computer interface, she receives notification that the USS FREEDOM will be conducting a critical mission off the coast of Brazil. Recognizing the need for the latest undersea dominance module, with a few hand gestures she accelerates the delivery of the latest technology refresh from the vendor directly to the ship. As the Norfolk Littoral Combat Ship (LCS) Supply Officer, Ashley provides complete logistics support for every LCS homeported in Norfolk, no matter where the operations take them.

Advances in logistics technology and the push for reduced manning onboard ships have elevated the importance of Supply Corps officers like Ashley. With sustained superior performance she looks forward to assuming responsibility for managing logistics for the entire sea base after she completes the virtual curriculum on sea base logistics management. Ashley scans the wireless sensor network display. Wireless sensors installed on her ships intelligently analyze data and send measurements back to the central processor, automatically ordering replacement parts from the vendor before component failure. Ashley intervenes only if there is an issue. She calmly observes that the primary vendor for the control surface assembly on the FREEDOM's Unmanned Underwater Vehicle (UUV) is unable to meet the required delivery date. With a quick search of alternate vendors, she ensures the component can be replaced before there is any equipment degradation. From there, the system identifies the most efficient means to transport the component and informs the ship of the planned delivery time and location.

Ashley considers how infrequently she has to intervene compared to the sea stories of her father, a retired Logistics Specialist Chief (LSC). She runs a 3-D Visualization of all the supply chains she currently manages to see if there are any other choke points where she needs to take action. She catches the news ticker from the corner of her eye and is jolted back to the harsh realities of the

current geopolitical landscape. "Al Baed Hassan, leader of the radical Islamic group Lashkar-e-Toiba which has moved from Pakistan largely due to U.S. involvement, has threatened there will be attacks on U.S. soil in the next six months." Interstate conflicts, terrorist threats, and substantial negative climate change effects have dominated the media over the past few months. Nevertheless, Ashley takes solace in the progress the U.S. has made on energy alternatives—primarily by reducing its reliance on foreign oil—and accepts that these and other external factors will continue to affect the Navy's strategic and operational environment.



Chapter 3

SUPPLY CORPS 2010 STUDY

SUPPLY CORPS 2010 STUDY OVERVIEW

In 1989, RADM Daniel McKinnon, SC, USN, former Chief of Supply Corps, directed a study to chart the future of the Supply Corps officer to the year 2010. He wanted to ensure Supply Corps officers were in a position to contribute to the Navy's logistics success by examining the lines of operation, and skill sets and by retaining the Supply Corps end strength relative to the size of the Navy.⁹ However, he cautioned the team to avoid growing the Supply Corps saying:

"In any restructuring, the Supply Corps should retain the same proportional size relative to total Navy officer manning...The Supply Corps must utilize personnel strength in key areas and periodically migrate billets into the most important jobs in support of the line. No billet growth...rely instead on systematic restructuring/billet reallocation."

A flag steering group, comprised of both line and staff representation, guided the team and their resulting efforts were published in May 1990.

SUPPLY CORPS 2010 STUDY ASSUMPTIONS

The 2010 study team scanned the present and predicted future operating environments, then consolidated that research into assumptions. The statements below predict the operating environment that drove the assumptions governing the 2010 study. The operating environment predicted in 1989 is very similar to the environment in which we are working today.

- **Global Environment**
 - Cold War relationships will be characterized by Perestroika (the term used to describe the political and social reforms introduced by the Soviets in the late 1980s). Relatively peaceful years will draw the government's attention away from international issues.
 - Third World nations will pose an increasing threat due to endemic poverty, political unrest, racial and religious strife, and large stockpiles of weapons of mass destruction.

- **National Environment**
 - A large federal deficit and a negative trade balance are the economic drivers of the era.
 - Emphasis on domestic spending is adding significant pressure to reduce defense spending from the Reagan buildup years.
- **Defense Environment**
 - Defense budgets will decline.
 - The U.S. overseas footprint will be minimized and deployed personnel and active force structure will be reduced. The pace of modernization will slow and there will be an increased reliance on the Reserve Component.
- **Navy Environment**
 - Navy will operate in an extremely demanding environment characterized by personnel reductions and funding constraints.
 - There will be intense pressure to reduce the cost of Navy logistics support and military support personnel.

IMPLICATIONS FOR THE 2010 SUPPLY OFFICER

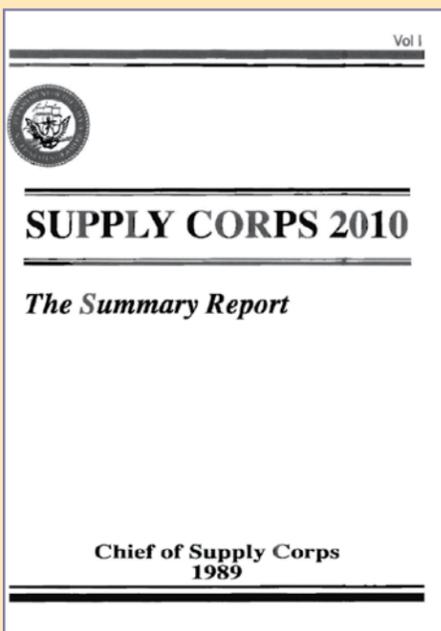
The overarching implications of these assumptions on the 2010 Supply Corps officer was to "meet Navy's logistical needs at minimum cost" by concentrating on the following tasks:

- **Logistics** - Focus the Supply Corps talent in a way that improves Fleet support but does not degrade service levels.
- **Fleet Support/Logistics Planning** – Ensure that the Supply Corps officer is operationally oriented.
- **Depot Maintenance** – Allow the Supply Corps to play a larger role to reduce costs and turnaround time for equipment.
- **Integrated Logistics Support** - Partner the Supply Corps with Unrestricted Line (URL) needs to support weapons systems availability and affordability.
- **Information Systems** – Increase Supply Corps participation in tactical and non-tactical information systems design.
- **Innovative Logistics Policies** – Encourage the Supply Corps officer, as a logistician to the Navy warfare specialist, to find the least-costly means to successfully operate and maintain the Navy's warfighting capabilities.

SUPPLY CORPS 2010 RECOMMENDATIONS

Based on the assumptions and implications, the 2010 Study recommended the following key actions to position the Supply Corps for success in the 2010 environment:

- Sea duty and warfare qualification are essential to Supply Corps officer career development.
- Focus on logistics and eliminate non-core functions.
 - Civilianize auditing, retail, and publications and forms.
 - Restructure or reduce financial management functions.



- Increase emphasis in direct fleet support and logistics planning.
 - Provide greater staffing at fleet and joint staffs.
 - Expand role in maintenance and integrated logistics support.
- Increase contribution in non-tactical automated data processing (ADP).
- Reemphasize ammunition inventory management responsibility.
- Provide assistance to medical community management.
- Study afloat workload restructuring necessary to shift workload from officers to senior enlisted and from ship to shore.
- Pursue new and innovative logistics policies.

ASSESSMENT OF THE 2010 STUDY RECOMMENDATIONS

While the Supply Corps 2010 study accurately forecasted the future operating environment for 20 years out, not all of the recommendations were followed in their entirety. Analyzing the differences between the recommendations and the actual execution helps to better understand our potential constraints as we identify and implement the Supply Corps 2040 Strategic Vision Study and uncovers some questions and observations warranting in-depth analysis.

Supply Corps Relevance and Manning

A main goal of the 2010 study was to retain Supply Corps end strength relative to the size of the Navy. Since 1990, Supply Corps end strength has continued to decrease in greater proportion than Navy end strength. To get a better perspective on the magnitude of the reductions, Figure 3.1 presents an Officer Programmed Authorization (OPA) comparison between 1990 and today that indicates a 39 percent overall reduction across all Supply Corps designators.

Figure 3.1 shows that most reductions were taken at the junior officer (JO) level. The Supply Corps Warrant Officer program has almost been eliminated. The control grade (CG) billets, defined as Lieutenant Commander through Captain, and on which promotion authorizations are based, were not proportionally reduced. In 1990, CGs were 39 percent of the Supply Corps; today, CGs represent

43 percent of the community. This trend may be indicative of a larger community management problem regarding the force employment/billet structure.

FINDING: A reduction in the number of JOs will result in an unsustainable JO to CG officer imbalance causing gaps in senior control grade billets.

Figure 3.2 compares the Supply Corps to the entire Navy officer inventory since 1990. The Supply Corps inventory has experienced a 39 percent reduction compared to a 29 percent reduction in total Navy Officer inventory. The Supply Corps' share of Navy officers has decreased from 6.1 percent in 1990 to 5.3 percent today.

Numerous factors account for inventory reductions since 1990 but the most notable are ship decommissionings and conversions of USN ships to the Military Sealift Command (MSC) due to pressure to reduce defense spending. This pressure also contributed to the relatively faster rate of reduction experienced by the Supply Corps. Shifting mission sets following 9/11 increased demand for expertise in the special operations, expeditionary warfare, and intelligence fields. With downward pressure on defense spending and increased growth in other communities, the Supply Corps had to take a correspondingly larger share of reductions.

Sea Duty and Warfare Qualification

Figure 3.3 reveals that the Supply Corps is the most operational of all Navy staff corps. Since 1989 the Supply Corps has consistently employed 30 percent of its officers in operational requirements. At the JO level, the Supply Corps slightly outpaces the unrestricted line (URL) with 47 percent of its JOs employed in operational settings versus 45 percent for the URL.

The Supply Corps continues to emphasize sea duty and the accompanying platform-based Supply Corps warfare qualification. However, since the end of the Cold War, the size of the Navy's fleet has been reduced significantly, from close to 600 ships in the mid-1980s to 286 ships today. Figure 3.4 shows the change in the Supply Corps structure since 1990, from a 37 percent share of afloat billets in 1990 to 29.3 percent today. However, the Supply Corps is the most operational group of officers next to

Figure 3.1: Supply Corps End Strength Reductions

RANK	FY90	FY09	Decrease
FLAG	14	12	14%
CAPT	212	169	20%
CDR	545	377	31%
LCDR	827	477	42%
LT	1,351	651	52%
LTJG	541	366	32%
ENS	540	319	41%
3100	4,030	2,371	41%
FTS	*	98	NA
LDO	223	143	36%
FS CWO	60	50	17%
Supply CWO	92	23	75%
SC	4,405	2,685	39%

*Data not available

Most reductions were taken at the junior officer level. A disproportionate reduction in junior officer billets leads to a billet pyramid imbalance and potential gaps in filling control grade requirements.

FIGURE 3.2: Navy versus Supply Corps inventory

	Navy	Supply Corps	SC Share
FY90	72,173	4,405	6.1%
FY09	51,122	2,685	5.3%
Delta	21,051	1,720	
Decrease	29%	39%	

The Supply Corps inventory has decreased at a greater rate than the Navy overall.

FIGURE 3.3: Navy Officer Percent Operational by Community, FY09

Community	Billets	Operational (%)	
		All Billets	JO
LDO/CWO	5,703	48%	49%
URL	23,888	40%	45%
SC	2,337	30%	47%
INTEL/IP	2,175	22%	29%
REMAINING NAVY	3,472	20%	27%
ADO/AED/AMD/EDO	1,572	13%	21%
CEC	1,254	13%	16%
MEDICAL	10,180	11%	14%
HR	730	2%	0%
ALNAV	50,581	31%	37%

FIGURE 3.4: Change in Supply Corps structure since 1990

BILLETS	1990	2009
SEA	37%	29.3%
SHORE	53%	62.6%
OVERSEAS	10%	8.1%

Larger numbers of shore tours have led to a shift from traditional promotion board language that emphasized sea duty tours as a promotion milestone to an emphasis on operational tours.

the URL community (39 percent). Decommissioning 21 submarine and destroyer tenders since 1990 without replacements accounts for nearly 200 of these Supply Corps billet reductions. This decline has resulted in a shift from traditional promotion board language which emphasized “sea duty tours” as a promotion milestone to a broader emphasis on operational tours.

Loss of sea duty billets, which are primarily filled with JOs, is of concern since Supply Corps officer’s foundational training occurs at sea. Without these billets, the Supply Corps runs the risk of eliminating leadership, technical training and personal development opportunities that are the building blocks of senior Supply Corps officer expertise.

FINDING: The loss of JO sea duty billets may undermine a critical foundational training period that develops the senior officers demanded by the warfighter.

There is little doubt that qualifications and experience improve the value of a Supply Corps officer’s contribution to the Navy’s warfighting mission. The more an officer knows about a ship and its systems, the more effectively he or she can support it. Supply Corps officers embraced this concept unequivocally and added warfare qualification as a requirement for promotion. Virtually all Supply Corps officers above Lieutenant have achieved at least one warfare qualification.

Focus on Logistics and Eliminate Non-Core Functions

The Supply Corps implemented the 2010 recommendation to divest non-core functions which included auditing, retail, and publications and forms. The only remaining Supply Corps officer billets in the retail line of operation are the flag officer in charge of the Navy Exchange Service Command and the associated staff. All Navy audit billets and all Navy Publications and Forms billets have transitioned to federal civilians.

The recommendation to restructure the financial management program was not fully executed. Although key financial management billets were civilianized or were downgraded to deputy positions under a civilian Senior Executive Service (SES), the Supply Corps retained approximately the same percentage of billets as it had in 1998.

The Supply Corps owns 100 (37 percent) of the Navy’s 269 financial management billets. Forty-seven percent of the 100 billets are at major acquisition commands or at the programming and policy level and the remaining are spread among Navy Working Capital Fund and Operations and Maintenance funded commands such as Fleet staffs.

Given this share of the Navy’s financial management billets, we should evaluate whether it is wise to continue to invest in training Supply Corps officers to fill these roles.

FINDING: The strategy for the Supply Corps’ role in Financial Management is unclear.

Increase Emphasis on Direct Fleet Support and Logistics Planning

Billet level data was not reviewed for periods before 1998 and Fleet staff organization and composition has changed since 1990. The advent of lead Type Commanders (TYCOMs) and the evolution of Fleet Forces Command (FFC) makes it difficult to empirically assess how well the recommendation to increase emphasis on direct fleet support was carried out after the Supply Corps 2010 Study was completed. A billet comparison between 2001 and 2009 shows that there was little change in the number of Supply Corps billets at Fleet staffs but there was a net loss of billets at other Fleet support organizations such as Fleet and Industrial Supply Centers (FISCs).

At the time the Supply Corps 2010 Study was written, the typical Supply Corps officer career path did not include joint duty assignments and attaining the associated operational logistics planning skill set was not a critical milestone. A joint assignment was considered outside normal career path and was not specifically valued in promotion board precepts. In fact, an experience tour in the joint arena was thought to potentially harm an officer’s career. In 2006, the Scientific and Technical waiver for Supply Corps officers was eliminated and joint qualification became a core Supply Corps objective. Since then joint qualification has become critical to a Supply Corps officer’s development and promotion plans.

While there appears to be significant demand for the skill sets that Supply Corps officers possess in the joint arena, there has been no significant increase in the number of billets filled by Supply Corps officers in joint commands. Figure 3.5 depicts the Supply Corps joint billets in 1995



FIGURE 3.5 Number of Supply Corps officer joint billets 1995-2009

RANK	FY95	FY95 Total	FY95 %	FY09	FY09 Total	FY09 %
FLAG	4	20	20.0%	2	16	12.5%
CAPT	42	197	21.3%	32	177	18.1%
CDR	66	498	13.3%	56	411	13.6%
LCDR	53	625	8.5%	60	578	10.4%
FLAG-04	165	1340	12.3%	150	1182	12.7%

Chart reflects 3100-coded joint billets not officer assignments. There are Supply Corps officers filling non-3100 coded joint billets.

and today. The lower number of joint billets overall reflected a slight increase in the percentage of Navy joint designated billets from 12.3 percent to 12.7 percent.

While there has been no appreciable increase in the opportunity to serve in a joint position, joint experience is now valued by promotion boards. The most recent Captain selection board precept focused on joint-related skill sets. We should evaluate whether we have a sufficient training pipeline and strategically positioned joint billets to provide senior officer expertise in the joint environment.

FINDING: The Supply Corps' strategy for joint assignments is unclear.

Expand Role in Maintenance and Integrated Logistics Support

The 2010 study stated that the Supply Corps must play a larger role in reducing costs and turnaround time for equipment. Again, the billet information is not available prior to 1998 to fully assess whether or not Supply Corps assets were assigned to maintenance areas. The Supply Corps did align support for depot maintenance under the FISC Commanding Officers. Supply Corps officers fill billets at FISCs that are aligned with regional maintenance centers and air station depots to provide supply and logistics support. However, under the Defense Base Closure and Realignment (BRAC) 2005 Supply, Storage and Distribution recommendation, these billets were transferred to the Defense Logistics Agency (DLA) in fiscal year 2009. Supply Corps officers continue to fill these DLA billets at Cherry Point, Jacksonville, North Island, Norfolk Naval Shipyard and Puget Sound Naval Shipyard.

Increase Contribution in Non-Tactical ADP

The Supply Corps 2010 study also stated that the Supply Corps should be involved in tactical and non-tactical information systems design. However, our presence in this area has significantly declined over the past 20 years. Supply Corps billet requirements for officers with a masters degree in information systems have decreased by more than 50 percent from 68 billets in 1990 to 30 billets in 2009. The major contributing factor to this decline has been the creation of two new Navy officer communities—Information Warfare officers (IW) and Information Professionals (IP). The Navy decision to stand up the IP community with 585 officers in 2004 coupled with the consolidation of cryptology officers into the IW officer community—today totaling more than 1,000 officers—made clear that the management of and investment in tactical and non-tactical information systems is more than a 'subspecially' assignment.

FINDING: The strategy for the Supply Corps' role in Information Technology is unclear.

Reemphasize Ammunition Inventory Management Responsibility

The 2010 study recommended that Supply Corps officers be involved in key ordnance planning, inventory management, and information systems development. Naval Supply Systems Command (NAVSUP) created the Naval Ammunition Logistics Center (NALC) in 1996 as a subordinate command. Ten Supply Corps officer billets, including two interns, were established at NALC (now Navy Operational Logistics Supply Center Ammo [NOLSC Ammo]). Approximately 25 Fleet ordnance billets, weapons station Executive Officers, and Office of Chief of Naval

Operations (OPNAV N411) billets, were designated for transfer from the Explosive Ordnance community to the Supply Corps. Eventually 13 of 25 billets were either transferred or converted to the Supply Corps. The movement into ordnance management presented multiple challenges in providing the requisite growth and development for Supply Corps officers. The small number of billets presented few opportunities for growth in the ammunition area for JOs. The Supply Corps did not demonstrate it valued this experience since it failed to promote officers who served in these billets. In 2009 three Supply Corps officers were Officers in Charge of Navy Munitions Command (NMC) detachments and two officers are executive officers of weapons stations. No Supply Corps commander who served in those positions was promoted to Captain or completed follow-on tours in ordnance management. However, NOLSC ordnance planning billets are still valued career-enhancing positions.

FINDING: The Supply Corps' current investment in ordnance management does not support a sustainable career progression.

Provide Assistance to Medical Community Management

The 2010 Study concluded that Navy medicine could benefit from Supply Corps business management expertise in overlapping functions such as inventory management. The study proposed increasing Supply Corps staffing in key supply functional positions being performed by the Medical Service Corps (MSC) community and recommended conversion of MSC officer billets to Supply Corps Commander billets as the Director of Supply at the Navy's four major teaching hospitals. Additionally, conversion of junior MSC officer billets in material management and medical equipment management at hospitals was also recommended. The medical community did not embrace the 2010 assessment and the result is limited Supply Corps presence in Navy medical commands. These billets now require a master's degree in health care administration.

Study Afloat Workload Restructuring

Despite continuing pressure to reduce personnel costs over the past 20 years and the draw down of ships and related afloat assignments, the Supply Corps has been successful in maintaining a fair share presence in Fleet-centric billets. The Supply Corps 2010 Study indicated current workload requirements for shipboard personnel were more than could be easily accomplished. The operational Supply Departments in 2010 would shift workload to senior enlisted personnel and use technology to reduce at-sea work. Most of the technology insertion that occurred resulted in reduced enlisted manning versus a workload shift from officers to enlisted personnel. Examples include installation of ATMs, removal of dry-cleaning plants, installation of self-service laundry, and other initiatives currently being fielded and/or developed such as Enhanced Food Service Management (eFSM), and Retail Operations Management – Enterprise Support (ROM-ES). Additionally, with the implementation of Pay and Personnel Ashore (PAPA) and Navy Cash, much of the traditional disbursing workload has been moved ashore or eliminated.

The Navy is fielding new platforms such as the Littoral Combat Ship (LCS) and DDG (Guided Missile Destroyer) 1000 with no Supply Corps officers on board. These platforms' supply departments will be manned by senior enlisted and supported by a distance support organization ashore.



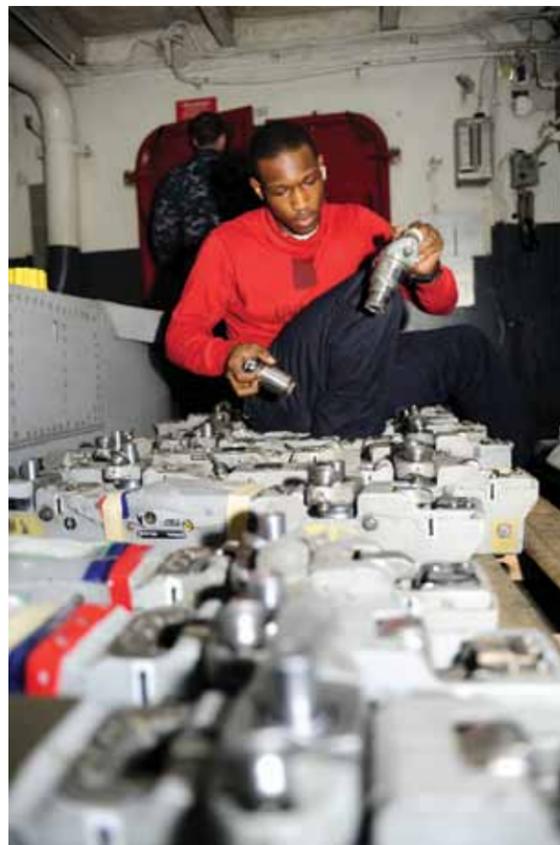
Non-tactical ADP billets decreased more than 50% since 1990.

Pursue New/Innovative Logistics Policies

This particular recommendation was fairly broad and is difficult to assess. The 2010 Study recommended pursuing logistics technologies consistent with new weapons systems technologies and innovative and nontraditional logistics policies. Supply Corps officers continue to serve in key logistics policy billets, and on logistics working groups such as Fleet Supply Policy Council (FSPC) and Afloat Supply Department of the Future (ASDOF) and to spearhead new and innovative logistics policies that enable mission success.

SUMMARY

The 2010 Study was an extraordinary effort to map a strategy for the Supply Corps for the following 20 years. Although successful in its efforts, the comparison between the Supply Corps 2010 study recommendations and actual execution demonstrates the challenges of maintaining community health under the existing budget process. The Supply Corps 2010 Study review uncovered some fundamental challenges facing the Supply Corps today. The loss of JO operational billets puts the officer development model at risk and strains the officer billet pyramid. The Supply Corps' strategy for investing in our principal lines of operation is unclear. The study also highlights the difficulty in making predictions and maintaining the discipline to execute the recommendations over the course of time without periodic strategic updates, given a dynamic operating environment.



A Day in the life of a Supply Corps Officer – Alternative Future-Collaborative World: Global Purchasing Agent

Like many of his college buddies, LCDR John Casey opts to go overseas for his graduate degree. But John is unique. He is the first U.S. Navy graduate of the China Europe International Business School in Shanghai. It was a struggle financially, since the Navy cut scholarships to MBA programs years ago, but John wanted the opportunity to study at a top business school, and that meant China, since most of the best professors from the West teach there. John figures his degree will be helpful in managing the increasingly complex world of defense logistics and will prepare him for an overseas corporate career after his Navy service ends.

John's current assignment as the Southeast Asia Regional Supply Officer requires innovation and flexibility. If you need something, John's in-depth understanding of customer requirements, priorities, and risk tolerance enable him to find material cheaply and efficiently. His link to the world is his Hasee portable computing and communication device that seems to never leave his left hand. Whether it is supplying fuel to an Indian ship visiting Thailand, providing disposable sensors for a counter drug mission in Cambodia, or distributing surplus food as part of a low-cost humanitarian assistance mission in Vietnam, LCDR Casey gets it done. John is even familiar with carbon credits to offset the environmental impact of his region's supply activities.

As John approaches the end of his tour in Asia, he reflects on his reasons for joining the Navy and feels satisfied that his goals have been fulfilled. In a tough economy, the Navy provided John a stable job and the opportunity to travel the world and make a contribution to the global community. The Supply Corps also prepared him to compete in the global economy. Fluent in Mandarin, John expects to remain in Asia for his next tour of duty.

Collaborative World



Global Purchasing Agent

Power has shifted. China leads the globe in technological advances and international influence. The world works together on collaborative solutions to major issues. Improvements in logistics are marginal. Supply Corps officers are experts at obtaining goods through non-traditional channels and services from the global marketplace.



Chapter 4

RECENT AND ONGOING COMMUNITY INITIATIVES

This chapter profiles recent and ongoing community initiatives that have already yielded important analysis and recommendations feeding into the 2040 study findings and recommendations.

SUPPLY CORPS OFFICER DIVERSITY PROGRAM

Historically the Supply Corps has led the community in racial and cultural diversity. However, the Supply Corps still shares the same difficulties and challenges as other communities in meeting the CNO's 2037 recruiting diversity goals. The competition for a limited number of college graduates from under-represented groups, limited awareness of the military, lack of ability to recruit mid-career, the priorities of Navy recruiters, and career choices driven by family and lifestyle desires all impact Supply Corps diversity.

The Supply Corps also shares many of the same retention challenges as does the Navy as a whole. This includes favorable diversity statistics at the junior officer (JO) level but underrepresentation at the control grade (CG) level and low female retention between four and eight years of service. Retirement by prior enlisted officers at the 20-year service mark also adversely affects Supply Corps diversity at the CG level.

Formal efforts (other than those under the Navy's Equal Employment Opportunity Programs) to promote diversity through direct accessions were limited. To structure and discipline the diversity effort, in early 2009 the Chief of Supply Corps established the Supply Corps Officer Diversity Program at the Office of Supply Corps Personnel, Navy Personnel Command.

The Supply Corps Officer Diversity Program is the central coordination point for all diversity strategies and initiatives. It compiles and records all diversity efforts and manages the diversity message along with communication/media efforts. The program supports four distinct areas: events and engagement; communications; affiliations and enduring relationships; and metrics and measures.

The program has quantified the Supply Corps' diversity mix; identified the diversity shortfalls across the ranks, gender, and year groups; and implemented programs to meet CNO's 2037 diversity goals. Taking cues from the corporate world, the program has developed strong relationships with universities that produce high numbers of diverse graduates and conducted benchmarking meetings with several large corporations. The program has also coordinated senior Supply Corps leadership participation at diversity events and established closer ties with the Navy Recruiting Command. Other ongoing initiatives include:

- **Chief Diversity Officer and Diversity Council.** In August 2009 the Chief of Supply Corps RADM Mike Lyden named RADM Vince Griffith as the Supply Corps' Chief Diversity Officer (CDO). Supporting the CDO is a Diversity Council comprised of six Supply Corps Captains who lead regional diversity efforts and function as affinity group sponsors.
- **Women of Supply (WOS).** WOS, currently the only Supply Corps formal affinity group, is growing in organization and membership. In addition to the self-generated WOS "Network News" communication tool, Chief of Naval Operations (OPNAV N134) is developing a "Navy Supply Corps Women" Google site to provide networking, education and mentoring by leadership and peers through social networking. It will be designed to encourage communication and to connect Supply Corps women with different experiences and knowledge among all ranks. The 65 percent female loss rate exceeds the 47 percent male loss rate between years five through 11, a phenomenon that reduces the presence of women in senior Supply Corps ranks. WOS will provide valuable input and insight to address the issues facing female Supply Corps officers.

SENIOR LEADERSHIP ADVISORY COUNCIL (SRLAC)

The SRLAC was established in 2002 to serve as a working group to advise the Chief of Supply Corps on Supply community concerns and take action on issues raised during Supply Corps senior leadership training symposia. The SRLAC is typically tasked with assessing and evaluating a wide range of topics deserving in-depth review. Three of the most recent strategic focus areas included value proposition/core competencies (career track), Navy/joint balance, and brand awareness.

Value Proposition/Core Competencies

This working group was tasked with determining whether the Supply Corps' current composition— in terms of core competencies and billet structure — is optimally aligned to support the pillars of the Maritime Strategy of Forward Presence, Deterrence, Sea Control, Power Projection, Maritime Security and Humanitarian Assistance/Disaster Relief (HADR). Additionally, based on an environmental scan of the Navy and Supply Corps' role in future naval operations, the working group was tasked with mapping projected career progression of milestones, competencies and billets needed to position and develop the workforce of future Navy logisticians.

The working group administered a ten question survey to 29 activities worldwide, reflecting a broad range of war-fighting and business areas. The targeted audience included a large cross-section of both line and staff flag officers. Supply Corps Captains conducted customer interviews and forwarded the responses for inclusion into a master database for evaluation.



From these interviews, the team developed the following proposed Value Proposition:

The Supply Corps develops and manages the logistics processes that enable the warfare Commander complete freedom of action....serving as the Navy's business leaders, as operational logistics professionals, and as Quality of Life service providers.

Additionally, the SRLAC concluded that parts of the value proposition of the Supply Corps are core competencies in the following areas: Acquisition and Contracting, Supply Chain Management, Operational Logistics, Joint Logistics Planning, and Fleet Combat Service Support (referring generally to QOL concerns). These core competencies should be integrated into one career path versus the three-pronged career track model that is currently used in our Supply Corps strategic communications.

Navy/Joint Balance

The focus of this working group was to determine the optimal joint billet structure for Navy Supply Corps O6/O7 billets. The objectives were “to validate ‘as-is’ the O6/O7 Supply Corps joint billet base . . . [and] develop Courses of Action (COAs) for a ‘to-be’ O6/O7 Supply Corps joint billet base.” The group members were to limit their assessment to the O6/O7 pay grades and give recommendations for the best combination of Navy and joint billets.

The group recommended that the Supply Corps “maintain and continue assigning four Supply Corps active duty flags to joint billets, and explore additional billet options.” The group listed Pacific Command (PACOM) J4, Defense Distribution Command (DDC) Commander, Joint Contingency Acquisition Support Office (JCASO) Commander, and Joint Forces Command (JFCOM) J4 as possible Supply Corps flag officer joint assignments.

With regard to the O6 billets, the group members recommended converting a number of 1000 coded billets currently filled by 3100s at Transportation Command (TRANSCOM), JCS, and other commands to 3100 billets. They also recommended converting non-Joint Duty Assignment List (JDAL) billets at both DLA headquarters and Defense Energy Support Center (DESC) headquarters to JDAL billets as all headquarter billets are automatically JDAL eligible by CJCSI 1330.05 issued in May of 2008. An additional recommendation was that the Supply Corps participate in the OPNAV 123 joint billet pilot study. This pilot study, chartered as the Navy Total Force (NTF) Strategic Roadmap Integrated Process Team (IPT), was tasked with the following objectives:

- Impact the structure of joint commands resulting in a billet base constructed to ensure optimization among the Services and to meet overall Navy interests.
- Ensure that participation in Joint Professional Military Education (JPME) I and II is afforded within the career paths of all naval officers for the development of joint competencies.
- Develop a billet base that provides necessary structure for Naval officers to meet the statutory and policy requirements to obtain Joint Qualified Officer (JQO).
- Ensure that participation in joint assignments is afforded within the career paths of all naval officers to obtain JQO.



- Ensure that policies and procedures that provide the necessary structure for naval officers to meet the statutory and policy requirements to obtain JQO become institutionalized in the Navy.

The Supply Corps will be the pilot community for this project and the 2040 team will include participation in this project in the proposed Supply Corps 2040 Strategic Vision Study action plan.

In addition to participation on the OPNAV N123 IPT, the SRLAC working group made several observations regarding the junior and senior war college value and selection process that require further analysis:

- Evaluate current system of selecting the top 50 percent of each Lieutenant Commander and Commander promotion group.
- Determine the value in attending a junior service war college given the other flexible, non-resident alternatives for obtaining JPME I.
- Determine the value of attending a 10 month senior war college program over an eleven week Joint Combined Warfighting School given that both avenues lead to JPME II.

The Supply Corps Brand

This working group was chartered to identify the “Supply Corps” brand, determine whether the term “Supply Corps” adequately identifies and differentiates our community, and explore and evaluate a new name for the “Supply Corps” that enhances the brand. The working group arrived at the following conclusions:

- The Navy Supply Corps enjoys very strong and positive brand equity. However, the lack of a clearly defined and documented identity coupled with an outdated motto and some missing communications platform elements create confusion in the articulation of the identity and its application throughout the key stakeholder audiences.
- The need for clearer communications is felt both internally and externally. Clarity of function and awareness of the capabilities the Navy Supply Corps brings are lowest in the non-traditional environments (joint forces).
- An opportunity exists to use brand heritage, branding as one community, and more clear use of emblems and story to support community cohesiveness and morale, particularly among the enlisted community.

The group recommended the Supply Corps retain its current name and the oak leaf, update its motto, and develop and document the communications platform and strategic messaging.

A complete list of findings from the SRLAC working groups can be found in the Appendix of this document.

SUMMARY

This chapter highlights some of the ongoing community initiatives of the Supply Corps today. The current SRLAC initiatives on strategic focus areas help to provide context and guidance for our analysis going forward.



The oakleaf is a strong symbol of Supply Corps heritage.

Collaborative World



Facilitating American Influence

In an era of global cooperation, the U.S. places great effort on humanitarian missions to maintain its global influence. Major nations follow the U.S. lead, working together to solve major problems. There are major advances in logistics technology. Supply Corps officers play a key role in American diplomatic efforts.

A Day in the life of a Supply Corps Officer – Alternative Future–Collaborative World II: Facilitating American Influence

CDR Emily Li, SC, USN stands at attention in front of her multi-national logistics task unit consisting of supply and logistics officers from China, India, Italy, Brazil, and Korea. She is tremendously proud of the accomplishments of her team which is about to receive the United Nations Central African Mission Award for its work with the Bill and Melinda Gates Foundation to eradicate malaria. The ceremony begins, and as she shakes hands with foundation officials, she reflects on the team she has led over the last two years. Comprised of both military and civilian personnel, the team supervised the distribution of materials such as vaccines, drugs, pesticides, and netting; and managed the financing for product introduction and adoption. Breakthroughs in logistics technology and the use of open standards and coalition-shared databases have simplified the management challenge, but the real driver has been the international cooperation to bring the latest innovations and the most talented people together to tackle the toughest global problems. Emily is part of the Navy because she believes she can make the world a better place and today’s ceremony provides fitting recognition of her accomplishments.

As the ceremony concludes, Emily switches her sunglasses to video display mode to talk to her husband Mark, who is watching the ceremony remotely while relaxing by the pool with their baby Claire. Emily is looking forward to returning to San Diego, where she can stay at home for a few months while completing her virtual coursework in preparation for major command. Her assignment will depend on how well she performs during the course. Emily has excelled in financial and logistics management during her tour in Africa. She is hoping for an assignment where she can manage major acquisition programs and demonstrate that she is a well-rounded officer who can compete for a senior leadership position in the Supply Corps. The International Littoral Platform presents an opportunity to continue to work with coalition partners in the Navy’s largest acquisition program. She thinks the assignment will leverage her international, industry, financial and contracting experience. Emily recognizes she will have to be at the top of her class, so she downloads the first module of her training course on her Kindle35 to study during the long flight home aboard the 797, an aircraft engineered to use synthetic fuels and originally demonstrated by the Air Force and Navy several years earlier.

Chapter 5

ANALYSIS PROCESS

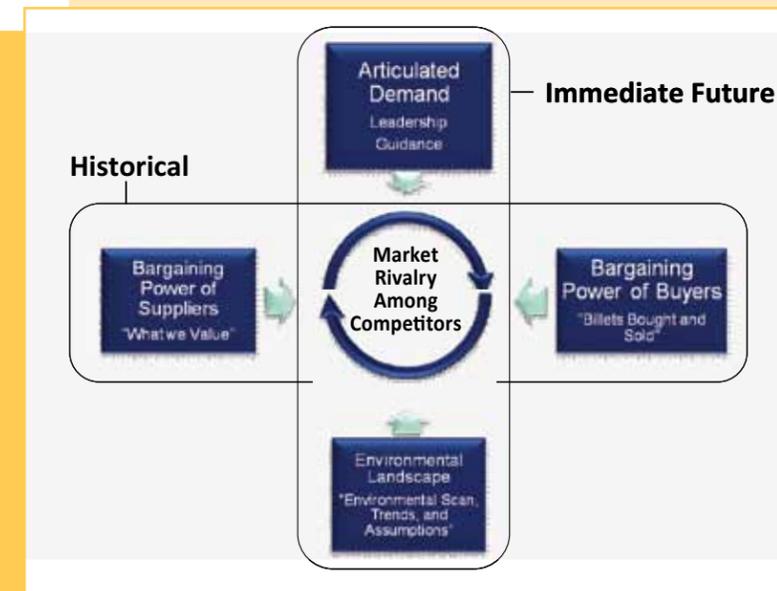
The 2040 Strategic Vision Study team chose two models to analyze our initial observations; the Five Forces Demand Model¹⁰ and the Navy Strategic Planning Process (NSPP). The Five Forces Demand Model reveals near-term community management challenges shaping Supply Corps officer demand. The NSPP is used by the Chief of Naval Operations (CNO) to assist the Navy in scenario-based planning. We will use it to help frame future officer development. Both models are used in much greater detail in the following chapters to round out the analysis.

FIVE FORCES DEMAND MODEL FOR COMMUNITY MANAGEMENT

The nexus of stakeholder demand and officer supply should shape the force and structure of the Supply Corps. However, both the demand and the supply portion of the equation are composed of multiple forces at work, sometimes moving in unison and sometimes at odds with each other. Dr. Michael E. Porter, a Harvard business professor, provides a construct that better explains some of the forces shaping Supply Corps officer demand.¹¹ Porter’s model portrays five forces that impact and shape strategy in any business. By working through the Porter model, we can begin to understand the impact of internal and external forces and gain a clearer picture of the direction in which we need to move.

Figure 5.1 displays a tailored version of the Porter model. The Porter model helps us to develop our strategic positioning, separating the Supply Corps from potential rivals. The horizontal axis depicts the present and

FIGURE 5.1: Modified Porter Model



The modified Porter Model describes the historical and near term supply and demand forces that impact the Supply Corps. These forces converge in the center of the diagram which indicate the competition for market share from potential rivals.

historical factors affecting the Supply Corps. The vertical axis features the near-term future impacts highlighted by customer demand and the environment. We will use this demand model to examine the forces shaping and molding our community management in the operational, expeditionary, and ashore environments. We will begin the discussion of the model with articulated demand.

ARTICULATED DEMAND

The anecdotal information obtained by surveys and other documentation.

The Supply Corps 2040 Strategic Vision team primarily used the results of a survey administered by the Senior Leadership Advisory Council (SRLAC) to help us understand our articulated demand previously mentioned in Chapter 4. The SRLAC interviewed 47 Supply Corps, unrestricted line (URL), and other service general officers and flag officers and Captains from 29 commands representing a cross section of JFCs, Fleet staffs, and warfare enterprises. In addition to the survey, the team analyzed executive level correspondence regarding current and projected demand for Supply Corps officers. As with all anecdotal data, it is important to emphasize the responses and comments taken from surveys and emails are opinions that have been filtered by individual experiences and biases. Therefore, this information is provided as one data point for consideration under a broader analytic perspective.

The SRLAC survey focused on lines of operation where there were perceived questions about the current and future demand signals (results are summarized in Figure 5.2).

The clear message from senior leaders was that Supply Corps officers should remain the supply chain experts for the Navy. There was a strong signal from both the line and the supply community flag officers to continue to invest in acquisition management, financial management, and operational logistics lines of operation as well as joint skill sets. An interesting signal from the line community was that the Supply Corps should have a more prominent role in financial management. The Supply Corps currently fills 38 percent of the financial management billets. Contingency contracting was also an area most flag officers endorsed as a skill set required for operational logistics positions.

Petroleum Management: Petroleum management is a line of operation that only Supply Corps officers perform. While nearly all agree the Supply Corps should continue to invest in fuel planning skills and associated positions, these executives were divided in their opinions about whether we should continue to manage bulk petroleum facilities. Additionally, many respondents suggested moving this line of operation into energy management.

Ordnance: There was considerable discussion regarding ordnance within both the Supply community and the URL community. The consensus seems to be for the Supply Corps to exit weapons station management jobs, however NOLSC ordnance planning billets are still valued, career-enhancing positions.

Information Technology (IT): Seventy percent of those responding to these questions felt we should divest current IT engagements that are too narrowly focused on understanding software and hardware. Instead, the focus should be on information management, understanding how information technology can be applied to the needs of the Supply Corps and the Navy.

ENVIRONMENTAL LANDSCAPE

The information to identify challenges and opportunities and formulate a vision.

An environmental scan assesses the external environment and translates the information into the planning and decision-making processes. It provides information to identify challenges and opportunities and formulate a vision.

Strategic document reviews are the foundation of our environmental scan. They encompass input from various advisory groups, including Naval Personnel Command (NPC), Office of the Chief of Naval Operations (OPNAV), U.S. European Command (EUCOM), U.S. Pacific Command (PACOM), U.S. Joint Forces Command (USJFCOM), URL and Supply Corps flag officers, retired Supply Corps flag officers, SRLAC and Supply Corps Captains.



FIGURE 5.2: *Articulated demand: anecdotal information obtained by surveys and other documentation.*

“Articulated Demand” Executive Level Feedback

Business Line	JNT	OPL	ACM	FM	Fuels	ORD	IT
Supply Corps Flags (9)	Green	Green	Green	Green	Yellow	Yellow	Red
URL Flags (15)	Green	Green	Green	Green	Yellow	Yellow	White
Other Service Execs (4)	Green	Green	Green	Yellow	Yellow	Yellow	White
Summary	Green	Green	Green	Green	Yellow	Yellow	Red

Key
Green: Invest
Yellow: Divided
Red: Divest

JNT = Joint Planning & Logistics
 OPL = Operational Planning
 ACM = Acquisition & Contracts Management
 FM = Financial Management
 ORD = Ordnance
 IT = Information Technology

The 2040 team reviewed multiple publications from both the private and public sector. The majority of the references were DoD publications and reports, and literature from DoD-aligned think tanks. The future operating environment in which Supply Corps officers will navigate is already described in these, among other, published documents: the *National Defense Strategy (NDS)*, *National Military Strategy (NMS)*, *Joint Operating Environment (JOE)*, *Capstone Concept for Joint Operations (CCJO)*, *A Cooperative Strategy for 21st Century Seapower*, and the *DoD Human Capital Strategy* and *Logistics Strategic Direction*. A number of non-DoD sources, including the National Intelligence Council's *Global Trends 2025 (GT2025)*, were also reviewed to provide diversity of thought to the report. Figure 5.3 highlights some of the common environments of the strategy documents.

FIGURE 5.3: Common environments of the strategy documents



Environment	Publications				
	GT2025	CCJO	MAR	LSD	HCS
New Collaboration/Roles	✓	✓	✓	✓	✓
Resource Constrained	✓	✓	✓	✓	✓
Expanded Mission Sets	✓	✓	✓	✓	
Logistics Key to Success	✓	✓		✓	
Cultural/Language Skills	✓	✓	✓		✓
Information Networks Vital	✓		✓	✓	
Keen Competition for Talent	✓	✓			✓

Key
 MAR-Maritime Strategy
 HCS-Human Capital Strategy
 LSD-Logistics Strategic Direction
 GT2025-Global Trends 2025
 CCJO-Capstone Concept for Joint Operations

Definitions of Environment:

- New Collaboration/Roles:** Increasing levels of integration among our maritime force, enhanced cooperation with other instruments of national power and increased roles in HADR and security assistance.
- Resource Constrained:** Expansion of DoD that occurred over the last eight years will flatten and probably contract. Political and economic climate will dictate budget reductions.
- Expanded Mission Sets:** Modular (agile and scalable) unit-level forces which will include the creation of general purpose forces capable of operating independently at lower echelons (Strategic Corporal).
- Logistics Key to Success:** Importance of logistics to combat and operational success is critical.
- Cultural/Language Skills:** Increasing integration with other nation's armed forces and HADR activities will require developing cultural, historical and linguistic expertise among military members.
- Information Networks Vital:** Movement of workload ashore and distributed nature of future operations will require a robust information network to enable distance support.
- Keen Competition for Talent:** Competition for the best and brightest will be intense as demographics and lifestyle dictate a decreasing pool of eligible candidates for the armed forces.

Bargaining Power of Suppliers
A description of what the Supply Corps values as well as published promotion board precepts and career milestones.

The Supply Corps as an organization provides signals, both internally and externally, to the larger environments within which it operates. It communicates what it values in a Supply Corps officer to its internal customers through promotion board precepts. The precepts correspond to various milestones in an officer's career that should be achieved in order to continue advancing. Figure 5.4 is a list of the most critical operational and educational accomplishments that a Supply Corps officer should complete in order to promote to Captain. The ability to lead is foundational to all advancement throughout a career. The Office of Supply Corps Personnel (OP) Roadshow, "It's Your Career" and promotion board precepts communicate these requirements both formally and informally. Some of the major milestones completed by virtually all Supply Corps officers are two operational tours, warfare qualification, post graduate education and two or more principal lines of operation tours. It is noteworthy that all Supply Corps flag officers have accomplished 100 percent of these requirements.

The milestones in Figure 5.4 detail for external stakeholders the baseline skill sets they can anticipate from the market basket of available Supply Corps officers.

Bargaining Power of Buyers
The value attributed to billets as determined by what customers are buying and selling.

Market forces drive the Supply Corps just as they drive any business delivery service or commodity exchange. Our product is our people. The Navy buys and sells positions based on its personnel requirements. The requirements fluctuate over time based primarily on DoD and Navy budgets. Figure 5.5 demonstrates how the Navy has sold or eliminated a larger number of Supply Corps

FIGURE 5.4 Valued career milestones



The diagram above illustrates the percentage of control grade officers who have completed the listed career milestones.

FIGURE 5.5 Billets bought and sold from FY01 to FY09

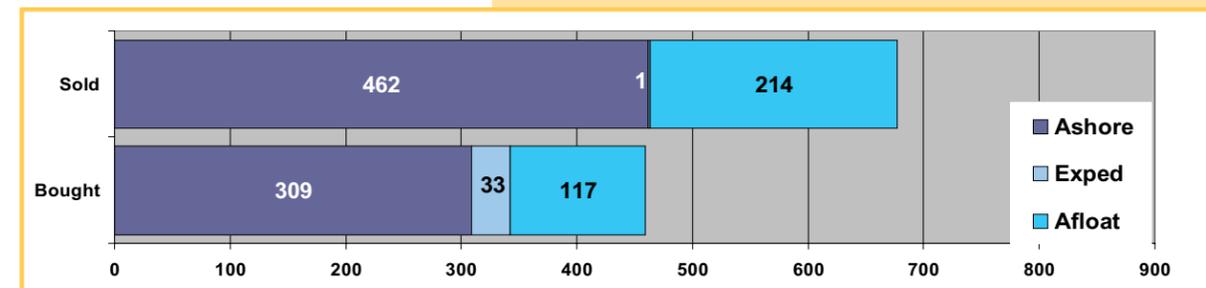
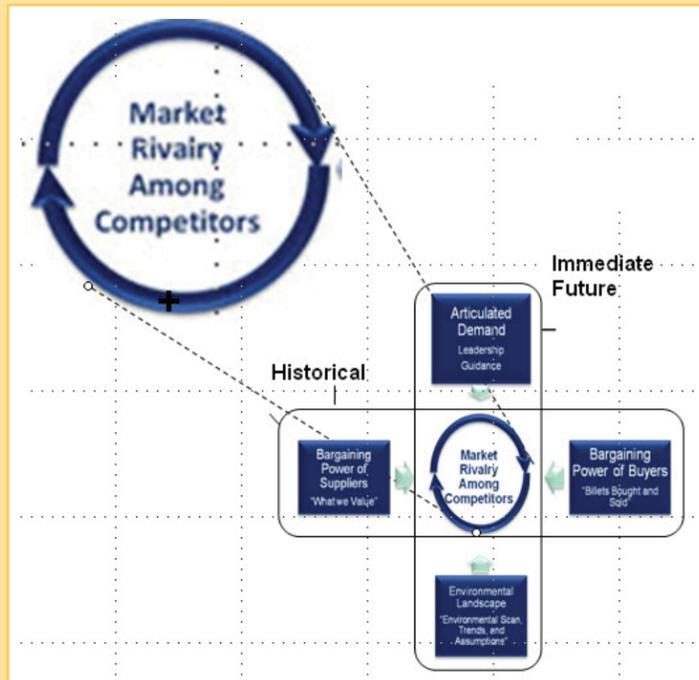


FIGURE 5.6: Market Rivalry



billets (677) in the last eight years than it has purchased (459). The reduction is primarily due to decommissionings of Guided Missile Frigates (FFGs) and Guided Missile Cruisers (CGs).

Although determining the future landscape is always difficult, the number of ships that Supply Corps officers will be manning over the next two decades is declining. Decommissionings and the lack of junior officer (JO) afloat billets in new construction result in fewer Supply Corps accessions. There is some movement to mitigate the loss of afloat opportunities with additional expeditionary billets ashore but, the growth in ashore operational billets is insufficient to cover the anticipated losses.

MARKET RIVALRY AMONG COMPETITORS
Potential rivals for billets which are traditionally filled by Supply Corps officers.

Figure 5.6 describes the hub around and through which the spokes of the modified Porter model flow and interact. Market rivalry is most often used in the private sector to describe competition for customers in a specific business area. While we rarely use “market” rivalry in the military sector, this concept aptly describes Supply Corps billet competition and how other forces react. We use the term competitor simply as a convenient term to denote alternative sourcing of capability.

There are five potential “rivals” for billets that have traditionally been filled by Supply Corps officers. These are detailed below. Figure 5.7 displays the market share of several of the Supply Corps business lines.

Other Staff Communities: Several of the other staff corps perform the same functions as the Supply Corps. The Civil Engineering Corps (CEC) has a very robust contracting organization. CEC contracting focuses on facilities and construction related procurements, but the training and skill sets are similar to Supply Corps acquisition professionals. The Medical Service Corps performs inventory management functions for the medical organizations that are similar to Supply Corps competencies.

URL: The URL shares financial management billets with the Supply Corps and actually fills the most senior billets.

Supply Enlisted Community: The LCS manning model illustrates the competition for billets between the Supply Corps officer community and the Supply enlisted community. New platforms like LCS are being developed

to deliver the capability to meet expanded mission sets with reduced manning levels. Senior enlisted personnel have the requisite technical skills and experience making them well-suited to perform in this environment. These manning models reduce the long-term, Supply Corps JO billet base.

Civilians and Contractors: Federal civilians are already assuming many of the shore based positions previously filled by Supply Corps officers. Contractors, many with prior military experience, can readily fill behind Supply Corps officers assigned to other positions or engaged in Overseas Contingency Operations (OCO).

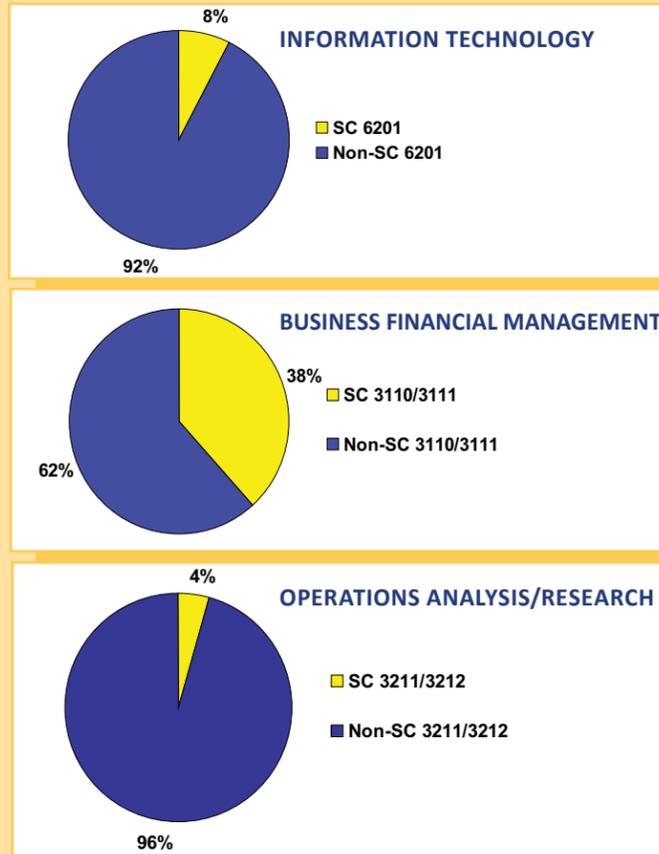
Technology: The technology that is reducing the requirements for manning aboard ships is eliminating Supply Corps officer billets. Technology may be the largest rival, not only by eliminating positions but also by facilitating the roll down of responsibility to enlisted personnel.

STRATEGY MODEL FOR OFFICER DEVELOPMENT

While the Porter Model helps to examine historical and near term challenges, determining the future requires a more sophisticated model. For this task the Supply Corps 2040 Strategic Vision Study team chose a model already under development by Navy; the Navy Strategic Planning Process (NSPP).

A complex and globalized strategic environment presents significant challenges in accurately predicting the future and identifying absolute threats and opportunities. Therefore, in the Navy Strategic Plan in support of POM-10 (NSP-10), the former CNO stressed the need for a repeatable and sustainable strategic planning system that manages future uncertainty and exercises vigilance in monitoring the US Navy’s external environment. Responding to this need, his VCNO, in his 2008/2009 Strategic Planning Memo, directed the establishment of an integrated strategic planning process using alternative future planning. This evolved into what is now known as the Navy Strategic Planning Process (NSPP).

FIGURE 5.7: Supply Corps shares of information technology, business financial management and operations analysis/research communities.



Hypercompetitive World	Collaborative World	Hypercompetitive World	Collaborative World
Managing through Technology	Facilitating American Influence	Doing More with Less	Global Purchasing Agent
The U.S. armed forces rely heavily on unmanned self-healing systems. Innovations in logistics help replace on-board Supply Corps officers with centralized command and control structures. Disruptive technological advancements have significantly changed the nature of warfare.	In an era of global cooperation, the U.S. places great effort on humanitarian missions to maintain its global influence. Major nations follow the U.S. lead, working together to solve major problems. There are major advances in logistics technology. Supply Corps officers play a key role in American diplomatic efforts.	The world is a dangerous place with conflict driven by resource rivalry and terrorism. Supply Corps officers are challenged to provide logistics support to deployed naval forces with tight budgets and threatened supply lines. Improvements in logistics technology have not delivered on their promise, so Supply Corps officers rely on traditional approaches.	Power has shifted. China leads the globe in technological advances and international influence. The world works together on collaborative solutions to major issues. Improvements in logistics are marginal. Supply Corps officers are experts at obtaining goods through non-traditional channels and services from the global marketplace.

FIGURE 5.8 Four Alternative Futures developed through NSPP

Navy is using this same process as a repeatable, sustainable strategic planning system that hedges against uncertainty.

The NSPP framework improves our ability to understand the interaction of trends and uncertainties shaping the future; discerns the range of risks the Navy will be required to manage; and provides an adaptive strategy that can respond to, reduce, and hedge against future uncertainty. The Navy process developed a series of four alternative futures.

The Supply Corps 2040 Strategic Vision Study team built on the work performed by the NSPP to develop a set of four alternative futures for officer development within the Supply Corps which are described in the vignettes placed throughout this document. The alternative futures are consistent with the futures used in the NSPP while providing more depth and focus around the key uncertainties concerning the Navy Supply Corps. The 2040 Strategic Vision Study team's alternative futures align with the CNO-initiated effort by using a consistent set of assumptions regarding the future strategic environment. (The four potential worlds are summarized in Figure 5.8.)

To paraphrase Helmuth von Moltke, a leading German strategist of the late 19th and early 20th century, no battle plan survives contact with the enemy. A strategic plan should be a living document capable of adapting to the future. Monitoring the strategic

environment by evaluating major trends and uncertainties, while scanning for weak signals, will be key to developing and evolving an adaptive strategic plan enabling the Navy Supply Corps to continue to excel in meeting the logistics and supply requirements of the Navy and joint warfighter.

Strategic monitoring provides a continuous update of where the Supply Corps is located inside the cone of uncertainty defined by the alternative futures. Figure 5.9 demonstrates the three dimensional nature of the planning environment. It enables the Supply Corps to collaborate with experts external to Navy to help minimize the impact of unanticipated events. It creates agility and adaptability within the organization and

promotes sharing of strategic information and allows for more informed decisions by stakeholders. Strategic monitoring will be incorporated into the governance process for the 2040 Strategic Vision Study to provide a periodic assessment of the strategic environment that will trigger adjustments to the strategic plan. This will ensure annual updates of the strategic plan remain aligned

with environmental forces, allowing the Supply Corps to anticipate and adapt in order to succeed in an increasingly complex and uncertain future.

The NSPP alternative futures are used to help develop the key success factors driving future Supply Corp's investment. Key success factors are the activities, capabilities, and resources that will position the Navy Supply Corps for success across the Alternative Futures environments. Identifying and investing in key success factors significantly impacting the range of future environments is critical to developing a flexible strategy that can succeed no matter how the future actually unfolds. The key success factors are shown in Figure 5.10 and will be discussed in detail in the Officer Development chapter of this study.

The ability to man, train, and equip the future force in a flexible and agile fashion will be critical to the U.S. Navy's ability to manage uncertainty and address rapid shifts in the strategic environment. Innovative and flexible solutions for human resources, logistics, and capability development will improve the procurement, deployment, and sustainment processes to conduct and sustain uninterrupted global naval operations. This has historically been a point of strength for the U.S. Navy, and will remain an important factor in maintaining a competitive warfighting advantage over future adversaries. These key success factors are the base upon which the future Supply Corps officer development strategy is built.

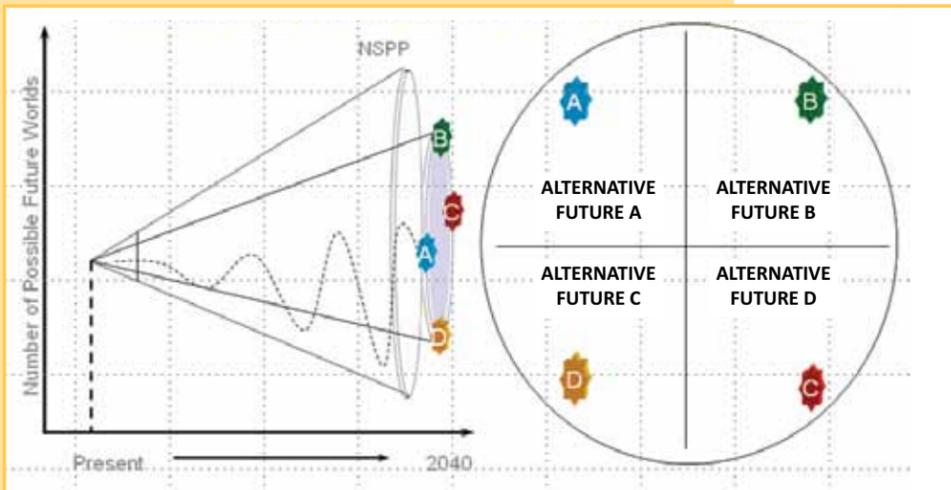
SUMMARY

The Supply Corps 2040 Strategic Vision Study Team adapted Dr. Michael Porter's Five Forces Demand Model to help understand what drives demand for Supply Corps officers using both survey and hard data to paint a general picture of Supply Corps demand. The team adapted the Navy Strategic Planning Process to frame the Supply Corps officer development strategy and to finalize the strategic vision.

FIGURE 5.10: Key Success Factors in priority sequence

1. Knowledge Management
2. Responsive Processes
3. Extended Professional Networks
4. Joint/Combined Operational Support
5. Environmental Consciousness/Green Operations
6. Tech Savvy People
7. Interoperability
8. Regional/Cultural Expertise
9. Operations Management
10. Partnering/Alliances
11. Redundant Systems/Processes
12. Life Cycle Management

FIGURE 5.9: Alternative Futures Strategy Model



- Instead of forecasting (i.e. follow a trend and add estimated deviations), scenario-based planning defines a cone of possible "futures" to hedge against a broad spectrum of uncertainty.
- Strategic monitoring provides a way to update where the Supply Corps is located inside the cone of uncertainty

Chapter 6

ASSUMPTIONS

The 2040 Strategic Vision Study Team devised a set of assumptions to predict how Supply Corps officers may be employed in the future. These assumptions, designed to provide strategic alignment with the projected requirements of the Navy and the joint warfare commander, are based on an environmental scan of multiple sources—Department of Defense (DoD) documents, surveys, scenarios, and industry trends among them. The assumptions cut across five environments, beginning broadly with the global environment and narrowing to the individual Supply Corps officer.

GLOBAL ENVIRONMENT

Assumptions about future threats.

Rogue actors and terrorist activities supported by state and non-state entities will continue to impact the world, requiring a DoD response to protect the national interests of the United States. Both history and projections of the future suggest this is a reasonable assumption, as even the most optimistic forecast involves some level of global threat. Iraq and Afghanistan will occupy global and national attention for another decade. Afghanistan has a growing Taliban insurgency that is forcing a larger commitment of U.S. troops. One of the goals of GEN Stanley McChrystal, Commander, International Security Assistance Force (ISAF), is to develop a corps of experts in Afghanistan's language and culture who would be assigned to the country for repeated tours.¹² A radicalized, nuclear Pakistan may significantly increase the level of concern in that area.

Competition and conflict for resources, power and influence will continue to be the primary strategic and operational context for the joint force over the next 25 years. The *Capstone Concept for Joint Operations* indicates a future operating environment characterized by uncertainty, complexity, rapid change, and persistent conflict.¹³ Diminishing overseas access is anticipated in the

future operating environment with commitment of forces arising in areas where few or no assets are permanently stationed. Support from the sea will be critical to sustain joint forces. The conduct of military operations will require persistent presence achieved through forward deployed U.S. forces continuously engaged throughout the world.

The types of conflict in the future will not be the same as they are today. According to the *Capstone Concept for Joint Operations*, future operations will require increased operational and organizational flexibility characterized by modular (agile and scalable) unit-level joint forces. Force structure will include the creation of general-purpose forces capable of operating independently at increasingly lower echelons. There will be growing numbers of small conflicts among national and transnational actors. The presence of a large peer competitor in the future such as China or Russia will dictate some traditional force structure, but large scale warfare seems increasingly unlikely.¹⁴

Military forces will need to operate across the full range of potential conflicts. Security activities may be as essential to success in war as combat effectiveness.¹⁵ U.S. conventional forces will need to increase competence in security activities in order to prepare for and conduct security missions. Post conflict strategies, specifically enabling civil authorities, will require the restoration of civil order and services and the rebuilding of damaged infrastructure. This will include providing lift, logistics, possibly medical supplies and security to Joint Interagency Intergovernmental Multinational (JIIM) organizations and to the host nation (HN).

Assumptions about future global economy.

Ninety percent of the world's international commerce passes across the oceans.¹⁶ Globalization of the world's economies will continue, as will the requirement for the free movement of commerce across the world's oceans. Global economic growth will put pressure on a number of strategic resources. Global wealth and power are moving from west to east and south. Brazil, Russia, India and China (BRIC) are emerging as significant regional economic and military competitors.¹⁷ The Pacific Rim is home to the world's largest populations, economies and militaries. Twenty percent of the world's petroleum supplies pass through one choke point in the Arabian Gulf and another 25 percent pass through Southeast Asia. Although technological advances could potentially reduce the current requirements for fossil fuel, according to the Joint Operating Environment (2008), fossil fuels will still make up 80 percent of the energy mix in the 2030s.¹⁸ The forward projection of maritime power in the Middle East, South America and Africa will be necessary to protect the sources and movement of petroleum products until alternate energy sources are developed.

Assumptions about climate change.

Although typically not considered in future DoD projections, climate change may have a significant impact on the future operating environment if predicted extreme weather events occur such as severe drought, flooding and the increased spread of life threatening diseases. Economic and environmental conditions in already fragile areas may further erode weakened and failing governments, fostering instability, internal conflicts and extremism.¹⁹ The U.S. may be drawn more frequently into these situations, either alone or with allies, to help provide stability before conditions worsen and are exploited by extremists.²⁰ As evidenced by the international response to the 2004 tsunami in Southeast Asia, U.S. DoD assets (particularly naval assets) will likely be first on the scene to provide early relief, support and security assistance.



NATIONAL ENVIRONMENT

Assumptions about the economy and federal spending.

The U.S. industrial base will have sufficient capacity to sustain joint forces in peace and will have surge capacity to support the full range of military operations (ROMO). The U.S. industrial base, a source of American strategic advantage in the past, will continue to be an asset in the future. The U.S. defense industrial base has experienced significant consolidation in the last 20 years, and while the industry remains fairly innovative, relatively strong, and capable of supplying world-class weapons and systems, the future of the industry is predicated on the level of defense spending and the ability to adapt to the changing requirements of DoD.²¹ The industrial base depends on a global network of suppliers that needs continued access to overseas markets and requires a strong naval presence to secure sea lanes and the global commons.

The current economic situation in the United States will likely shift funding away from the DoD and create a challenging environment for future funding. DoD Secretary Robert Gates confirmed this trend in testimony before the Senate Armed Services Committee in January 2009, noting that “the spigot of defense funding opened by 9/11 is closing. With two major campaigns ongoing, the economic crisis and resulting budget pressures will force hard choices on this department.”²² Mandatory spending on Social Security, Medicare, Medicaid, and interest payments on the national debt—which rose from 26 percent in 1966 to 53 percent in 2006²³—will consume an increasing percentage of U.S. government spending and put pressure on DoD’s large discretionary budget allocation (see below for more about DoD spending assumptions).

Assumptions about workforce/talent competition.

Demographic shifts in the U.S. suggest there will be keen competition to fill logistics professional roles in the future. The most important demographic change in the world, according to *The Next 100 Years* (Friedman),²⁴ is the dramatic decline in birthrates in developed countries. The U.S. population, however, will continue to grow by another 40 million people by the year 2025, primarily through immigration.²⁵

Declining middle class American birth rates, and a smaller portion of the population that is neither physically nor legally eligible to join the military, will drive competition between the DoD and the commercial sector, and within the services themselves. The best and the brightest will have multiple employment options and will be more demanding about their work environment (i.e., placement, compensation, free time, control) than their predecessors.

Recent and future generations are more attuned to a multi-tasking environment than previous generations. Therefore, training for them will need to be more innovative and “on demand.” Younger generations are more receptive to on-line education and other non-traditional means of learning. The effectiveness and efficiency of remote learning will require traditional brick and mortar training establishments to evolve to more web-based and specific function-based training. Classroom training will be, where feasible, short, focused, and delivered just-in-time.



DEFENSE ENVIRONMENT

Assumptions about joint operations.

Joint planning and operations will become the norm for all the services as they leverage each other’s core competencies. Continued political and economic pressure will strengthen the movement toward “jointness” as the Services conserve budgetary authority and continue the efforts begun in the mid-1980s toward becoming a more integrated military force. Prerequisites for synergy are cross-service education and training; more flexible and adaptable joint planning; coordination mechanisms, fewer stovepipes and less territorialism; and transfer of systems and processes to the Service that can perform them best. Robust information management tools to achieve this synergy will be fully evolved.

Assumptions regarding DoD roles.

DoD missions will continue to grow in non-traditional areas such as humanitarian assistance disaster relief (HADR), security assistance, and nation building and stabilization. Relief, economic, and reconstruction activities will be a more fundamental part of the future operational environment. For example, U.S. military forces were first on the scene of the tsunami disaster in Southeast Asia, responding within hours after the initial impact. These activities are primarily logistics, medical and engineering focused. Successful relief and reconstruction activities will require cross-agency and non-governmental agency collaboration. Confronting future global threats will necessitate cooperative engagement with other countries.²⁶ We will depend on our coalition partners for more operational and logistical support as leaner, more agile units deploy without the benefit of large, logistical tails.

Assumptions regarding the budget for DoD budgets and spending.

DoD will be smaller. The Global War on Terror created unprecedented budgets to execute the wars in Iraq and Afghanistan, but current funding levels will not be sustained. The political and economic climate will dictate budget reductions and limit the growth of the DoD budgets. Defense analyst Loren Thompson predicts that “both for circumstantial and ideological reasons the Obama Administration will move to cut defense spending, and it will probably look first to weapons programs as the big military bill-payer...”²⁷ DoD currently consumes roughly 50 percent of discretionary spending. As mandatory spending obligations increase, DoD will face intense pressure to reduce spending and eliminate or scale back weapon systems and programs.

Assumptions regarding a naval force.

A maritime force will be needed to defend the coastline of the United States and project power or provide a stabilization presence across the globe to protect the global commons. Sustaining this forward maritime presence, long term and around the world, will necessitate a strong naval presence, although the exact composition is unclear. According to *A Cooperative Strategy for 21st Century Sea Power*, “As our security and prosperity are inextricably linked with those of others, U.S. maritime forces will be deployed to protect and sustain the peaceful global system comprised of interdependent networks of trade, finance, information, law, people and governance.”²⁸ Current construction plans require an increase in the size of the fleet from 280 to 313 within the next 30 years.²⁹ However, expected future budget reductions may impact this plan.



“As our security and prosperity are inextricably linked with those of others, U.S. maritime forces will be deployed to protect and sustain the peaceful global system comprised of interdependent networks of trade, finance, information, law, people and governance.”

NAVY ENVIRONMENT

Assumptions about the type of Navy.

Naval forces will rely increasingly on technology over manpower. The projected force structure calls for ships with smaller crews, fewer maintenance requirements, and a reduction in the number of support personnel on most platforms. Junior officers (JOs) and senior enlisted personnel will be entrusted with higher levels of responsibility and authority for carrying out the mission. The small number of personnel manning these platforms will change sea-shore rotations and modify experience tours for both junior enlisted personnel and JOs.

Assumptions about maritime missions

The maritime strategy will be driven by the National Defense Strategy. This strategy will require traditional maritime roles and non-traditional operations. Future military operations will require increasing levels of integration among our maritime forces, enhanced cooperation with the other instruments of national power, and the capabilities of our international partners. JIIM and private sector organizations will form partnerships to counter emerging threats. The key to fostering these relationships will be developing sufficient cultural, historical, and linguistic expertise among our military members through training, education, and exchange initiatives. The Navy will support Overseas Contingencies Operations (OCO) like those in Iraq and Afghanistan and in other areas of conflict in the near and mid-term. We will continue to improve our capabilities and capacities to deter and eliminate terrorist threats through expanded use of the Naval Special Warfare Command (NSWC) and the Navy Expeditionary Combat Command (NECC). The skill sets necessary to support the NECC lie primarily within the RC that has been mobilized consistently through the current conflicts. The RC is likely to continue to fill a similar role in future expeditionary naval forces supporting land-based requirements.

Assumptions Regarding Careers

Career development will need to be more flexible to attract and retain talent. Opportunities for off-ramps and return ramps to a naval career will be necessary to appeal to a talent pool with work-life expectations that differ from those characteristic of military professionals today. A career path will include seamless movement between the active forces and the reserve forces, requiring tighter integration of reserve training and deployment to closely match reservists' skill sets with the active duty missions they will be expected to perform.³⁰ The current military career paradigm will need to shift considerably to implement this change.

THE SUPPLY CORPS OFFICER ENVIRONMENT

Assumptions regarding Supply Corps officer skill sets.

The Supply Corps should continue to train, advance and position itself to enhance its value and alignment to the Navy and joint warfare commander. The future logistics professional will need to be flexible in dealing with multiple environments.

The typical Supply Corps officer career provides developmental opportunities in multiple competencies while allowing for but not requiring specialization. This progression has created a flexible and agile officer, adept at dealing with changing and uncertain environments. The increasing emphasis on joint operations requires coordination with all Services and an understanding of logistics from diverse perspectives. Supply Corps officers may need earlier exposure

to joint concepts to acquire the necessary experience and exposure to fully function in the joint environment. The Supply Corps officer of today will become increasingly joint as traditional supply competencies such as warehousing, inventory management and parts procurement are centrally provided by DLA and as Supply Corps officers continue to fill operational positions on JFC and joint staffs.

The skill sets required for non-traditional operations, such as humanitarian assistance/disaster relief (HADR), are not necessarily the same as those required for operating on an afloat platform. Contingency contracting, joint operations, understanding and working with JIIM organizations and language skills may form part of the core curriculum at Navy Supply Corps School or at a minimum, be the basis for participation in existing training programs with other agencies. The decreased availability of JO billets afloat will diminish traditional developmental opportunities which have been linked to the Supply Corps officer's recognized ability to solve problems in a self-sustaining environment. Legacy platforms will continue to provide a developmental experience for a smaller number of JOs. The Supply Corps may need to adopt a different model for developing senior officers, recognizing there may be value in a staffing model providing a short term, highly experienced CG officer without the obligation of a long term or Reserve career.

Due to continued fiscal constraints, the size of the Supply Corps is not expected to increase. Restricted funding may intensify the Active Component's (AC) reliance on the RC to fill AC manning shortfalls as a total force. There is some likelihood trade-offs will be made, such as decreasing the size of the Supply Corps to grow high demand, low density communities like nuclear power, cyber warfare and special warfare. Future Navy personnel courses of action will likely include the roll down of billets and vertical billet cuts. Opportunities will exist to consolidate similar functions under one community.

SUMMARY

The assumptions in this chapter were derived from current DoD publications and analytical documents from organizations affiliated with the DoD. These assumptions help to frame the analysis for the rest of the document.



Due to continued fiscal constraints, the size of the Supply Corps is not expected to increase.

Chapter 7

Community Management Analysis

The Supply Corps almost certainly faces a future of decreasing end strength. Technologic enhancements, new missions sets, and different operating environments will reduce or eliminate the traditional role of junior Supply Corps officers on afloat platforms. Enterprise and distance support risk eliminating the foundational training and personnel-development opportunities. ***This creates an unsustainable billet pyramid and officer-development pipeline. As a result, the Supply Corps officer leadership development model is at risk.***

These challenges underscore the importance of the Supply Corps Community Manager whose role is to ensure the supply of qualified officers is aligned to stakeholder demand. The supply of officers is a function of officer accessions and retention. Initial Supply Corps accessions at year of commissioned service (YCS) 0 are primarily from Officer Candidate School (OCS). Accessions, a function of demand for Ensign and Lieutenant Junior Grade officers, are principally driven by operational requirements.

Using the policies put in place by BUPERS-3, the Echelon II command responsible for community management, the Supply Corps Officer Community Manager can increase the supply of officers through accession 'on-ramps'. Traditional methods for increasing the supply of officers by year group have been lateral transfer accessions from the unrestricted line (URL) in YCS 1 – 4 and recall of Supply Corps Reserve officers to permanent duty at a defined YCS.

Supplying "qualified" officers complicates the equation. Qualified implies that we provide our stakeholders with an officer who meets the designator, rank, training, education and experience for the requisite billet. Stakeholder requirements by designator send the demand signal for an officer with the core competencies inherently found in a particular community according to rank. An officer's abilities to develop these competencies result in achieving promotion milestones. The responsibility of the Supply Corps is to monitor and anticipate stakeholder demands and hire and train officers who are best equipped to meet those needs today and in the future.

To better understand the changes and related impact on community management over the planning horizon, it is essential to evaluate demand. As presented earlier, the impacts within the Five Forces Demand Model shaping Supply Corps officer demand are demand articulated by senior leadership; buyer demand (or billets bought and sold); environmental trends and forecasts; Supply Corps values; and the effect of competition. Although all aspects of the community are ultimately aligned to supporting maritime and joint logistics for the warfighter, we performed the analysis in terms of operational demand and non-operational demand ashore. In the analysis of operational demand, we will compare and contrast changes in the afloat and expeditionary environments. In the evaluation of the ashore roles, we contrast the forces shaping demand for unique skills, such as supply chain management, with our ability to detail officers with the requisite training, education and experience for each billet.

OPERATIONAL DEMAND

This section focuses on the challenges associated with understanding and forecasting operational demand in both the afloat and expeditionary areas. There are afloat trends that must be addressed now to ensure that the Supply Corps is sustainable. Also discussed is a growing expeditionary segment that promises opportunities for the future.

Articulated Demand

A consistent theme from senior leaders is that junior officer (JO) afloat operational assignments are tantamount to success for officers. As stated by one Supply Corps officer, these billets are literally the "crucible" where officers' core competencies are forged. Unfortunately, these opportunities are steadily diminishing. Senior leaders consistently remark that there is an emerging role and related demand for Supply Corps officers in expeditionary units. Although from 1990 to 2009, buyer demand has only increased the Supply Corps position in this operational environment by 3.4 percent, the consistency of this message from leaders across enterprises suggests it should not be ignored.

Environmental Trends

A strong maritime presence supporting joint military operations and international aid missions is a common theme across DoD strategy documents. Of particular interest to this study is *A Cooperative Strategy for 21st Century Seapower*, the collective Navy, Marine Corps and Coast Guard effort framing the DoD maritime strategy. This effort highlights 'over the horizon' challenges that will confront a unified maritime force. The proximity of populations to the littoral regions, social instability in increasingly crowded cities and the effects of climate change are examples.

The strategy contends that where tensions are high, DoD will establish a persistent global presence using mission-tailored, globally distributed maritime forces to contribute to homeland defense-in-depth, foster and sustain cooperative relationships with an expanding set of international partners, and prevent or mitigate disruptions and crises. This presence will extend beyond traditional deployment areas and reflect missions ranging from humanitarian operations to an increased emphasis on counter-terrorism and irregular warfare. Maritime forces will project



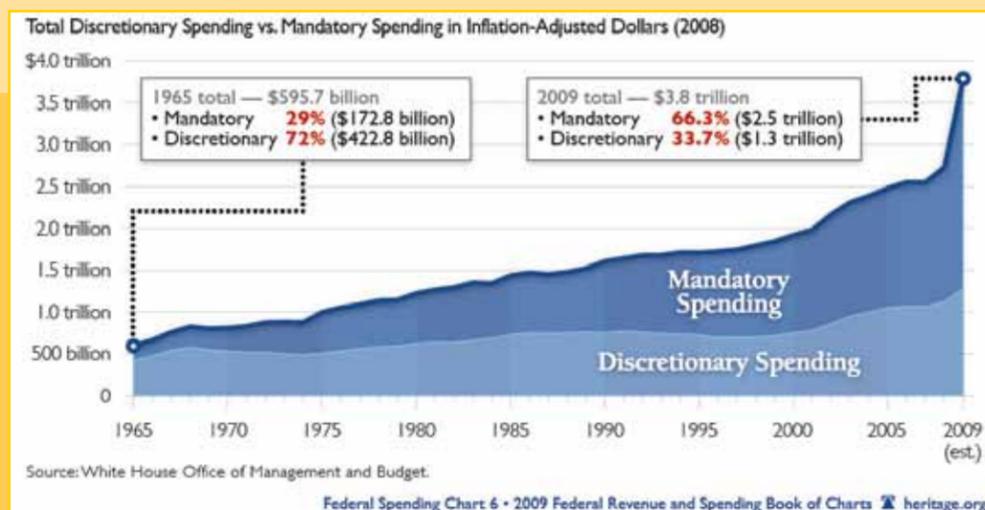
power and address humanitarian challenges in conjunction with special operations forces and other interagency partners with immediate need for increased peacetime activities in Africa and the Western Hemisphere. The strategy further asserts that countering irregular and transnational threats such as piracy, terrorism, weapons proliferation and drug trafficking, also protects our homeland. Appreciating the immensity of these challenges, U.S. maritime forces will join navies and coast guards around the world to police the global commons and suppress common threats.

The nature of the challenges and threats suggests sustained interest by DoD in using maritime forces in non-traditional expeditionary roles. This is further supported by Defense Secretary Gates stated intention to increase resources for special operations by five percent. He fully supports the planned procurement of 55 Littoral Combat Ships (LCSs). Secretary Gates asserts DoD is now, for the first time, validating the emergence of asymmetric warfare. Traditional platforms remain a mainstay as DoD investments supporting traditional strategic interests balance expeditionary and dual-purpose investments. The Supply Corps will increasingly train and deploy in support of expeditionary missions, but will remain a seagoing Corps.

The current fiscal reality must be considered in any scan of the environment. Discretionary spending since 1966 has shifted from two-thirds to one-third of all federal spending (figure 7.1). This is significant since DoD spending as a share of federal discretionary spending has steadily declined in the same period, amplifying the pressure to reduce military budgets. It is also significant as DoD spending has historically tapered significantly following major military actions or wars. As detailed earlier, mandatory spending for programs like Medicare, Medicaid, and Social Security consumes a larger proportion of the budget. Servicing the national debt adds to mandatory spending and has grown from 40 percent of GDP in 1966 to roughly 70 percent today. Recent White House initiatives to stimulate the economy have further increased the budget deficit. Some forecasts suggest that at the current mandatory spending rate, and in the absence of an increase in net annual federal revenue, mandatory spending will consume nearly 100 percent of all federal revenue by 2040.³¹

FIGURE 7.1:
Discretionary versus
Mandatory Spending
in the U.S.

**Increasing mandatory
spending results in
downward pressure
on DoD budgets.**



The Supply Corps, as a professional staff corps within DoD, will be impacted by this environment. Historically, service shares of the DoD budget have not shifted radically. However, initiatives such as the Integrated Global Presence and Basing Strategy (IGPBS), the need to recapitalize the force and to modernize systems, and current efforts to expand investment in the Army and the Marine Corps all suggest pressure on Navy manpower spending. As noted above, Secretary Gates, in January 2009 testimony before the Senate Armed Services Committee, confirmed the looming DoD budget reductions.

Sustained pressure to find savings through military end-strength reductions is likely to remain a key component of stakeholder Program Objective Memorandum (POM) submissions for at least the next decade and perhaps across the planning horizon. Budget Submitting Offices (BSOs) will continue to be pressured to reduce manpower budgets over the Future Year Defense Plan (FYDP) and will pay at least part of this tax with Supply Corps billets. The Supply Corps can respond proactively to projected manpower reductions by identifying and maintaining a prioritized list of billets that are not aligned to Supply Corps lines of operation, that are consistently gapped, and that do not improve the promotion potential of career officers.

What We Value

An important element of the current Supply Corps developmental model is linked to JO operational opportunities. For JOs developing their resumes to compete for Lieutenant Commander, the formula values operational leadership alongside our URL counterparts. Traditionally, the formula valued service at sea over expeditionary assignments. However, increased opportunities and emphasis on expeditionary logistics roles for our officers has led to the creation of two new additional qualification designators (AQDs), 928 and 929* that help promotion boards identify equivalent non-traditional assignments. Promotion board precepts now specifically value two operational tours versus two afloat tours.

Market Rivalry – Our Competitors

A major competitor for traditional Supply Corps operational roles is technology. Although yet unproven, the minimally manned ship concept is in place and being evaluated. The first LCS, USS FREEDOM, was commissioned in fiscal year 2009 and has no assigned Supply Corps officer on board. Navy planners believe this class of ship will successfully fulfill its maritime missions with a crew nearly one-fourth the size of its predecessor, the frigate. Making this feat possible are crew exchanges and forward deployed logistics support teams providing distance support. Manning this new ship class is also consistent with *A Cooperative Strategy for 21st Century Seapower* which recognizes the ever-increasing role of another competitor, the enlisted sailor. LCS is the outgrowth of a strategy that assumes maritime forces will be operating in a less concentrated manner, with junior leaders entrusted with a higher level of responsibility and authority for carrying out aspects of strategically important missions.

In an effort to reconcile sustained stakeholder demand for control grade (CG) Supply Corps officers primarily ashore with eroding operational opportunities for Supply Corps JOs, we must examine who shares our business afloat. Assuming market share from another Navy officer community is no small feat. To be worth considering, such an action must serve to mitigate the Supply Corps JO imbalance at an acceptable cost to Navy stakeholders. The Supply Corps 2010 Study considered supply-related requirements satisfied by the Medical Service Corps and ordnance inventory management. Aviation Engineering Duty Officer and Aviation Maintenance

Sustained pressure to find savings through military end-strength reductions is likely to remain a key component of stakeholder Program Objective Memorandum (POM) submissions for at least the next decade and perhaps across the planning horizon.

*928 – One qualified non-traditional tour in lieu of a sea tour.

*929 – Two qualified non-traditional tours in lieu of a sea tour.



Duty Officer communities also understand ordering and maintaining spare parts. Although not a clear competitor, administration afloat represents another potential opportunity to mitigate the Supply Corps JO–CG imbalance.

Within the Navy, Supply Corps officers' principal rivals appear to be the growing cadre of talented enlisted leaders coupled with the proliferation of technology driven logistics solutions in a decentralized operational construct. Although opportunities exist to compete for supply-related roles in traditional medical and ordnance logistics, the analysis suggests that such a

strategy would worsen, not mitigate, the current JO shortfall. Looking beyond the Navy, we will likely face competition from other DoD logistics officers, civilians and contract employees supporting maritime missions under the purview of the joint warfare commander. As the Navy continues to invest in emerging expeditionary roles, the Supply Corps needs to insert JOs who, after meeting the mission at hand, will obtain the training and experience necessary to lead such organizations and participate in related policy arenas as they become more senior.

Buyer Demand

Among the forces that shape demand for Supply Corps officers, buyer demand is the most concrete signal. By simply reviewing trends-funded billets (bought), against unfunded billets (sold)-we are able to shed light on stakeholder requirements and values. From an operational perspective we can look to those platforms being commissioned and decommissioned in the near term. Scanning the planning horizon, we recognize that ship-building plans represent the most critical component of Navy planning and budgeting as it applies to operational force structure. Although the ship-building plan is dynamic, it can be used to gauge the number and mix of platform types expected in the future. Using planning data provided by the OPNAV staff, we can compare out-year force



structure with today's force structure (Figure 7.2). Given that we now value operational experience in expeditionary assignments, we will also consider the impact of buyer demand for this platform. Here we will explore a less obvious demand, the demand for Supply Corps officers supporting the Global War on Terror (GWOT) through GWOT Support Assignments (GSA). Because operational opportunities drive Supply Corps accessions, we will extend our analysis of buyer demand to better understand its impact on accessions.

Determining operational billet demand for Supply Corps officers is dynamic because ships are constantly being commissioned (billets bought) while others are being decommissioned (billets sold). New classes of commissioned ships incorporate technological improvements that can act as a force multiplier. However, these improvements can also eliminate developmental officer billets. Figure 7.3 illustrates that from 2001 to 2009, 215 Supply Corps operational billets were sold and 150 operational billets were bought for a net decrease of 65 billets. Twenty-two percent (33) of those billets bought were in expeditionary units and 21 of the 33 were GSA billets that were previously temporary and unfunded. This suggests there is Active Component (AC) demand for expeditionary logistics skills that were previously primarily resident in our Reserve Component (RC). This trend is validated by the data shown in Figure 7.4. From 2009 through 2015, the Supply Corps nets 58 afloat billet losses and gains 21 expeditionary billets.

Figure 7.5 further supports the growth in demand for expeditionary skill sets in the active component. Since 2002 the number of active duty Supply Corps officers who served in a GSA position has steadily grown. However, the RC continues to fill these requirements as illustrated by Figure 7.6 indicating that 95 percent of available Supply Corps RC officers have served in augmentation assignments. Secretary Gates' commitment to the allocation of resources (billets bought) to expeditionary platforms suggests an opportunity exists for the Supply Corps to more firmly establish this platform in its officer development formula. There is increasing demand for AC expeditionary skills that were previously primarily resident in our RC officers.

FIGURE 7.2: Operational Platform Projection

LCS is replacing FFGs and DDGs as one of the Navy's primary platforms, which results in a reduction of 25 percent in the number of Supply Corps afloat billets by the year 2030.

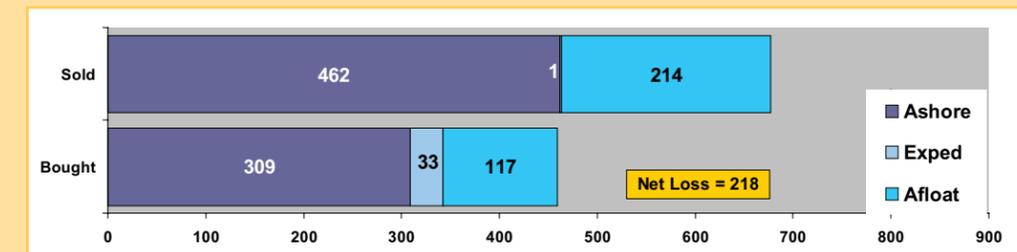
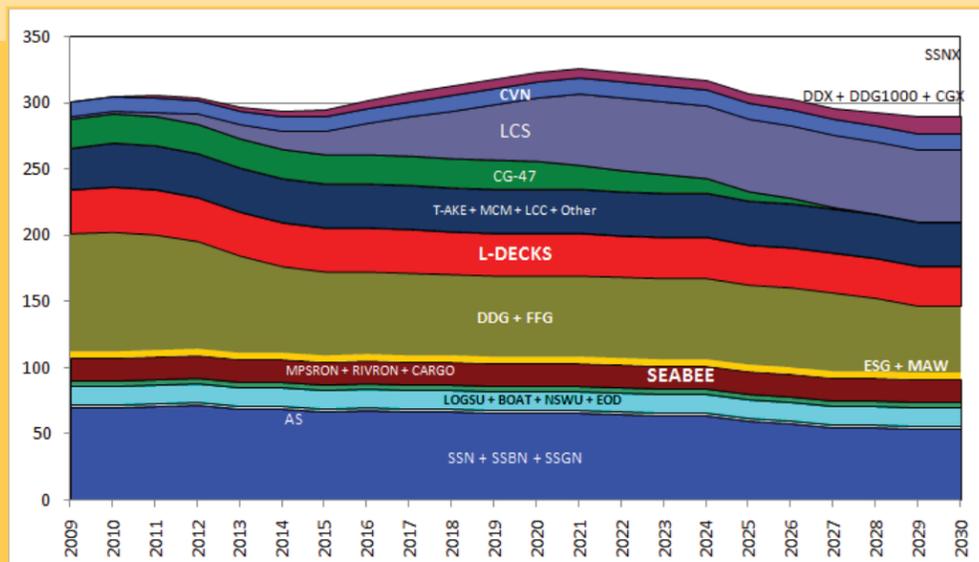


FIGURE 7.3: Historical Supply Corps Billets Bought and Sold, FY01-FY09

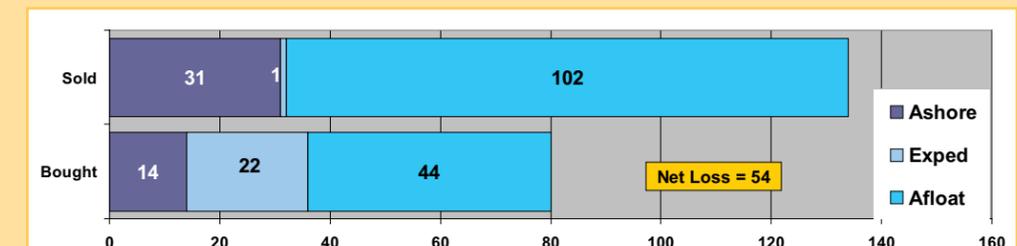
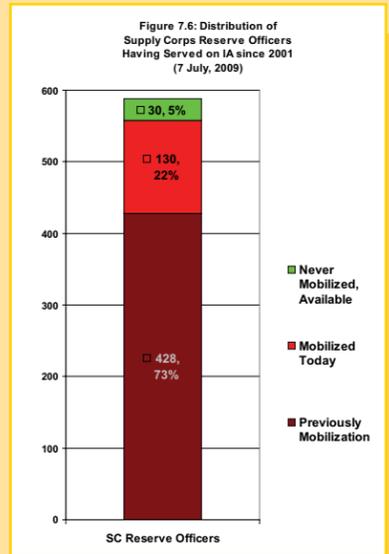


FIGURE 7.4: Future Supply Corps Billets Bought and Sold, FY09-FY15

FIGURE 7.5: Number of Supply Corps Officers Who've Served GSA Tours between FY 2002 and FY 2008



FIGURE 7.6: Distribution of Supply Corps Reserve Officers Having Served on IA since 2001



95 percent of the RC has either previously mobilized or is currently mobilized. Only 5 percent of the available pool can mobilize in the future.

The two principal actions precipitating the loss of 107 afloat opportunities for the Supply Corps from 2001 until the present are the reduction of platforms and of Supply Corps billets by platform. Decreasing the number of operational Navy units can be reasonably anticipated. The more subtle change occurs as the number of officers by platform changes. In 2001, buyers demanded 2.19 officers per operational unit; whereas, in 2009 the requirement was only 2.14. Looking as far back as 1989 the ratio was as high as 2.28. Equated to billets, this suggests we have 15 fewer operational opportunities today based on the 2001 ratio and 48 fewer based on the 1989 ratio. This points to losses beyond those from decommissioning. These losses are due to management or process efficiencies and/or the overall distribution of Navy ships by class and their related manning requirements.

There are several anticipated changes over the planning horizon and each has an impact on Supply Corps officer afloat billets. Equally important are the secondary effect of reducing the Supply Corps annual school quotas and the tertiary effect on the accession authorization. The most significant are-

- Guided Missile Frigates (FFGs) go from 29 hulls to zero by the year 2018. The loss of each hull results in the elimination of one operational Ensign billet and one operational Lieutenant billet (58 billets sold).
- Guided Missile Cruisers (CGs) begin to decommission in 2020 and are out of service by 2028. With each hull, the Supply Corps loses one Ensign billet, one Lieutenant Junior Grade billet and one Lieutenant billet (66 billets sold).
- Guided Missile Destroyers (DDGs) begin to decrease in year 2025. The nominal replacement is the DDX/DD1000. Those platforms are early in the development process but indications are that they will not be manned by the traditional DDG complement of two Supply Corps officers. Ten hulls are projected to be lost by 2030 (10 billets sold).
- The submarine force is cutting 16 hulls by the year 2030, reducing the number of Supply Corps Lieutenant Junior Grade billets by 22 (10 SSN, 12* SSBN/SSGN).

- LCS becomes the dominant Surface Combatant of the 2030 Navy. Currently, the LCS has no Supply Corps officer billets.

Figure 7.7 delineates projected Supply Corps officer afloat billet losses from FY09 through FY30.

Platform reductions and the related Supply Corps officer requirements, by year, are illustrated in Figure 7.8. These projections suggest the Supply Corps can expect to lose about 20 percent of its total operational billets over the next 20 years in a conservative best case scenario. They include an unlikely assumption that the number of Supply Corps officers on existing hull types will not be reduced from current levels due to technology insertion and alternative support strategies like distance support. The cumulative effect of future labor-saving initiatives may further reduce the number of Supply Corps officer billets on afloat platforms. Secondly, unlike the Navy's ship building plan that offers definitive projections of future hull counts, force structure planning for many of the non-afloat operational units is less certain over the same planning horizon. The number of SEABEE Battalions, Riverine Squadrons, EOD Mobile Units, and Mobile Pre-Positioning Squadrons projected beyond the FYDP was not available. Based on the FYDP and discussions with NECC, the assumption was made that the number and type of these units, along with their corresponding Supply Corps officer requirements, will, at a minimum, remain constant.

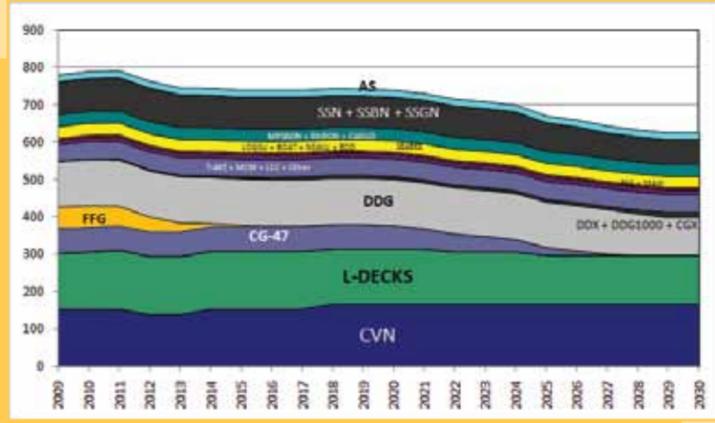
The clear and overwhelming result of the analysis is that the number of Supply Corps operational billets will be significantly reduced over the next 20 years. The largest number of losses occurs at the JO level. Decommissioning of FFGs is already underway and the first LCS has been commissioned. The shipbuilding plan forecasts an additional 10 LCS hulls commissioned by 2013. Clearly, the transition from FFGs to the LCS will further reduce the portfolio of JO operational billets in the near term. A more significant impact will be felt by the larger Supply Corps community. In the absence of other accession alternatives, it is the number of Ensign we assess that dictates the number of CG officers available to meet future stakeholder demand for senior Supply Corps officers.

* Two crews per SSBN, Blue and Gold.

FIGURE 7.7: Projected Supply Corps Operational Billet Losses by platform type, FY09-FY30

Class	ENS	LTJG	LT
FFG	29	0	29
CG	22	22	22
DDG	10	0	0
SSBN/SSGN	0	22	0
TOTAL	61	44	51

FIGURE 7.8: Supply Corps Operational billets by Platform Type



The number of Supply Corps officer billets declines as the size of the fleet declines and the composition of ships changes.

Disproportionate reductions at the junior officer level create a billet pyramid imbalance.

FIGURE 7.9: Supply Corps Billets by Rank Comparison, FY95 vs. FY09

Supply Corps Mix of Junior Officer and Control Grade Officer Billets						
	ENS/LTJG	LT	LCDR	CDR	CAPT	Total
1995	958	1101	641	452	178	3330
	29%	33%	19%	14%	5%	
	62% Junior Officers		38% Control Grade Officers			
2009	575	675	518	385	168	2321
	25%	29%	22%	17%	7%	
	54% Junior Officers		46% Control Grade Officers			

The number of junior officer billets is declining at a faster rate than the number of CG billets.

FIGURE 7.10: All Navy Billets by Rank Comparison, FY95 vs. FY09

ALNAV Mix of Junior Officer and Control Grade Officer Billets						
	ENS/LTJG	LT	LCDR	CDR	CAPT	Total
1995	13610	21723	11717	7603	3470	58,123
	23%	37%	20%	13%	6%	
	61% Junior Officers		39% Control Grade Officers			
2009	11581	16572	11904	7400	3420	50,877
	23%	32%	23%	15%	7%	
	55% Junior Officers		45% Control Grade Officers			

The Navy is experiencing the same phenomenon as the Supply Corps seen in FIGURE 7.9.

EFFECT AND MITIGATION STRATEGIES TO DATE

Reductions in operational billets are not new and they are not unique to the Supply Corps. The gradual reduction in the number of operational platforms over the past 20 years has reduced the size of the Navy and all officer communities. However, that reduction in operating platforms impacts JO billets disproportionately because ships are heavily manned by JOs. Reductions in JO billets afloat will not guarantee a proportionate reduction in CG billets ashore. If CG billets are not reduced proportionately with JO billets, the billet structure becomes 'top-heavy'. Eventually, the billet pyramid becomes unsustainable because the number of JOs accessed into the Navy, or in this case the Supply Corps, is insufficient to produce the number of CG officers required. Therefore, retention rates, promotion flow points and selection rates, among other variables, must be used to help mitigate the imbalance.

Figures 7.9 and 7.10 quantify how the balance of JOs and CG officers has changed over the last 14 years using Military Personnel Navy numbers as a benchmark.

There are several elements of interest in these tables. First, both the Supply Corps and all Navy billet structures have become more top-heavy in the past 14 years. Second, the Supply Corps was and remains slightly more top-heavy than All Navy (ALNAV). In 1995 the ratio of ALNAV JO billets to CG billets was 1.55 to 1. By 2009 that ratio decreased to 1.24 to 1. The Supply Corps numbers are similar. In 1995 the ratio was 1.39 to 1 and in 2009, 1.16 to 1. These changes may appear small but they reflect a significant problem in our ability to develop the correct number of CG officers to meet stakeholder demand.

Figures 7.11 and 7.12 illustrate how Supply Corps promotion flow points and promotion opportunity rates have changed over the past 10 years. Supply Corps promotion to all CG ranks has gradually and steadily increased to create as many senior officers as possible given the availability of officers at the next lower pay grade. The Supply Corps is promoting the largest number of officers at the earliest opportunity allowed by Defense Officer Personnel Management Act of 1980 (DOPMA). Therefore, there is no more elasticity in this mitigation strategy.

As stated previously, the challenge of JO billet reduction faces ALNAV as well. BUPERS-3 is fully engaged on this matter from a Navy-wide perspective. A corrective action

plan will be implemented in the short term and will likely include a Navy-wide billet roll down designed to reduce the number of CG officer billets and increase the number of JO billets without additional accessions. The Supply Corps can be proactive by developing and maintaining a list of billets that can be rolled down, divested, or realigned to a potential Navy-wide roll down.

In 2005 and 2006, the Supply Corps initiated a billet roll down as part of its Zero Base Review (ZBR) with the endorsement and support of Navy Personnel Command. This effort helped reduce the magnitude of the JO to CG officer imbalance but did not create a mechanism to account for future corrections. Each ensuing year has seen the further reduction in the ratio of JOs to CG officers as more JO operational billets have been eliminated. Absent further guidance or policy, it is essential to understand the impact, implications and problem magnitude if left unchecked.

Future Impact and Implications

The analysis demonstrates a significant number of JO operational billets will be reduced over the planning horizon. Those reductions begin slowly but aggregate quickly. Overall, the Supply Corps can expect a drawdown of 156 JO billets or 25 percent of its Ensign billet base, 25 percent of its accessions and 20 percent of all operational billets by 2030. As discussed previously, the Supply Corps is already in a top-heavy, unsustainable condition and is promoting officers to meet CG requirements at the earliest opportunity and the highest opportunity rate allowed by the DOPMA. As the imbalance worsens with increased reductions in JO billets at sea and without policy mitigation solutions, the situation is likely to be further exacerbated as the Navy and Joint Forces Commands (JFCs) steadily demand Supply Corps CG officers. For instance, at the time of this analysis, there were numerous efforts in the Navy and DoD to grow and upgrade Supply Corps officer CG billets, particularly across expeditionary, joint, and acquisition-oriented enterprises (NECC, TRANSCOM, JCASO, NAVAIR etc).

This problem can be succinctly illustrated with the gross changes to Supply Corps FY15 Officer Programmed Authorization (OPA) released by N1 in April 2009. JO OPA was reduced the equivalent of 28 billets and CG officer OPA was increased by 10 billets. This is an unsustainable trend given current processes and policies that must be reversed.

FIGURE 7.11: Supply Corps Promotion Flow Point, FY00 to FY10

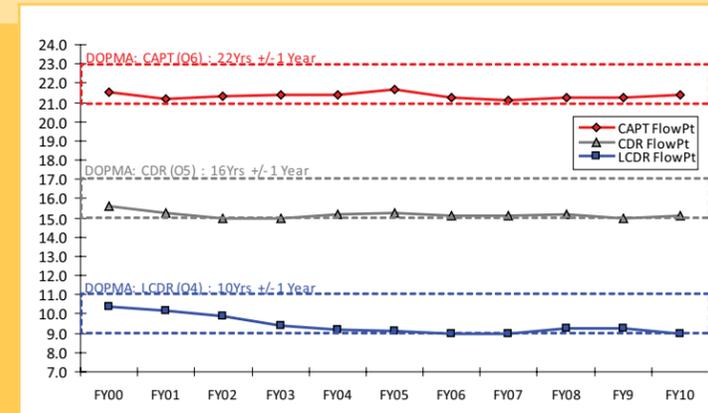
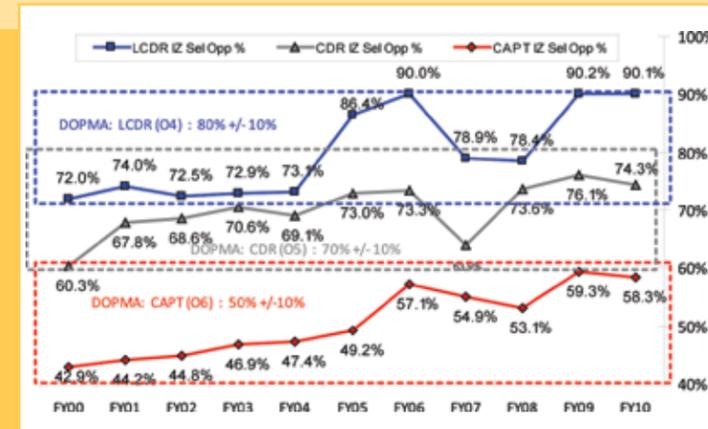


FIGURE 7.12: Supply Corps Promotion Opportunity Rate, FY00 to FY10



The Supply Corps is promoting the highest number of officers at the earliest opportunity allowed by law.

If these trends continue, the Supply Corps will be mathematically incapable of promoting officers in sufficient quantity to meet the CG demand signal represented by our funded billets. The result will be increasing shortages in CG officers and gapped billets. The effect will worsen over time as JO billets and accessions continue to decline. Ultimately, these gapped billets will degrade the Supply Corps' ability to serve its customers forcing warfare enterprises to find other alternatives such as civilian substitutions, outsourcing, or changing the billet designator to another officer community with the end strength and competencies to consistently support the requirement.

PROBLEM MAGNITUDE

Given the number of JO billets it takes to "grow" a CG officer, the Supply Corps currently has a 349 JO billet shortfall. This shortfall is calculated by the Officer Community Manager using accession data and historical retention behavior rates.

Mitigation techniques over the next 20 years will have to overcome a JO billet shortfall that is expected to grow to 528 billets. This reflects the 349 billet shortfall today combined with 156 expected JO operational billet losses and 23 associated Ensign and Lieutenant Junior Grade training and rotational billet losses through 2030. This shortfall becomes less overwhelming by applying the two mitigation strategies previously discussed: maximizing promotion flow point and opportunity rate. Although at their limits, these two strategies have been successfully employed throughout the past 10 years. Continuing to maximize these alternatives reduces the shortfall from 528 to 279 JO billets.

Alternatives

Given the magnitude of the 528 billet shortfall, we will assume the continued promotion of Lieutenants to Lieutenant Commander at YCS 9 to reduce the shortfall to 279 billets. Additional mitigation alternatives are illustrated in Figure 7.13 and evaluated based on the effect on the shortfall and the cost, both tangible and intangible, of implementation.

The alternatives found in the upper left quadrant are relatively low cost but have a significant mitigation impact. For instance, promoting officers to Lieutenant Commander at YCS 9 (no.1) is easy to execute and has a significant effect on the problem by reducing the shortfall from 528 billets to 279 billets.

The upper right quadrant displays alternatives that are costly or difficult to implement but have a significant mitigation impact. For instance, over accessing or hiring more JOs for which we have billets (no. 9) in order to grow the right number of CG officers significantly increases the manpower budget but would mitigate nearly all of the imbalance.

The alternatives shown in the lower right quadrant are both difficult to implement and would have a marginal effect on the problem. Pursuing billets in the medical logistics field (no. 19) falls into this category. Medical logistics billets are mostly all CG positions so this alternative would exacerbate the JO to CG officer imbalance.

The lower left quadrant is where most of the potential courses of action are found because they are easy to implement but have a small mitigation effect. Lateral transfers from the URL are a prime example from this category as these officers have traditionally augmented the Supply Corps by almost 20 percent.

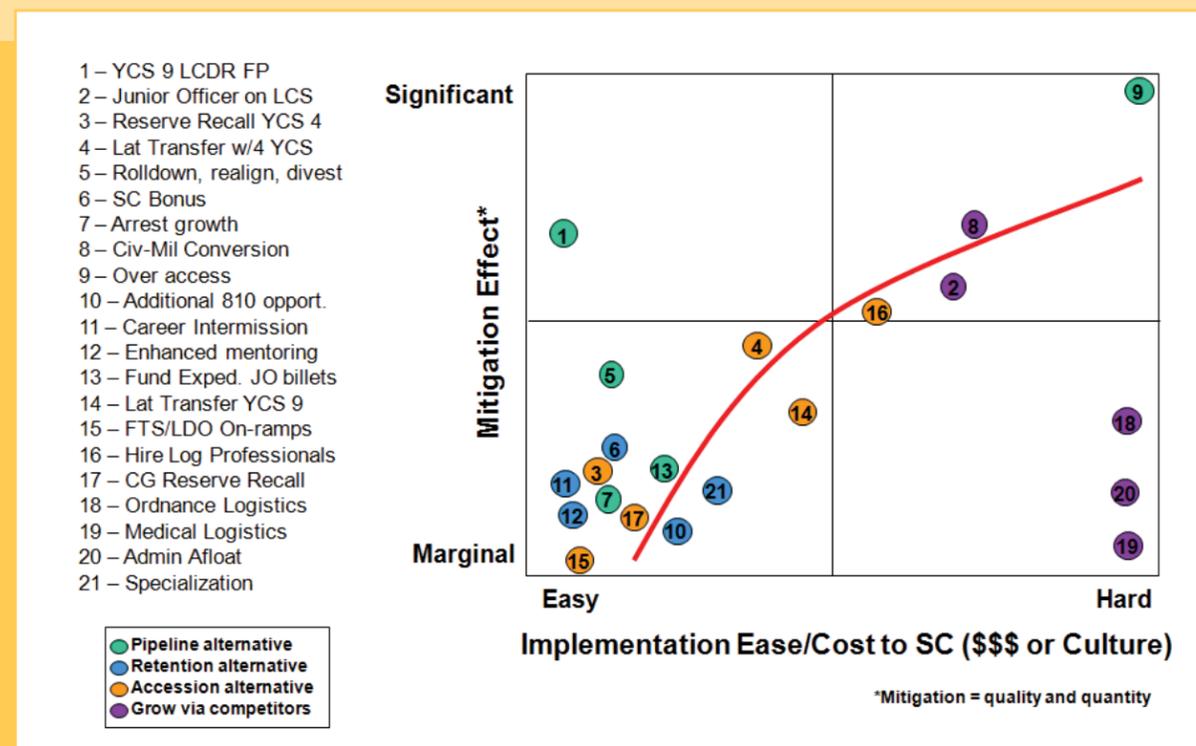
The alternatives are also color-coded into four categories: Pipeline, Accessions, Retention and Growth via Competitors. Below are basic descriptions of the categories and the alternatives. A complete description and analysis of these alternatives are found in the Appendix.

Pipeline – These alternatives either reshape the billet pyramid or reshape the number of officers available to fill existing billets.

- Fully leverage institutional alternatives (flow point and opportunity rate) – Discussed in detail previously, this alternative maximizes the number of officers available to fill CG billets. (1)
- Manage CG billet growth – This alternative puts business rules in place that require billet compensation for every newly requested CG requirement. (7)
- Billet roll downs, divestiture, or realignment – This alternative reshapes the billet pyramid either by rolling down CG billets to JO billets, divesting CG billets, or realigning CG billets to another community. (5)
- Over-access JOs – This option increases JO accessions without billet demand to support it. It provides a bigger pool of JOs needed to grow CG officers. (9)
- Increase JO operational logistics billets – This alternative increases the JO billet base and provides operational experience. (13)



FIGURE 7.13: Mitigation vs. Cost of Billet Distribution Alternatives



Pipeline Alternatives

- Promote all SC LCDRS at YCS 9
- Roll down, realign & divest LCDR billets
- Arrest CG growth
- Over access ENS
- Fund JO expeditionary billets

Accession alternatives

- Lateral transfer at YCS 4
- Hire Logistics Professionals
- Lateral transfer at YCS 9
- Reserve Recall YCS 4
- Control Grade Reserve Recall
- FTS/LDO on ramps

Accession – These alternatives augment the Supply Corps with officers to fill existing billets or valid requirements.

- URL accessions at YCS 4 via redesignation – Augments the Supply Corps with operationally experienced officers who can supplement the demand for Lieutenants. (4)
- URL Accessions at YCS 9 via redesignation – Augments the Supply Corps with operationally experienced officers who can supplement the demand for Lieutenant Commanders. (14)
- Supply Corps direct commissioning officer accessions at YCS 4 – Augments the Supply Corps with RC officers who complete the Basic Qualification Course (BQC) over four years either in resident or via distance learning. (3)
- Supply Corps Reserve CG recall – Augments the Supply Corps with officers who affiliate with the Reserves after four to five years of active-duty service. (17)
- FTS/LDO on ramps – Augments the Supply Corps with experienced officers from the full-time support (FTS) community or the Limited Duty Officer (LDO) community. (15)
- Direct hire civilian professionals – Supplements the Supply Corps with trained professionals with specialized skills. (16)

Retention – These alternatives focus on retaining the maximum number of officers to fill CG requirements.

- Civilian graduate program opportunities – Graduates of the 810 program retain at a significantly higher rate than graduates of other Navy-funded programs. (10)
- Supply Corps bonus – Financial incentive paid around YCS 5 to officers with not more than six years of active duty. (6)
- Career intermission program – Effective communication, mentorship, and execution of Navy career intermission program may provide career flexibility and work-life balance. (11)
- Mentoring – Techniques employed at targeted critical career milestones. (12)
- Specialization – Career-track alternatives that lead to specialization and geographic stability. (21)

Growth via Competitors – These alternatives describe ways to increase the JO billet base by filling billets requiring similar skill sets but that are currently filled by other communities.

- Supply Corps officer on the LCS – Increases JO billet base on a platform currently manned with senior enlisted logistics specialist. (2)
- Civilian-military conversion – Increases the billet base by converting civilian billets to military positions. (8)
- Ordnance management afloat – Increases the billet base by shifting billets from the URL to the Supply Corps to perform ordnance inventory management afloat. (18)
- Medical logistics – Increases the billet base by shifting accounting, finance, and supply billets from the Medical Service Corps to the Supply Corps. (19)
- Admin afloat – Increases the billet base by shifting administration afloat billets from the LDO community to the Supply Corps. (20)

Retention Alternatives

- Supply Corps Bonus
- Career Intermission
- Enhanced Mentoring
- Specialization
- Additional 810 Opportunities

Rather than being mutually exclusive, these alternatives should be considered as complementary and the best overall solution is likely a combination of pipeline increases, retention incentives, alternative accession methods, and JO billet growth in new areas. Additionally, solving this problem necessitates a long-term, phased implementation plan that requires socialization with stakeholders and Budget Submitting Offices (BSOs) and an assessment of unintended consequences to officer development and retention.

SUMMARY

The analysis of the operational environment for Supply Corps officers resulted in the following findings:

Sustained pressure to find savings through military end-strength reductions is likely to remain a key component of stakeholder Program Objective Memorandum (POM) submissions for at least the next decade and perhaps across the planning horizon. BSOs will continue to be pressured to reduce manpower budgets over the FYDP and will pay at least part of this tax with Supply Corps billets.

There is increasing demand for active component expeditionary skills that were previously primarily resident in our RC officers.

Projected decommissionings and the proposed future afloat manning profiles will eliminate more than 25 percent of JO afloat billets by 2030, which puts the Supply Corps officer-development model at risk and leads to gaps in CG billets.

The loss of JO billets with no corresponding reduction in CG billets is leading to an imbalance in the ratio of JO to CG officer billets resulting in a diminished capability to develop a sufficient number of CG officers which is resulting in billet gaps.

Promoting to Lieutenant Commander at YCS 9 is the most effective mitigation strategy in use today.

The solution to mitigating the JO to CG officer imbalance is a combination of pipeline increases, retention incentives, alternative accession methods, and JO billet growth in new areas.

The future shortage of JO afloat tours may necessitate a revision to the promotion precept of two operational tours prior to being selected for promotion to Lieutenant Commander.

This chapter examined the challenges associated with diminishing afloat demand. The range of options presented focused on filling the gaps between the JO billet base and the existing CG billet requirement. To complete the picture, the next chapter will examine the demand for CG officers which is primarily determined by ashore billet requirements.



Chapter 8

ASHORE DEMAND

The ashore environment, more complex than the afloat environment, requires the largest number of Supply Corps officer billets. This chapter analyzes the ashore environment through the lens of the modified Porter model's Five Forces of Demand (Figure 8.1). Ashore demand will be further described in context of the functional review that was conducted as an element of this study. It presents the findings and recommendations from the functional leads most relevant to the 2040 strategy according to the operational lines comprising the ashore environment.

ARTICULATED DEMAND

Articulated Demand is anecdotal information obtained by surveys and other documentation.

To better understand the perspective of internal and external leaders, the 2040 team evaluated comments related to future Supply Corps investments from several sources. The principal component of this articulated demand was a 10 question Supply Corps Senior Leadership Advisory Council (SRLAC) sponsored survey of unrestricted line (URL) flag officers and Marine Corps general officers, Supply Corps flag officers, Supply Corps Captains and senior civilians. The 2040 team also considered feedback from active and retired Supply Corps flag officers. This feedback was collected via email and from comments made during several flag officer strategy review sessions conducted during the study.

The message from senior leaders is clear that supply chain management is a principal line of operation and Supply Corps officers should remain the military experts for the Navy. Bulk petroleum is an element of the supply chain. While most senior executives agree that petroleum, oil, and lubricants (POL) planning is an essential skill set, opinions are divided on whether bulk fuel terminal management experience and a civilian graduate school curriculum are required to attain this expertise. Most agree that energy management, including petroleum and alternative fuels, will become a more important element in operational planning. Several flag officers urged the Supply Corps to focus on developing and employing officers with logistics planning skills, including logistics planning competencies related to the operational supply and resupply of fuel. The messages were similar for ordnance management in that URL

officers felt that the Supply Corps should withdraw from weapons station management and senior Supply Corps officers contended the Supply Corps should consider branching into expendable ordnance management.

Respondents also requested Supply Corps officers with contracting skills and felt the Supply Corps should evaluate how and when officers will develop contingency contracting skills. Senior leaders, who said they valued Supply Corps officers who are financial managers, also underscored the need for officers with budget programming and execution skills. Some Supply Corps leaders supported the idea of requiring officers who serve in acquisition-coded billets to have experience in one or more of the three acquisition fields of contracting, financial management, and logistics.

Information technology (IT) billets are least in demand. Respondents consistently said that while information management is a skill all Supply Corps officers need, the small number of IT-related billets focused solely on application development should be divested.

Articulated demand was succinctly explained by one senior leader who stated, "Overall I need business acumen and practical knowledge of how the supply chain works, knowledge of transportation, ordnance and fuels skills."

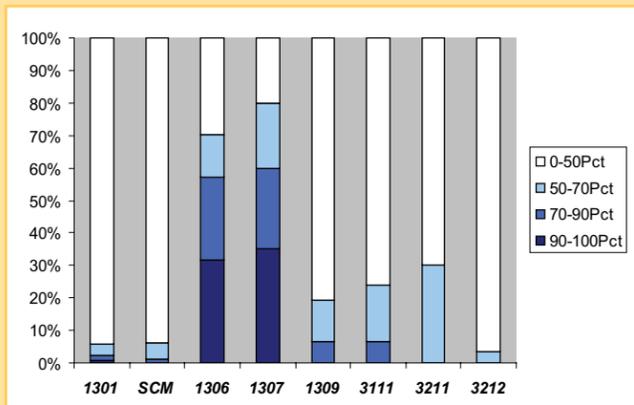
ENVIRONMENTAL LANDSCAPE Provides information which helps form a vision and identity challenges.

Expanded Navy mission sets in expeditionary environments, asymmetric warfare, sea lane defense, deterrence in the littoral regions, humanitarian assistance/disaster relief (HADR) missions frame where and how Supply Corps officers ashore will be trained and employed over the planning horizon. A presidential commitment to growing the acquisition community, coupled with Department of Defense emphasis on the need for accurate forecasts and budgets that truly reflect total ownership cost (TOC), set the stage for sustained program and policy roles for Supply Corps officers supporting acquisition contracting, financial management and life-cycle logistics. Energy

FIGURE 8.1: Modified Porter Model



FIGURE 8.2 FIT based on an officer with the matching numeric individual Subspec only



* Q/P/R/S extensions not available for analysis in history files

1301 – Acquisition/Distribution Management (ADM).

SCM – Supply Chain Management (SCM) includes 1302, 1304, 3121.

1306 – Acquisition and Contract Management (ACM).

1307 – Petroleum, Oil, and Lubricants (POL) Management.

1309 – Logistics Information Technology Management (IT).

3110 – Financial Management (FM).

3211 – Operations Research – Analysis and Assessment (OR).

3212 – Operations Research Analysis – Joint Operational Logistics (OPLOG).

On average a billet is filled with an officer having the right qualification less than 50 percent of the time.

strategies and related operational planning and program management appear to be an opportunity area that may fit well within the skills of the community.

In the face of tightening budgets, a subtler environmental trend also emerges. Although the Littoral Combat Ship (LCS) is being manned without a Supply Corps officer, the need for logistics personnel ashore, both in the U.S. and overseas to support this new class, sets the stage for potentially growing junior officer (JO) ashore billets.

Trends causing particular concern are identified by looking more closely at traditional Supply Corps requirements and how they have been satisfied. While the Supply Corps meets stakeholder requirements in supply chain management, acquisition, financial management, fuels management, and logistics planning; the data suggests these positions are often filled by officers who do not have education or training specific to the requirement.

Senior officer assignments are made based on previous experience and education. Officers receive subspecialty codes when they gain experience in a line of operation (S) or when they complete post-graduate education associated with a line of operation (P). Assigning officers is a combination of:

- Officers available for assignment during the timeline.
- Officer's skills
- Rank and experience of the available officers.
- Rank and skill requirements for the job.
- Willingness of the receiving command to accept a particular officer.

The success of this 'detailing' operation, whereby detailers propose and commands accept an officer to fill billets, is measured in part in terms of 'Fit'. Fit means an officer is filling a billet with equal or better qualifications and with the rank required for a billet. Fit mainly applies to the ashore billet structure because subspecialty codes are generally not used to define operational billets. Figure 8.2 illustrates that on average the Supply Corps fills a billet with an officer possessing the required subspecialty less than 50 percent of the time. Some traditional lines of operation, like Petroleum Management (1307) and Acquisition/Contracting Management (1306) have higher Fit rates due to a combination of factors including specialized skill sets and stakeholders who more adamantly demand a high rate of Fit. The Fit rates for other subspecialties

including Acquisition/Distribution Management (1301), Supply Chain Management (1302), Information Technology (1309), Operations Research (3211), and Operational Logistics (3212) are significantly lower.

Current practices can make achieving a higher Fit rate challenging. For instance, billet coding change requests are not always validated to ensure the proper suffix is applied that provides a sustainable training pipeline within a line of operation. In addition, demand signals for specific qualifications are not always transmitted to the accession and recruitment organizations. An example is the increase in operational logistics billets supported by the Naval Postgraduate School (NPS) operational logistics curriculum (361). The qualifying academic profile code (APC) for this curriculum is higher than other curricula, but the requirement to recruit candidates with these higher academic qualifications is not transmitted or executed. Today, in fact, one in four Supply Corps Ensigns and Lieutenant Junior Grades with an APC on record cannot participate in any Navy-funded postgraduate education program without first enhancing their academic credentials.

Billet coding challenges extend to the use of Additional Qualification Designators (AQDs), which are not used effectively to match officer skills with stakeholder requirements. There are more than 40 Supply Corps unique AQDs (in the 900 series) and not one is used to code a billet to identify a skill required by the position. Officers apply for and are assigned these AQDs based on experience tours. The only AQDs that are currently recognized by promotion boards are those awarded for completing an individual augmentation (IA), Global War on Terrorism Support Assignment (GSA) tours, or other operational tours. Ironically, despite the lack of value the community places in acquiring these AQDs, many Supply Corps officers believe that recording a high number of AQDs will help promotion prospects.

BARGAINING POWER OF SUPPLIERS

What we Value; Published promotion board precepts and career milestones.

We indicate every year what we value by the previous experiences of senior control grade (CG) officers we promote, particularly at the Commander and Captain levels. JOs pay close attention to the results of those promotion boards and observe the types of shore tours that are rewarded to help them plan their own careers. All officers are expected to reach certain basic milestones during their shore assignments: Skill development in Supply Corps lines of operation as verified by a subspecialty code, experience in the joint environment, success while serving in competitive assignments and an appreciation for the challenges of service overseas. Inextricably linked is officer achievement, which is a function of opportunities for training, education, and experience in concert with mentoring, a solid career plan and effort.

JOs transitioning to their first ashore tour are encouraged to receive training, experience, and education in principal lines of operation through assignment to internships or similar on-the-job training tours. These tours are followed by a second operational tour during which officers either refine the skills they developed as a Lieutenant ashore or develop their next skill through participation in a Supply Corps-related, Navy-funded post graduate education. This formal education prepares officers for follow-on experience tours ashore which in turn grooms them for senior leadership and strategy development roles in policy and program management arenas. A post graduate education and successful experience in a core business are expected of every officer who competes for Commander. On average, Captains and Commanders possess skills in two Supply Corps related lines of operation.

AQDs not used properly. Need AQD review.

Despite the lack of value the community places in acquiring these AQDs, many Supply Corps officers believe that recording a high number of AQDs will help promotion prospects.

Broad skills... on average, Captains and Commanders possess skills in two Supply Corps related lines of operation.

Another method of analyzing which assignments the Supply Corps values is by examining retention rate of officers who have served in specific billets. The analysis considers 3100 designated billets with the rank of Lieutenant, Lieutenant Commander and Commander and represents a rough order of magnitude due to the small population sample size. However, the results confirm previously anecdotal observations regarding the value of certain assignments.

Retention of officers who have served at Inventory Control Point Philadelphia or Mechanicsburg, NAVSUP OP or as a Community Manager in Millington, TN is nearly double the average retention rates of officers assigned to other locations. Assignment to Navy Supply Corps School (NSCS) also increases an officer's retention probability, as do assignments where competition exists. Officers in the rank of Lieutenant, Lieutenant Commander and Commander who serve in the CENTCOM area of responsibility tend to remain on active duty longer than many of their counterparts. These personnel and training assignments are likely of great value because of what an officer learns and the visibility across the community he or she receives. More competitive officers also tend to be detailed to these valued tours.

As the Navy's strategy and mission sets have evolved from the 600-ship traditional Navy to the 1,000-ship coalition force and an expanding expeditionary role, so too has the value of joint experience and qualification. JO experience in IA and GSA assignments serves as a primer for fluency in the joint arena. We show the value of this experience to promotion boards by awarding one of two AQDs to the officer for serving in this capacity.

In 1995 the Navy introduced the current fitness report system requiring reporting seniors to distinguish top performers. One of the designed outcomes of the system is its use by selection boards to identify and recognize top performers. The reporting senior officer is limited in awarding specific overall summary recommendations based on the number of officers of the same rank and designator. These limitations serve to distinguish the top performers among a group of officers. Reporting senior officers also use soft breakouts to recognize top performers where immediate competition does not exist. In this case the reporting senior articulates how the officer would compete with like officers with whom the reporting senior has served over his or her career. Competition is highly valued by the community and explains why seemingly complex, difficult billets without competition do not draw the attention of the community's most talented officers and why such billets do not generate their fair share of officer promotions. Competitive opportunities—often referred to as a Tough Visible Shore Tours—are another aspect the community values. Success in a competitive ashore environment is a generally accepted example of such a tour.

FIGURE 8.3: Supply Corps (SC) Share of Operational Lines

Our Business Lines		
	SC	Non - SC
Supply Chain Mgmt (1302)	45%	Aviation Eng. Duty Officer Aviation Main. Duty Officer Unrestricted Line
Acquisition/Contracts Mgmt (1306)	22%	Civil Engineer Corps
Business Financial Mgmt (3110)	41%	Medical Service Corps Unrestricted Line
Operations Analysis (3211)	6%	Unrestricted Line
Operational Logistics (3212)	68%	Unrestricted Line
Petroleum Mgmt (1307)	100%	-
Information Technology (6201/1309)	9%	Unrestricted Line Intel/Info Professionals

MARKET RIVALRY – OUR COMPETITORS

Potential rivals for billets traditionally filled by Supply Corps officers.

Ashore competitors for Supply Corps traditional lines of operation are primarily other Navy officer communities, DoD civilians, contractors, and other service logistics officers. In the future, we may eventually compete with coalition partners' logistics officers and with civilian agencies supporting traditionally military roles such as Non-Governmental Organization (NGOs). Figure 8.3 illustrates the share of the market in traditional lines of operation using billet subspecialty and related AQD codes as the benchmark.

Navy Enterprises, under annual pressure to reduce budgets, converted numerous military positions to civilian positions contributing to a decline in the number of Supply Corps billet requirements ashore. Three percent of ashore billets (50) have been converted from military to civilian positions since 2001 (Figure 8.4). These conversions have actually compounded the JO to CG officer imbalance with JO billets representing 52 percent of the 50 conversions. Eighty-five percent of the conversions were shared by Commander, Navy Personnel Command; Commander Navy Supply Systems Command; and the fleet. Of these, more than 60 percent were manpower related assignments.

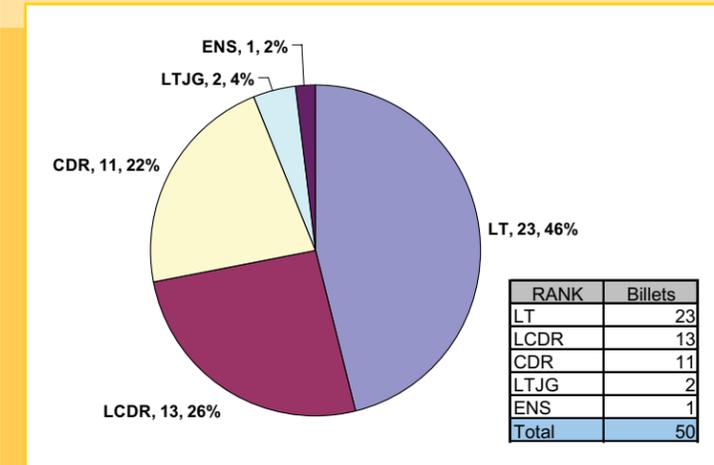
BARGAINING POWER OF BUYERS

Value attributed to billets by what customers are buying and selling.

Billets bought and sold provide the clearest signal shaping demand for Supply Corps officers. As with operational billets, ashore billets that have been funded, or bought, must be contrasted with those that have lost funding, or have been sold, to better understand stakeholder requirements and values ashore. Since 2001 Navy Enterprises have divested 462 Supply Corps 3100 designated billets ashore (Figure 8.5, on following page) and bought 309 for a net loss of 153 billets.

The billet level review of the losses suggests the Supply Corps experienced significant reductions in principal lines of operation within Naval Sea Systems Command (NAVSEA) and Naval Air Systems Command (NAVAIR) since 2001, particularly in acquisition contracting and financial management. The common theme among the gains, with the exception of the Navy Post Graduate School (NPS) billets, is the growth in expeditionary and joint logistics planning positions. However, this growth did not include JO developmental opportunities. Also evident in the analysis is how the Supply Corps is losing share to other Navy communities and to DoD civilians or contract equivalents. This includes losses within the NAVSUP Enterprise where reductions since 2001 were nearly double the 5.8 percent overall ashore decrease. This trend slows over the Future Year Defense Plan (FYDP) as NAVSUP reductions begin to mirror overall community losses.

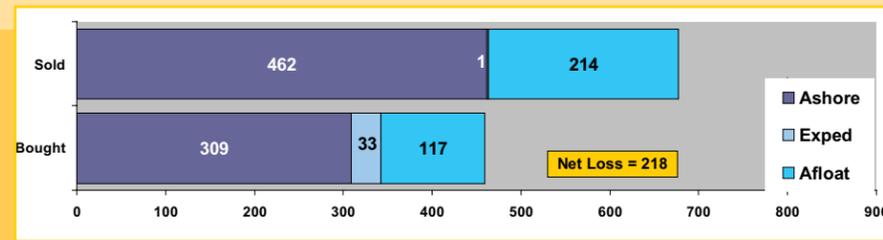
FIGURE 8.4: Military-Civilian Substitution by Rank, FY01-FY09 (50 3100 designated billets)



Conversions have compounded the JO to CG officer imbalance.

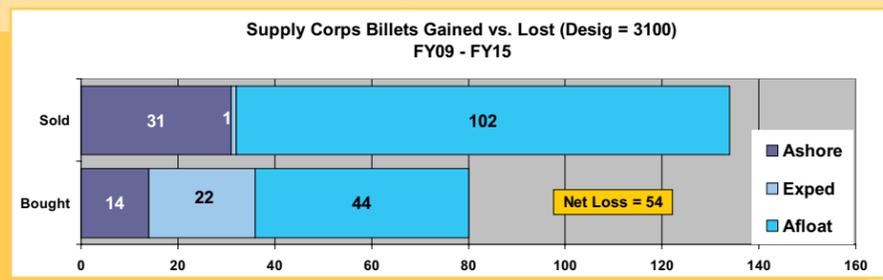
Navy enterprises have divested 153 net Supply Corps 3100 designated billets ashore

FIGURE 8.5: Supply Corps Billets Bought and Sold, FY01-FY09



Between 2009 and 2015 58 afloat billets are lost and 22 expeditionary billets are gained.

FIGURE 8.6: Supply Corps Billets Bought and Sold, FY09-FY15



Buyer demand trends persist when we look at billets bought and sold between 2009 and 2015. On a net basis 58 afloat billets are lost while 22 expeditionary billets are gained (Figure 8.6). Ashore, reductions are modest compared to operational losses. Six of 17 of the net ashore losses occur within the NAVSUP enterprise and three are Naval Education Training Command (NETC) instructor billets. Of greater interest between 2009 through 2015 is the persistent shift in demand toward more senior requirements. Four JO billets are sold for every CG officer billet sold. This challenge of unbalanced losses underscores the importance of evaluating each billet change according to filters that use business rules aligned to a community strategy.

To better understand buyer demand, the Chief of Supply Corps commissioned a functional review of Supply Corps lines of operation, by subspecialty, to complement the efforts of this study.

FUNCTIONAL REVIEW

Billet reviews are commonly only conducted by stakeholders and Budget Submitting Offices (BSOs), usually in conjunction with Program Objective Memorandum (POM) tasking. These billet reviews do not provide a comprehensive picture of a line of operation that is required to maintain community health. Therefore, as part of the Supply Corps 2040 Strategic Vision Study, the Chief of Supply Corps designated eight Supply Corps Captains as leads who were considered experts in their respective fields to conduct a functional, subspecialty driven review of each traditional line of operation. The following Supply Corps lines of operation were reviewed:

- 1301 – Acquisition/Distribution Management (ADM).
- 1302 – Supply Chain Management (SCM).
- 1306 – Acquisition and Contract Management (ACM).
- 1307 – Petroleum, Oil, and Lubricants (POL) Management.
- 1309 – Logistics Information Technology Management (IT).

3110 – Financial Management (FM).

3211 – Operations Research – Analysis and Assessment (OR).

3212 – Operations Research Analysis – Joint Operational Logistics (OPLOG).

In addition to the eight subspecialty areas, a ninth group reviewed operational billets.

The functional review leads were tasked with validating each subspecialty through a billet review, determining Supply Corps investment in that subspecialty, assessing training and education gaps, and developing courses of action and recommendations. Figure 8.7 depicts the current breakdown of the Supply Corps billet structure and highlights that 70 percent of Supply Corps billets today are ashore. As coded, only 46 percent (751) of all ashore billets are coded with a subspecialty or AQD that ties to a line of operation and indicates demand to develop an officer with a specific skill. The remaining 54 percent are not coded and are characterized as either Staff/General Supply (559), or Pipeline (313). Pipeline billets comprised of students, transient patients, and prisoner holdees were not part of the functional review.

The Functional Leads conducted a billet-by-billet review with the support of the 2040 team. Billets were reviewed to assess whether the existing subspecialty code was required. If a code was required, the billet was further assessed to determine the level of skill or education by placing a suffix on the code. If the billet represented a training or development opportunity such as an internship, then an “S” suffix was assigned. If previous experience was required, then the leads assigned an “R” suffix. If a post-graduate degree was required then a “P” suffix was used. If experience and a post-graduate degree were required, then a “Q” suffix was assigned. Proper assignment of suffix codes ensures an adequate training and development pipeline to support a line of operation.

Billets not coded with a subspecialty code were also reviewed under the precept that nearly all ashore requirements should align with a unique skill or be considered for realignment or divestiture. These billets were also coded unless they could not be reasonably aligned to a principal line of operation or complementary billet. Figure 8.8 illustrates the post-functional review results of ashore billet alignment which are summarized below:

FIGURE 8.7: Supply Ashore Billet Structure

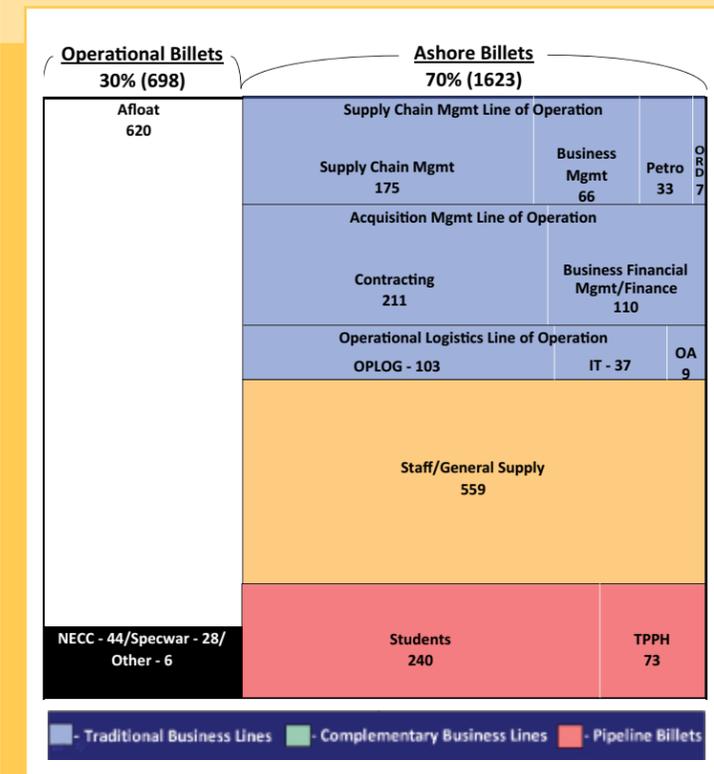
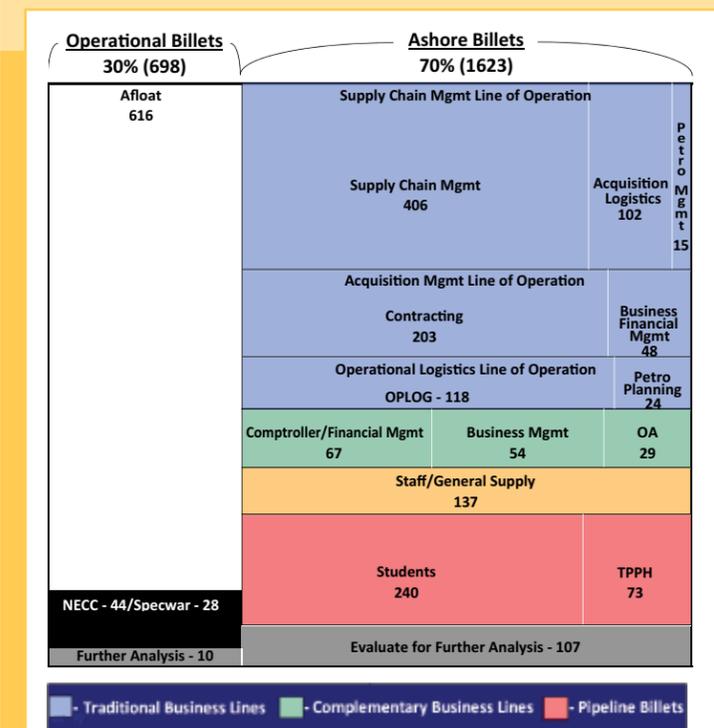


FIGURE 8.8: Post-functional review ashore billet alignment



Principal Lines of Operation

These billets represent the Supply Corps' primary functional areas and connect directly to the mission, vision, and strategic objectives. Supply Chain Management, Acquisition Management, and Operational Logistics were identified as the Supply Corps' principal lines of operation. Fifty-six percent of ashore billets align to one of these three lines of operation.

- Supply Chain Management line of operation includes supply chain management (1302) billets, acquisition logistics billets (1302/AL_) and bulk petroleum management billets (1307) representing 32 percent of coded ashore billets.
- Acquisition Management line of operation includes contracting (1306) and Business Financial Management billets (3110/AK_) with 15.5 percent of the coded ashore billets.
- Operational Logistics line of operation includes operational logistics billets (3212) and petroleum planning billets (1307) representing 8.7 percent of Supply Corps principal lines of operation.
- Complementary Business Lines: These billets support the principal lines of operation in achieving the mission, vision, and strategic objectives
 - Comptroller and Financial Management billets (3110), Business Management (1301), and Operations Analysis (3211) were identified as complementary billets and represent 9.3 percent of coded billets.

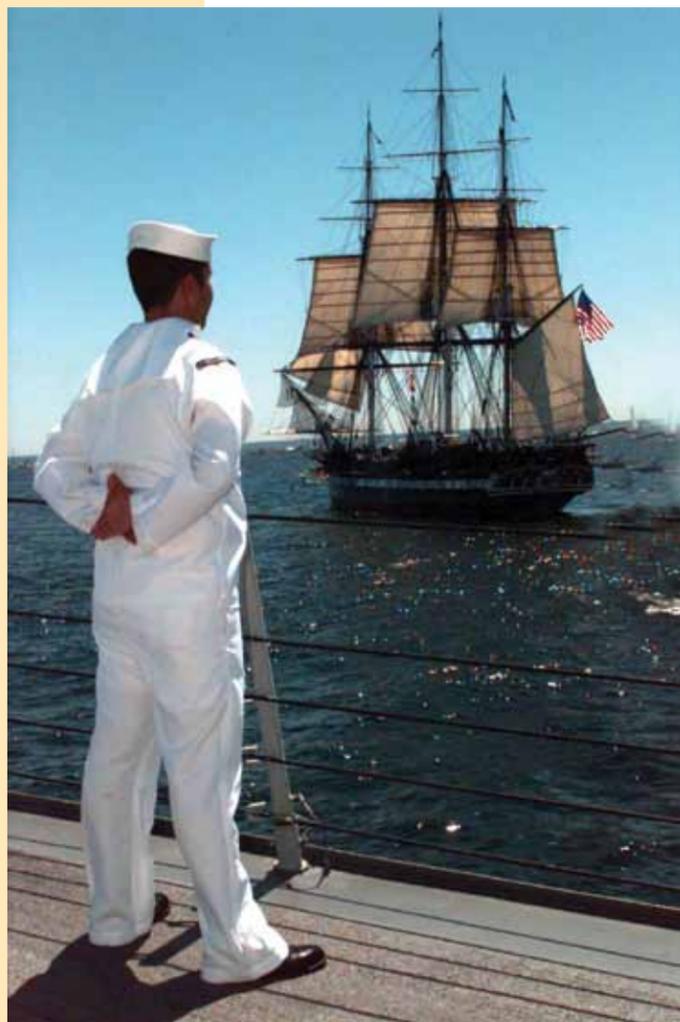
Uncoded Billets

The number of uncoded billets categorized as staff/general supply went from 559 to 137 and represent only 8.4 percent of ashore billets.

Billets for Realignment

One of the products of the functional review was a list of billets the functional leads recommended for potential divestiture, realignment, or roll down. These billets did not fit within the principal lines of operation or are not considered complementary billets. This list of billets was generated primarily from the staff/general supply category but also contained billets previously coded with a subspecialty. The most significant recommendation in this area was the recommendation to divest or realign 37 IT billets and seven ordnance (weapons station management) billets.

In addition to the functional lead recommendations, the 2040 Strategic Vision Study Team and NAVSUP OP reviewed billets not considered career enhancing and billets consistently gapped. The process is shown in Figure 8.9.



Joint opportunities were also considered with respect to the post-functional review billet alignment (Figure 8.10). Joint billets were found to be principally spread across all ashore categories with virtually all aligned to a principal or complementary line of operation. This fact further supports the notion that joint is not a career path but rather an environment in which Supply Corps officers hone skills required in primary and complementary lines of operation. A list of ashore billets with proposed changes is available in the Appendix.

FUNCTIONAL REVIEW FINDINGS AND RECOMMENDATIONS

In addition to performing a billet review of the Supply Corps' traditional lines of operation and assessing training and education gaps by adding appropriate suffixes to the subspecialty codes, the functional leads also provided other findings and recommendations for their respective subspecialty fields.

The following section provides an overview of the Functional Leads' findings and recommendations. Their complete reports are available in the Appendix. These recommendations were one of many types of input. Therefore, not all of the recommendations were accepted when considered in the larger context of the research and analysis. Those that were revised or not accepted are annotated with an asterisk and are discussed in the summary portion of this chapter.

1301 - Supply Acquisition, Distribution Management (810)

The 810 program is a Navy funded, civilian institution program providing an interdisciplinary approach designed to develop management skills. The program leads to an MBA with emphasis in quantitative theory, policy decision making, operations analysis and organizational and supply chain management. Officers selected for the 810 program attend one of the 'Top 25' Business Schools as designated by Business Week. The program is very competitive with 100 applicants vying for ten annual quotas.

The 810 program successfully serves as a targeted retention tool. Selected officers are proven performers who have a high confidence factor of promotion to the executive level and serve as the Navy's senior business managers. Officer retention is 1.5 times higher than all other Supply Corps focused Navy funded programs.

FIGURE 8.9: Billets identified for Rolldown, Realignment or Divestiture

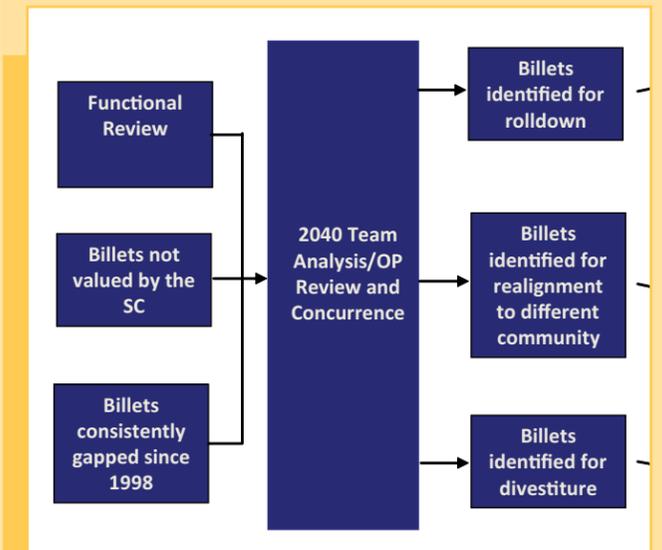


FIGURE 8.10: Post-functional review of joint billets by line of operation

Line of Operation	Joint	
	Billets	% of joint billets
SCM	70	47%
ACM	14	9%
OPLOG	27	18%
Complimentary	22	15%
Staff/Operational	2	2%
Divest/Realign	13	9%
Total	148	100%



Although other means exist to create or retain the 50 additional CG officers the 810 program yields, they are not targeted tools and could result in additional expense and retention of officers who are not as qualified as those selected for 810. The average cost of this program is \$70,000 per student with an annual cost of approximately \$700,000. An accessions alternative to replace the 50 CG officers would lead to accessing eight ensigns annually and carrying 70 man-years in YCS 0-10 where no requirement currently exists. This equates to \$7.35 million annually or \$735,000 per quota. The shaded area represents 70 additional JO requirements needed to replace the 50 additional CG officers the 810 program yields.

FINDING: The 810 program is an effective, targeted retention tool enhancing intellectual diversity within the Corps.

RECOMMENDATION: Continue to invest in this effective retention tool. To maximize the retention effectiveness of the program, initiate a break-even cost-benefit analysis to identify the optimal number of 810 quotas.

FINDING: Current billet coding only serves as a quota identifier rather than providing transparency of competitive business professional billets.

RECOMMENDATION: Recode billets to improve Fit and to provide clarity for Supply Corps officers and mentors on the importance of these competitive billets.



1302 - Supply Chain Management (819)

Supply chain management (SCM) delivers the right product to the right customer at the right time. SCM emphasizes inventory-service level trade-offs across the chain of players that together provide a product to a customer. Logistics have traditionally focused on materials issues within and downstream from the factory while SCM looks at the entire network of players, both up-and-down stream, and perhaps places more of an emphasis on information flows through the network. Logistics has traditionally been considered more tactical in nature while SCM has risen to prominence in recent

years, attracting high-level attention. Ultimately, logistics and SCM activities are concerned with coordinating demand and supply. Common elements in that coordination are the management of materials (inventories), the location of materials (warehouses), and the movement of materials (transportation).

The 1302 subspecialty review validated business areas where the Supply Corps is engaged with respect to SCM. In addition to the 1302 subspecialty, the review considered: Transportation Management (1304), Logistics and Transportation - Logistics (3121), and Logistics and Transportation – Transportation (3122). The review also considered subspecialties with possible overlap with the SCM, including: Ordnance Management (5700), Petroleum Management (1307), Logistics Information Technology (1309/6201), and Logistics Planning (3212).

FINDING: The SCM functional area is a Supply Corps principal line of operation that will remain a cornerstone contributor to Navy and Marine Corps readiness and a primary area of engagement for the Supply Corps of 2040.

RECOMMENDATION: To better position the community for future demands, the team should recode 501 billets to 1302, an increase from 141 today, and also-

- Convert all ILS, ORD, and IT Interns into SCM Interns. Use AQDs to identify the specific skill sets gained from completion of required training.
- Use AQDs to identify required transportation skills needed for a billet.
- Consider 1301s and 1302s interchangeable for detailing purposes. Officers holding one of them can be detailed into billets coded with either subspecialty.*
- Explore opportunities to expand the SCM role into the ordnance and Medical Service areas.*

1306 – Acquisition and Contract Management (815)

Navy Acquisition Contracting Managers (ACMs) are those officers prepared to effectively lead the acquisition workforce and efficiently manage resources allocated to the acquisition process. ACMs lead and serve in hardware systems purchasing, field contracting, contract administration and contracting policy and oversight offices and commands. Demand for ACMs is increasing in the areas of operational contracting support for contingency and expeditionary operations, HA/DR support and operational and tactical exercises. The Gansler Report stated that recent failures in this line of service “encumber the Army acquisition system’s performance” and underscore the important need for DoD to improve training, education, and management and to develop and maintain a robust cadre of trained ACMs.³²

FINDING: Well-rounded acquisition professionals are needed. Expertise honed in other acquisition skills, specifically financial management and acquisition logistics, is complementary and crucial to the 1306 contracting profession. The Navy acquisition cycle would benefit from Supply Corps acquisition professionals with combined skills and understanding of contracts, financial management, and acquisition logistics – not just specialized niches.

RECOMMENDATIONS:

- Develop a transition and implementation plan for the merger of Supply Corps acquisition subspecialties, including a portion of integrated logistics support (ILS) internships, into a single acquisition management subspecialty.*
- Develop an Acquisition Career Development Plan to meet milestones.

FINDING: The 1306 community has a consistent subspecialty assignment history, but inconsistent levels of practical experience. Although Defense Acquisition Workforce Improvement Act (DAWIA) certification requirements demand specific education credentials that drive higher levels of Fit, assigned officers often lack the range and depth of functional expertise required for a particular billet.

RECOMMENDATIONS:

- Establish a standing functional review team to periodically validate billets and their education and experience prerequisites.
- Include recommended skills requirements in Acquisition Career Management Development Plans.

FINDING: A more formal process for filling command/command-equivalent billets is needed to highlight the value of these billets and mitigate the disparity between Navy, Army, and Air Force in terms of career desirability.

RECOMMENDATIONS:

- Formulate a list of command and command equivalent billets across all Supply Corps skills.
- Expand the Sea Board selection process to include command/command equivalent billets.

FINDING: Indicators suggest a sustained need for contingency contracting skills. Although specific requirements remain unpredictable, deploying officers with contingency contracting skills to serve as first responders in event of armed conflict or to support humanitarian assistance/disaster relief (HA/DR) efforts will persist.

RECOMMENDATIONS:

- Develop a process for certifying military enlisted Sailors as Purchasing/Contracting Officers (other services leverage senior enlisted positions to ease this workload).
- Insert contingency contracting training in the Naval Acquisition Contracting Officer (NACO) intern curriculum.

1307 - Petroleum Management (811)

Navy petroleum, oil, and lubricants (POL) managers provide specialized petroleum logistics, petroleum facility, and petroleum specifications expertise to meet operating forces requirements. Supply Corps POLs fulfill many roles including: Bulk Fuel Terminals/Naval Air Station Terminals management; fleet, JFC and Defense Energy Support Center (DESC) staff planning; POL facility sustainment, restoration, modernization (SRM); acquisition and construction project oversight; petroleum products accounting; fuel systems and facilities automation; and bulk and retail petroleum quality assurance and surveillance program management.

The regional fuels officer concept at the Fleet and Industrial Supply Center (FISC)—a single point of contact for the fleet’s Navy fuel needs—provides fuels oversight at the region level. This better serves the regional customer and leverages all available fuel assets in the area of responsibility (AOR). This is expected to increase the demand for Supply Corps officers in this functional area.



FINDING: The warfighter values logistics officers with the broad planning skills developed within the POL pipeline. Sustained demand exists for Supply Corps officers to fill POL coded requirements.

RECOMMENDATIONS: Retain petroleum management as a core skill of the Supply Corps.

FINDING: JFCs benefit from having a POL trained officer to support fleet level logistics planning.

RECOMMENDATION: Eliminate POL experience gaps within fleets, regions and JFCs. Ensure officers assigned to operational staffs have appropriate level of expertise/experience.

1309 – Logistics Information Technology (IT) Management

The operation of the supply chain supporting the Navy is completely dependent on the exchange of information. How we operate, and therefore, how we design the supply chain is dependent upon the systems that manage the exchange of information. However, Supply Corps information technology billets are focused on the development of applications versus the management of information. Further, the community does not hold significant logistics information technology leadership positions. Supply Corps senior leaders generally agree the management of the Navy’s supply chain is dependent on information technology; however, they do not find the Supply Corps needs to provide this skill set as a community line of operation. Ultimately, information management is not seen as a career enhancing opportunity.

The reality is the Supply Corps led the Navy in the development of business information systems in the 1960s. Since that time, the management of logistics information systems and technology has evolved. The focus shifted from developing automated applications performing organizational activities to integrating commercially developed applications with both DoD and industry trading partners. Leveraging advances in information technology remains necessary and will continue to improve the efficiency and effectiveness of naval logistics capabilities. However, the civilian workforce has competencies in logistics information systems and technology to develop solutions or to successfully leverage commercial resources to manage and develop information solutions. The responsibility to lead and manage organizations responsible for logistics information will persist, but does not warrant a career background in information technology or information management.

Although the Supply Corps does not embrace information technology as a community line of operation, retaining the NPS-related curriculum (870) is beneficial. Officers participating in this NPS curriculum earn an MBA equivalent to the one earned in supply chain management, albeit with an information technology focus. Retaining this curriculum benefits the community by giving officers with an affinity for information management an opportunity develop an important skill within the larger context of supply chain management.



FINDING: The Navy needs the capability to both design and manage the integration of logistics information systems. However, the Supply Corps does not need to provide this skill set as a principal line of operation. All Supply Corps officers must develop a basic understanding of information systems as they continue to be primary business and logistics tools. As the Supply Corps shifts from more defined “career paths” towards achievement of “career milestones” and development of “career skills”, the Supply Corps should treat skills obtained in information technology as additive to the supply chain management sub-specialty.

RECOMMENDATIONS:

- Remove the IT subspecialty as well as existing subspecialty codes from all Supply Corps billets.
- Recode billets where a Supply Corps presence remains essential to the appropriate subspecialty.
- Maintain the 870 curriculum at NPS, which contains the core courses for the 819 curriculum that results in a supply chain management subspecialty.
- Redesignate graduates of the 870 curriculum as earning a supply chain management subspecialty.
- Shift IT internship billets to supply chain management positions with an information management focus.

3110 – Financial Management (837)

Supply Corps financial managers (FMs) are prepared for business, financial, and analysis positions within the Navy and DoD. FMs are concerned with the optimal allocation of human, physical, and financial resources to achieve Navy goals and objectives while allocating public funds efficiently and effectively. Trained financial managers are prepared for assignments in strategic planning, business analysis, financial analysis, budgeting, accounting, business and financial management, cost estimating, and internal control systems and auditing. Financial management is an enabler within every Supply Corps officer’s career path.

The Supply Corps FM subspecialty has lost prominence in recent years. Supply Corps leadership, however, agrees that revitalizing this core capability within the community is essential. The proposed revitalization—emphasizing the development of officers with the financial management skill set—will result in some give and take with coded billets between the Supply Corps and other officer communities. To maximize educational opportunities and develop skilled officers needed to fill the acquisition and financial management billets, the curriculum at NPS should be revised and extended to include both. This combined curriculum will provide the basic training and qualification in acquisition and financial management fields and create a pool of JOs available for billet detail as needed. Curriculum adjustments will not only bolster the knowledge of both subspecialties, they will also ensure that each student graduates from NPS with the education requirements necessary for DAWIA Level II certification.

FINDING: Financial management as a Supply Corps skill will weaken without action.

RECOMMENDATION: Commission a study to recommend strategies aimed at restoring confidence in the Business Financial Management (BFM) billets. Work with the IA/GSA process to inject more stability in assignments, e.g., in response to customer demand signals, phase GSA requirements and officer assignments to ensure uninterrupted BFM services at respective commands.

FINDING: Develop skilled officers needed to fill the acquisition and financial management billets. This could be achieved with a combined NPS curriculum and complementary internship programs.

RECOMMENDATIONS:

- Partner with the acquisition contracting community to develop a combined and extended NPS curriculum providing for DAWIA Level II certification and basic qualifications for officers to pursue a career path in acquisition or financial management.
- Develop the Financial Management “community.”
- Investigate the development of a senior community manager or board of managers to guide FM billet fulfillment and overall officer development for the FM community. This body would provide strategic direction for the FM career path and ensure availability of career milestones and educational opportunities for prospective financial managers.
- Ensure strategies are complementary with related acquisition contracting community efforts.

3211/3212 – Operations Research, Analysis and Assessment/Joint Operational Logistics

During the last six years the operational logistics (OPLOG) career path seemingly absorbed the operations analysis (OA) community when billets increased 300 percent from 22 to 67 and were miscoded under the perception that operational research equals operational logistics. Rather, OPLOG involves the planning, coordination and oversight of theater-wide logistics support to sustain and extend the reach of operational forces during a campaign or major operation. OA is an interdisciplinary branch of applied mathematics and formal science helping management achieve its goals using scientific methods.

Although capability expectations differ, education differences between operations analysis and joint operational logistics are indistinguishable and graduates are interchangeable. Today many of the officers detailed to 3211P coded positions hold a 3212P subspecialty code. While the post-graduate curricula is very similar for these two subspecialty codes, the 3212S internship does provide distinguishable skills that better prepare officers to meet stakeholder expectations. This is accomplished by focusing on initial experience and understanding of general principles, techniques, and skills in logistics and transportation planning, logistics planning factors, logistics concepts and doctrine, strategic mobility, and afloat resupply and sustainment.

FINDING: The OA skill set is valued by Supply Corps stakeholders and is not focused on operational logistics. Rather than a career path or line of operation, it is best viewed as a skill that can be applied in wide varieties of jobs within the DoD supply or logistics chain.

RECOMMENDATION: In the short term officers graduating from either NPS Operation Research program should be awarded a 3211P subspecialty. This will distinguish personnel with education in analysis for assignment to billets that require these special skills. Ultimately, partner with NPS to create a single curriculum for Supply Corps officers earning an OR masters degree.

FINDING: There are clear signals for operational logistics as an emerging and important skill for the Supply Corps.

RECOMMENDATION: Identify and code training and experience billets using 3212S and 3212R. Establish minimum qualifications necessary for the award of the 3212S subspecialty that ensure officer proficiency.



SUMMARY

As stated earlier, the Supply Corps 2040 Vision Study Team largely concurs with the findings of the functional review managers, with a few qualifications, listed below. The team has provided additional findings resulting from the preliminary work completed by the functional leads or findings that were outside the scope of the functional review but that apply to Supply Corps lines of operation.

Lines of Operation

- The principal ashore lines of operation across which the Supply Corps serves are—
 - Supply Chain Management
 - Acquisition Management
 - Operational Logistics
- The lines of operation in demand by Supply Corps stakeholders that complement the skills and experience of Supply Corps officers are—
 - Business Management (MBAs earned from top 25 business schools (810))
 - Comptroller/Financial Management
 - Operations Analysis / Research
- Although the Functional Review recommendation stated 1301s and 1302s should be detailed interchangeably, officers with business management skills and qualification earned via the civilian MBA program should be detailed to maximize the fit with a billet. These skills, while complementary, are not interchangeable for detailing purposes with other subspecialty codes.
- Stakeholders and officers will be best served when officers trained in acquisition contracting also develop the financial management skills needed to earn DAWIA certification.
- The basics of contingency contracting should be introduced to Supply Corps officers at Navy Supply Corps School and further refined during internships and post-graduate programs.
- Comptroller/Financial Management is a valued skill complementing skills learned in all principal lines of operation. However, many Supply Corps financial management leadership positions have been converted to civilian SES positions decreasing the perceived value of the billets and associated promotion pipeline.
- Stakeholders who demand officers with OPLOG skills are principally interested in officers with training and experience in logistics delivery and logistics planning in an expeditionary or global distribution environment versus a post graduate degree in operations research.
- There is a growing demand for officers with petroleum management skills in fleet/theater logistics planning roles. Support for continued investment in bulk fuels management is without consensus.
- Although the Functional Review recommended enlisted personnel should be certified as purchasing or contracting officers, that recommendation is outside the scope of this study and should be evaluated within the confines of the enlisted strategy for the future.

- Although the Functional Review recommended exploring opportunities to expand into ordnance inventory management billets (ashore and afloat), expansion into either of these areas is unlikely given community management constraints in other communities, like the URL, currently holding these positions.
- Although the Functional Review recommended exploring opportunities to expand into the Medical Service logistics area, investing in these billets that support Navy Medicine is not beneficial to the Supply Corps. These billets do not include a junior officer billet base and these billets require a Health Care Administration (HCA) masters degree.
- Logistics information management skills will become essential for all Supply Corps officers. Conversely, commercial alternatives have eliminated the need for Supply Corps information technology experts and the related skill.
- Supply Corps officers continue to fill uncoded general supply, program management and staff billets ashore. Although relevant in terms of scope and providing meaningful work ashore, this pool of billets is the first place to look when billet compensation is necessary to enable investment in emerging areas or to find candidates for divestment.
- Consistently vacant billets and billets that do not improve the promotion potential of career officers are available to serve as compensation for new requirements in existing lines of operation or in emerging markets.

FIT

- The Supply Corps is limited in its ability with achieving a higher degree of Fit due to current billet coding practices that do not enforce a structured training and development pipeline using subspecialty codes and associated suffixes.
- The use of subspecialty extensions to accurately reflect the training, education and/or experience a stakeholder needs is frequently inaccurate. This is corrected by implementing proposed coding as presented by each Functional Lead.
- Internships or on-the-job training billets (“S” coded) billets do not always have accompanying qualification standards to ensure officers holding those positions acquire and demonstrate the skills necessary to prepare them for the next related tour in that line of operation pipeline. (R or Q coded billets)
- Metrics to support detailers in achieving progressively greater alignment with billet subspecialties are necessary to improve Fit.
- Additional Qualifying Designators are not used effectively to match officer skills with stakeholder requirements.

Generally, the demand for Supply Corps officers satisfying traditional and emerging requirements ashore remains strong but the demand is principally within the CGs. Principal lines of operation will endure and continue to be supported by complementary skills. While information management will become essential to the success of all Supply Corps officers, execution of Navy information technology and ordnance management billets is better suited for other providers. Although the Supply Corps has experienced substantial losses within principal lines of operation at the systems commands, expected growth in requirements supporting theater level logistics planning is likely to partially compensate for it. Divestiture, roll downs and realignment actions are needed now and will continue to be necessary to serve as compensation when trade-offs are required to allow investment in emerging opportunities.

Principal lines of operation

- Supply Chain Management
- Acquisition Management
- Operational Logistics

Complementary lines of operation

- Business Management
- Comptroller/Financial Management
- Operations Analysis / Research

Chapter 9

JOINT STRATEGY

This chapter lays the foundation for developing a strategic plan to address Supply Corps officer employment in the joint environment. It applies to their development as joint logisticians and the requirement to obtain Joint Qualified Officer (JQO) status. It also focuses on the training, education, and experience Supply Corps officers will need to succeed in the joint environment while reiterating that investment decisions for the joint environment must be balanced with the overall demand for Supply Corps officers, particularly at control grades (CGs). It further considers the value of joint investment in terms of maintaining Supply Corps relevance and not simply meeting a milestone to compete for flag rank. It does not address organizational changes within the Naval Supply Systems Command (NAVSUP) and Defense Logistics Agency (DLA).

Ultimately, the Supply Corps must develop and detail officers to joint assignments who are prepared to deliver sustained logistics readiness to the Navy and the Joint Force Commander (JFC). Inherent in this mission is a responsibility to ensure officers obtain the training, education and experience joint stakeholders expect according to grade and specific assignment. Supply Corps officers must leverage their maritime logistics experience to the advantage of the JFC. As they become more senior, they must also arrive at joint assignments with a certain degree of joint fluency. Initiatives geared toward satisfying joint stakeholder expectations must be complemented with officer development and assignment strategies. These initiatives must be focused on creating officers who will compete well for promotion because they are best prepared to serve in logistics leadership, policy, programming and planning assignments both within the Navy, across the Department of Defense (DoD), and in interagency, intergovernmental, and multinational organizations. To this end, the Supply Corps strategy must meet the following benchmarks:

- Acknowledge where, by pay grade and experience, the Supply Corps can provide the greatest advantage
- Establish a sustainable pipeline that will-
 - Deliver sufficient numbers of trained officers.
 - Include adequate training, education and experience.

- Complement Navy logistics responsibilities.
- Integrate within the market basket of promotion milestones for future Supply Corps leaders.

A brief history of joint engagement within DoD, including the Supply Corps entry in joint operations, sets the stage for the Supply Corps role in the joint environment. This environmental scan takes a forward leaning perspective with joint highlights presented earlier within the study assumptions and serves as the initial assessment of the forces shaping joint Supply Corps demand. This overall assessment is used to frame how the Supply Corps fits today and to consider the most probable requirements looking forward. Buyer demand focuses on billets bought and sold across the joint environment with emphasis on those billets included on the joint duty assignment list (JDAL), particularly as they support the JFC. What the community values adds perspective on requirements for joint qualification and joint logistics education and performance. Articulated demand considers stakeholder comments and reviews the strengths, weaknesses, threats and opportunities existing for the Supply Corps in the joint environment. A summary of demand forces presents a series of fundamental statements relating to the Supply Corps' joint vision, mission, values and objectives and sets out the Supply Corps' proposed joint strategies, goals and action programs.

HISTORICAL CONTEXT

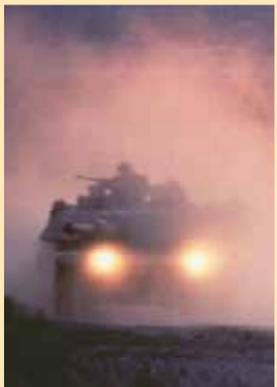
The National Security Act of 1947 merged the Department of War and the Department of Navy into the DoD and therefore, was responsible for moving the American Armed Forces toward a greater joint focus.

The Goldwater-Nichols Department of Defense Reorganization Act of 1986 (GNA) increased the emphasis on the joint environment by elevating the power and staff of the Joint Chiefs of Staff (JCS) chairman above those of the service chiefs and military departments. GNA increased the authority and influence of the unified JFC, codified joint officer personnel policies, and provided specific personnel management guidance on how to identify, educate, train, promote and assign officers to joint duties.

There is significant documentation regarding the struggle to meet congressional mandates since the implementation of GNA. The National Defense Authorization Act (NDAA) for fiscal year (FY) 2002 kicked off a series of studies which helped pave the way for legislation that modified the structure of GNA. The first studies were conducted by Booz, Allen, Hamilton and the Center for Strategic and International Studies (CSIS). CSIS commissioned three studies titled Beyond Goldwater-Nichols (BG-N Phases I-III). Booz, Allen, Hamilton's report and BG-N Phase II offered recommendations that affected all future legislation regarding Joint Officer Management (JOM).

National Defense Authorization Act (NDAA)

NDAA 2005 required the Secretary of Defense to develop a strategic plan for JOM and Joint Professional Military Education (JPME) linking joint officer development to the accomplishment of the overall missions and goals of the DoD. The Office of the Secretary of Defense (OSD) developed a strategic plan for Personnel and Readiness (P&R) with input from the Joint Staff and the services. The strategic plan was completed and forwarded to Congress in April 2006. NDAA 2007 was responsible for authorizing significant changes to the nature of the joint focus and provided much greater flexibility in JOM.



...fully qualified and inherently joint Colonels and Captains would be the specific focal point of development.

The DoD Strategic Plan for JOM and JPME, recommended a JOM system focused on the full gamut of the officer's career path, with particular emphasis on the development of joint qualified officers. The CJCS Vision for Joint Officer Development (JOD) was part of the foundation for the plan. The CJCS vision provides an important link to DoD goals with respect to how future leaders will be developed. It states that "the objective of JOD is to produce the largest possible body of fully qualified and inherently joint officers suitable for joint command and staff responsibilities" and states that "fully qualified and inherently joint Colonels and Captains would be the specific focal point of development."

Recommended changes from the Strategic Plan that were approved in the NDAA 2007 and developed into the Joint Qualification System (JQS) include the changes listed in Figure 9.1.

FIGURE 9.1 Strategic Plan Recommendations

CHANGE	WHAT IT MEANS
Modified Definitions Of Joint Matters (Title 10, Sec 668).	Definition included "space" and "Information" as Domains. It also omitted the phrase that excluded receiving joint duty credit from assignments in the officer's own Service. Also, broadened assignments that could be considered "joint duty assignments".
Created alternate path to the time/billet based approach to obtaining Joint Qualified Officer status with "experience /capability based" system. Joint Qualified Officer (JQO) replaced Joint Specialty Officer (JSO) as the new term (Title 10, Sec 661). Eliminated 800 critical billet requirements (Title 10, Sec 661).	Two paths to achieving experience for JQO: Standard JDAL billets or a Point based system based on the accumulation of joint experience, exercises & training (EJDA). Important because critical billets required that the officer was JSO (JQO) qualified. OSD now designates "an appropriate number" of critical billets based on recommendations of the CJCS & mission requirements.
Removed JPME/Joint duty assignment (JDA) sequencing requirement for non-URL officers (Title 10, Sec 661).	Restricted Line (RL) & Staff corps officers are no longer required to complete JPME II prior to a Standard Joint Duty Assignment (SJDA).
For training activities, the only instructors that can be approved for the JDAL are JPME II instructors (Title 10, Sec 668).	JPME I instructor billets were no longer allowed on the JDAL. OSD, JS and Services have been lobbying for putting JPME I instructors back on the JDAL.
Limited the 50%+1 JPME II outplacement rule to existing National Defense University programs (Title 10, Sec 663).	Retains flexibility in outplacement assignments for graduates from Senior Service Schools delivering JPME II.
Updated & simplified promotion policy objectives for Joint officers (Title 10, Sec 662).	Joint Staff & Other JDAs are the only two categories reported for SECDEF's Annual Report to Congress.

The myriad of changes to GNA up to 2006 had little effect on the Supply Corps due to the use of two exception waivers, "Good of the Service" and "scientific and technical qualifications for which joint requirements do not exist." In 2006, Title 10 Section 619 (a) read that "an officer on the active-duty list of the Army, Navy, Air Force, or Marine Corps may not be appointed to the grade of brigadier general or rear admiral (lower half) unless- . . . the officer has completed a full tour of duty in a joint duty assignment." In 2006, the Assistant Secretary of Defense for Force Management Policy interpreted this language to significantly decrease scientific and technical waivers for Supply Corps officers appointed to the rank of rear admiral with no previous joint experience.

DoD Instruction 1300.20 of December 1996 gave the following interpretation of Title 10, Section 619 (a) waivers:

"The Assistant Secretary of Defense for Force Management Policy may waive that JDA requirement on a case-by-case basis for the following reasons:

GOOD OF THE SERVICE. When this waiver is granted, the first duty assignment as a [General or Flag Officer (GO/FO)] must be to a JDA. Until January 1, 1999, the Secretary of Defense may waive that requirement. An officer receiving such a waiver may not be appointed to O9 until completion of a (GO/FO) JDA. After January 1, 1999, the "Good of the Service" waiver shall be on the condition that the first assignment as a GO/FO must be a JDA.

SCIENTIFIC AND TECHNICAL. For an officer whose selection is based primarily on scientific and/or technical qualifications for which JDA positions do not exist. Officers receiving scientific and technical waivers must serve continuously in the specialized field or serve in a JDA before reassignment to a nonscientific and technical position. Figure 9.2 lists the scientific and technical waiver qualifications."

FIGURE 9.2 Scientific and Technical Waivers

Scientific	Technical
Chemical	Acquisition Professional Career Fields
Oceanography	Aviation Maintenance
Weather	Comptroller/Finance
Engineer	Education & Training
Civil Engineer Corps	Missile Maintenance
Engineering Duty Officer	Law Enforcement/Military Police
Aeronautical Engineering Duty Officer	Public Affairs
Scientific & Development Engineer	Ordnance
	Research & Development Program
	Services

While waivers are still available for Acquisition Professional Career Fields, the most recent DODI 1300.19 (August 2008) changed the requirements to receive a scientific and technical waiver. To be eligible for this waiver now, an officer must serve continuously in a specialized field with only "one broadening assignment, not to exceed 36 months, outside that field while in the grade of O3 through O5." Given the generalist nature of a Navy Supply Corps career, it is doubtful that many Supply Corps officers will be specialized enough to qualify for such a waiver.

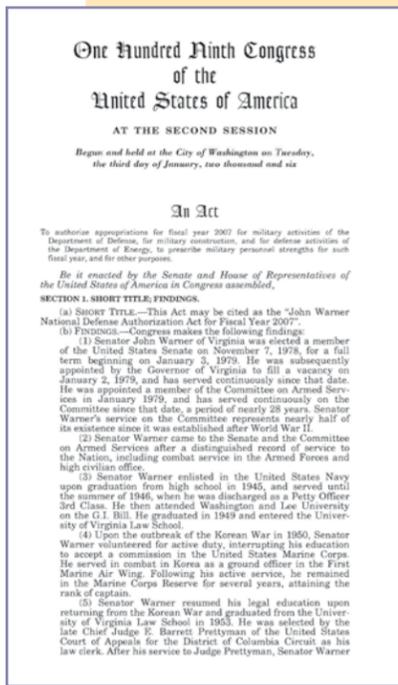


FIGURE 9.3: Picture of Navy Support to all levels of DoD and JIIM organizations



In 2006, after the re-interpretation of the law, only 16 percent of Supply Corps Captains in the promotion window for flag were Joint Specialty Officers (JSOs). Today, more than twice that number, 38 percent, are joint qualified officers (JQOs) (JQO replaced the legacy term JSO).

APPLICATION OF FIVE FORCES MODEL

Looking Forward—Environmental Scan

If the strategy documents reviewed in support of this study are to underpin the Supply Corps strategy, then the case is clear for sustained presence and investment across the joint environment. The following assumptions summarize the joint environmental trends:

- Competition and conflict for resources, power and influence will continue to be the primary strategic and operational context for the joint force over the next 25 years and support from the sea will sustain this joint force.
- Future operations will require increased operational and organizational flexibility characterized by modular (i.e. agile and scalable) unit-level joint forces.
- Force structure will include the creation of general-purpose forces capable of operating independently at increasingly lower echelons.
- Military forces will need to operate across the full range of military operations. This will include providing lift, logistics, possibly medical supplies and security to Joint Interagency Intergovernmental Multinational (JIIM) organizations, host nations (HNs), and nongovernmental organizations (NGOs). Figure 9.3 depicts Navy support to all JIIM organizations.
- Continued political and economic pressure will strengthen the movement toward “jointness”. Confronting future global threats will necessitate cooperative engagement with other countries.³³ We will depend on our coalition partners for more operational and logistical support as leaner, more agile units will not deploy with large, logistical tails.
- Future military operations will require increasing levels of integration among our maritime forces, enhanced cooperation with the other instruments of national power, and the capabilities of our international partners. JIIM organizations and the private sector will form partnerships to counter emerging threats.

The increasing emphasis on joint operations requires coordination with all services and an understanding of logistics from diverse perspectives. Supply Corps officers may need earlier exposure to joint concepts to acquire the necessary experience to fully function in the joint environment. The Supply Corps officer of today will become increasingly joint focused as traditional supply competencies such as warehousing, inventory management and parts procurement are centrally provided by DLA and as Supply Corps officers continue to fill operational positions on the JFC staffs. The skill sets required for non-traditional operations, such as humanitarian assistance/disaster relief (HADR), are not necessarily the same as those required for operating on an afloat platform. Contingency contracting, joint operations, understanding and working with JIIM organizations, and language skills may form part of the core curriculum at Supply Corps School or at a minimum, be a basis for participation in existing training programs with other agencies. Clearly, environmental trends suggest that a service logistics force must have a significant joint investment to be relevant to the JFC.

Articulated Demand

The general consensus from respondents to the Senior Leadership Advisory Council (SRLAC) survey presented in Chapter 3 is that the Supply Corps should become more invested in joint. An URL flag officer expanded this statement to explain that Supply Corps officers must become more fluent in the joint language and processes. Investment in joint logistics planning and expeditionary logistics was a clear theme. Discussions with OPNAV N41 staff confirm the need for additional investment and enhanced joint fluency across the community. A principal shortfall identified in these discussions and confirmed by recent leadership guidance is the need for officers to complete some type of joint logistics focused training similar to the Marine Corps Advanced Logistics Operations Course (ALOC) or the Army equivalent prior to or immediately after assignment to a JFC. As an example, the ALOC course focuses on operational and strategic level logistics operations in the Marine Corps to prepare logisticians to assume active roles throughout the Marine Air Ground Task Force (MAGTF), at Marine component commands, or in JIIM environments. Discussed previously, early opportunities to understand logistics planning solutions such as Joint Operations Planning and Execution System (JOPES) and Time Phased Force Deployment Data (TPFFD) are necessary since these solutions are becoming so common that Supply Corps officers without this background will find themselves at a disadvantage in the future.

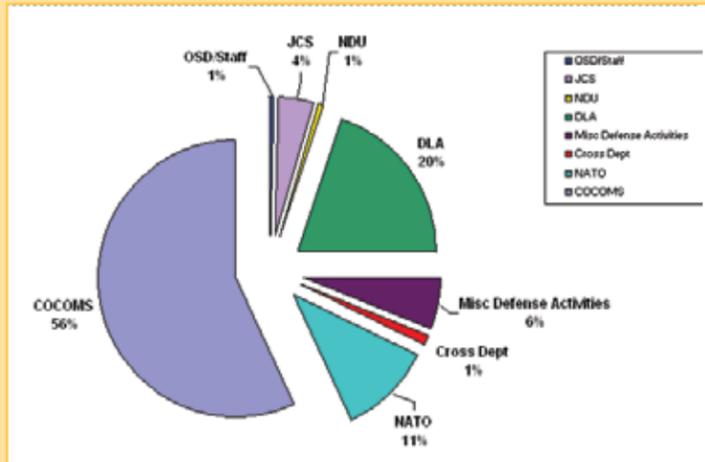
Joint Competition

Less clear in the research to date is what constitutes competition among service logistics professionals. If competition exists, the Supply Corps must better understand why competing is necessary. Ultimately, relevance as a community in the joint environment is important and providing maritime experience and expertise is what should be expected of Navy Supply Corps officers.

The range and extent of a Supply Corps presence must be bounded by the capacity to service community stakeholders. Today, the community is constrained at the CGs by the number of accessions directly related to operational opportunities. Because Supply

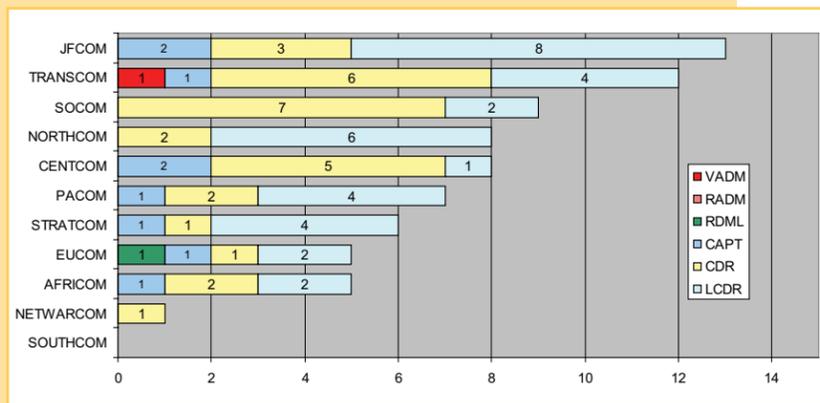


FIGURE 9.4: Billet distribution at Joint Organizations



The greatest opportunity for joint experience is at the O4 and O5 level

FIGURE 9.5: Number of SC CG officers on JFC staffs



Corps officers are service logisticians first, the community should have a clear strategy balancing investment across Navy and JIIM stakeholders before electing to petition or compete for additional billets in the joint environment.

Supply Corps Joint Investment – Buyer Demand

The share of joint coded billets has remained constant for more than 10 years. However since 2001 Supply Corps requirements have shifted from combatant commands to supporting the JCS. Significant migration from routine defense agency joint logistics requirements to logistics leadership, strategy, policy and planning roles among combatant commands and the JCS has occurred since 2001. Specifically, 56 new requirements have been funded since 2001 with 19 aligned directly to JFCs and 57 percent of Supply Corps JDAL billets today are on JFC staffs. USTRANSCOM has the most (24) while USSOUTHCOM has the least (one). Figure 9.4 shows the distribution of billets at all joint organizations. These JFC billets have grown to 250 percent of the 2001 requirement.

In accordance with the Standard Joint Duty Assignment List (S-JDAL), the Supply Corps has 311 (257 O4s-O6s) billets at joint organizations. Of these, 167 (155 are O4s-O6s) are qualified JDAL billets. Lieutenant Commanders have more opportunities to be assigned to a JDAL billet as 43 percent of the JDAL billets are at this paygrade. Commanders and Captains have less of an opportunity with 38 and 17 percent of the billets on the JDAL list respectively (Supply Corps flag officers make up 3 percent of the JDAL). JDAL billets require a three-year commitment with few exceptions. All JDAL billets (except URLs and GO/FOs) have a tour length of three years, which is set in law (Title 10). These three-year tours often limit the number of officers that the Supply Corps can move through these JDAL billets. Figure 9.5 highlights the number of CG officers on each JFC staff.

While obtaining a JDAL billet is challenging, the experience-based self-nomination process instituted in October 2007 offers more Supply Corps officers an opportunity to receive joint credit for joint work. Increasingly, more Supply Corps officers are applying for joint experience and receiving full joint credit. February 2009 results show that 84% of the 72 (66 AC, 6 RC) applications for joint credit through the Web-based self-nomination system have been approved.

Joint Milestones (Qualification) – What We Value

A broad misunderstanding within the community is that joint assignments are valued today because the Scientific and Technical waiver is no longer a viable alternative to joint qualification for Supply Corps officers competing for selection to flag rank. However, the community values billets in joint organizations because they allow Supply Corps officers to be more relevant to logistics elements supporting the joint force commander. Such experience and opportunity will allow our best officers to compete for flag and for logistics related leadership roles across the joint environment. The Supply Corps should establish training, education and experience opportunities with corresponding career milestones. Chapter 10 will consider all facets of the Supply Corps officer development continuum; whereas, this chapter will focus on available joint opportunities and the Supply Corps strategy for helping officers meet unique joint milestones.

JOINT MILESTONES TODAY

The current model for joint qualification requires that officers complete JPME on two levels– Phase I and Phase II – and possess joint experience that meets the definition of joint matters. Joint matters as codified in the National Defense Authorization Act for FY 2007 (NDAA FY 2007) are as follows:

Matters related to the achievement of unified action by multiple military forces in operations conducted across domains such as land, sea, or air, in space, or in the information environment, including matters relating to:

- a) national military strategy**
- b) strategic planning and contingency planning**
- c) command and control of operations under unified command**
- d) national security planning with departments and agencies of the United States**
- e) combined operations with military forces of allied nations.**³⁴

Officer Professional Military Education Policy (OPMEP) CJCSI 1800.01D communicates the CJCS' vision for joint officer development. The instruction details five military levels of education supporting the five phases of an officer's career (Figure 9.6). JPME I is the third level of the continuum, representing the intermediate phase of an officer's career. JPME II represents the fourth level of military education and the senior phase of an officer's career.



FIGURE 9.6: Military Levels of Education Supporting an Officer's Career

Military Levels of Education Supporting an Officers Career

- 1. pre-commissioning** – that military education received at institutions such as the military academies or the Reserve Officer Training Program at universities throughout the country
- 2. primary** – courses designed to prepare junior officers (O1 – O3) for their branch or warfare specialty
- 3. intermediate** – for field grade officers (O4), accomplished at command and staff colleges
- 4. senior** – for senior field grade officers (O5 – O6), accomplished at the war colleges
- 5. general officers/flag officer** – for those newly promoted to O7, accomplished in a program called CAPSTONE.

JPME I takes aim directly at developing officers with an appreciation for the joint environment. It is the most readily available level of training and well over half of all Supply Corps Lieutenant Commanders, Commanders, and Captains on active duty today have completed JPME I. There are 23 avenues to pursue JPME I: nine 10-month resident courses; seven seminar courses which take 24 months on average to complete; and seven self-study or correspondence courses. Each service command and staff college offers its own service-specific version.

JPME II, on the other hand, is somewhat more challenging to accomplish as there are only 2,000 seats annually for all the services.³⁵ Seats in the Navy are divided based on the total number of joint billets in a community and whether or not joint qualification is required for flag consideration. The Supply Corps is allocated just 20 of 188 annual seats at the Joint Combined Warfighting School (JCWS) and only 12 of 214 seats at the senior war colleges. Furthermore, the Supply Corps attends only three of the eight establishments offering joint education. JPME II is a resident-only course, and as such does not offer the same availability and flexibility of JPME I.

All junior and senior war colleges offer JPME I (junior) and II (senior). The Supply Corps selects officers for junior and senior war colleges during the Lieutenant Commander and Commander selection board process. The Supply Corps designates the top 50 percent of each promotion group to be eligible for junior or senior war college. The top 50 percent of each promotion group does not attend junior war college because junior war college often competes with another milestone—postgraduate school.

On average, the Supply Corps promotes 90 Lieutenants to Lieutenant Commander annually. Roughly 73 percent have an academic profile code (APC) of 345 that qualifies them to attend Navy Postgraduate School (NPS). There are only 52 postgraduate seats including those at NPS, 10 Acquisition and Distribution Management 810 MBA billets, and four seats at the University of Kansas for Petroleum Management. Officers who do not participate in Navy funded degree programs can request one of the 15 junior war college seats or earn a masters degree on their own. An advantage of NPS and junior war college is that JPME I is built into the curriculum.

NAVSUP OP assigns JPME II quotas with the following priority: Captains, sea board selects, Commanders detailed to joint billets, Commanders, Lieutenant Commanders detailed to joint billets, and Lieutenant Commanders. This strategy makes sense if the goal is to have the largest possible pool of inherently joint Captains. The bottom line is that there are only 32 JPME II opportunities, and distribution is challenging.

An alternative distribution strategy might be to send only those individuals en route to a joint billet. Approximately 50 individuals are assigned to a joint billet every year. This option would result in 18 officers who have joint experience but are ineligible for joint qualification because they have not completed JPME II. Additional options include an administrative selection board or sending the most promotable officers on a first come, first served basis.

Perhaps the best opportunity, at least for Lieutenant Commander JPME II assignments, are officers with the market basket of career milestones for promotion whose Fitness Report (FITREP) performance indicates they will be competitive for promotion and who request assignment within the joint environment. These simple checks in the detailing process will serve to limit Lieutenant Commander opportunities to those officers most likely to progress professionally.



Figure 9.7 shows Supply Corps progress towards joint qualification in the last three years. Note that the 2009 information is a projection only.

Figure 9.8 illustrates the growth of Supply Corps officers with recorded JPME I, JPME II, JDA, and JQO designation for fiscal years (FYs) 1995, 2000, 2005, and 2009. JQO is a requirement to fill critical JDA billets and, as discussed previously, is necessary for promotion to flag. There were an unusually high number of JQO officers in FY 95; it is believed that these officers were either grandfathered in or earned the qualification before the standards for the award of the related subspecialty became more stringently enforced.

Junior Service Colleges

Supply Corps Lieutenants that have been selected for promotion to Lieutenant Commander may attend a Junior Service College. At the junior service colleges, officers receive 10 months of advanced professional military education necessary to better prepare them for greater responsibilities. Officers earn a master's degree in international studies and complete requirements for JPME I.

Figure 9.9 lists the Junior War Colleges.

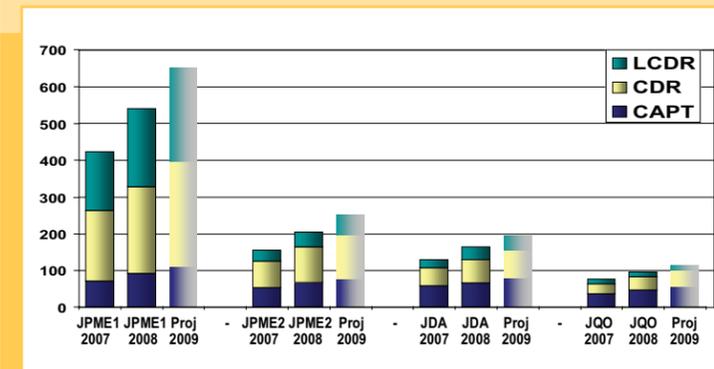
Senior Service Colleges

Similar to junior service college selection, officers selected for senior service college are in the top 50 percent of their promotion group when selected to Commander. Officers who participate in these programs learn concepts relative to the challenges facing the DoD. In general, curriculums at the various colleges are the same, but depending on which school an officer attends, he or she may receive training with a particular focus. For example, the Air War College focuses on cyber warfare, while the Naval War College focuses on the challenges facing the maritime operating environment. Given the JPME II constraints, only officers believed to have strong promotion potential to Captain are afforded this opportunity today. Figure 9.10 lists the Senior War Colleges.

Joint Logistics Officer Development

Joint logistics officer development must improve although the Joint Publication 4.0—Joint Logistics states, “Joint logisticians are not expected to possess all the in-depth knowledge necessary to fully support the joint force. However, each is expected to be an expert in their service or agency’s logistics profession, enabling the JFC

FIGURE 9.7: Number of SC officers with joint credentials



Steady increase in officers with joint credentials

FIGURE 9.8: SC officers with joint duty assignments

FY	JPME 1	JPME 2	JDA	JQO
95	218	136	162	116
00	294	144	176	72
05	403	154	159	87
09	620	213	200	107
% change 95-09	184%	57%	23%	(8.4%)

FIGURE 9.9: Junior War Colleges

JUNIOR WAR COLLEGE	
Air Command & Staff	Maxwell AFB, AL
Army Command / General & Staff	FT Leavenworth, KS
USMC Command & Staff	Quantico, VA
Naval Command and Staff	Newport, RI

FIGURE 9.10: Senior War Colleges

SENIOR WAR COLLEGE	
Air War College	Maxwell AFB, AL
Army War College	Carlisle Barracks, PA
Industrial College of the Armed Forces (ICAF)	FT McNair, Washington DC
USMC “Top Level”	Quantico, VA
National War College	FT McNair, Washington, DC
Naval War College	Newport, RI

JP 4.0: Joint logisticians are not expected to possess all the in-depth knowledge necessary to fully support the joint force. However, each is expected to be an expert in their service or agency's logistics profession, enabling the JFC to integrate diverse logistical support capabilities for the joint force.



to integrate diverse logistical support capabilities for the joint force.” Additionally, the CJCS Vision for Joint Officer Development recognizes that individuals join a particular service, not a Joint Corps. When Supply Corps officers receive a joint qualification, they become joint logisticians.

The Supply Corps should avoid the notion that service level knowledge is enough. Again quoting Joint Logistics Doctrine, “Joint logisticians are the planners, executors, and controllers of core joint logistics capabilities. They understand tactical, operational, and strategic operations and synchronized efforts to effectively meet joint force requirements.”³⁶ Supply Corps officers with maritime experience are valued in this construct. However, additional logistics training and education are necessary. Given the stakeholder demand for CG officers, the Supply Corps should continue to migrate to true logistics positions and not pursue joint requirements simply because they are categorized as “joint.”

Not all the services are fully functioning to meet JFC expectations, but the Supply Corps may have an advantage as it already performs many of the core logistics capabilities outlined in the JP 4.0 and its members remain generalists within those capabilities. JP 4.0 outlines the following “core logistics capabilities: supply, maintenance operations, deployment and distribution, health service support (HSS), engineering, logistic services, and operational contract support.” Both the Army and the Air Force have traditionally been more specialized, with an officer mastering only one of these capabilities. However, recent efforts have moved individuals away from specialization toward more generalized experience. In 2008 the Army created the Logistics Branch, combining the former Quartermaster Corps, Transportation Corps, and Ordnance Corps. The Air Force made a similar move by combining supply, transportation, and logistics plans.

In the Supply Corps, an officer becomes a joint officer and a joint logistician. Very few officers receive education beyond JPME. The Marine Corps offers ALOC and the Tactical and Advanced Logistics Officer’s Course (TLOC) and reserves 15 of 28 slots for the Navy. However, few take advantage of this opportunity and therefore the 15-slot quota is rarely met. NPS offers a curriculum titled Joint Operational Logistics (361), but it does not focus on JFC logistics competencies. Even if the NPS curricula were updated, only a handful of Supply Corps officers who need these skills would develop them in this way.

There has been significant analysis of joint logistics education and training. The Focused Logistics Campaign Plan, the Joint Logistics White Paper, JP 4.0 Logistics, DoD Logistics Human Capital Strategy, and the USTRANSCOM Joint Deployment and Distribution Enterprise (JDDE) competency model all describe the characteristics or competencies expected in a joint logistician. Some reports give both the competencies and recommended training and education, yet few training programs exist. The Supply Corps could improve its officer development pipeline by reviewing sister service logistics training and education programs and developing or participating in training pipelines with equivalent training/education objectives.

LOOKING FORWARD

To be successful, the community must appreciate and benefit from a strategy building on and addressing the array of community strengths, weaknesses, threats and opportunities presented in figure 9.11 that apply to engagement in the joint environment. Most have been discussed in the preceding text. The most obvious Supply Corps strength, broad skills, also belies the most obvious weakness, the absence of joint logistics training. The community must also invest cautiously, avoiding billet opportunities when Supply Corps officers are not the best military logisticians to support the warfighter. Opportunities, particularly those that enhance community relevance to the warfighter as the DoD landscape evolves and those that grow skilled military logisticians as JOs, must be routinely evaluated and implemented when practical. Success will require a community sponsor who is attuned to this evolution and these opportunities and who can influence community investment across the joint environment.

The U.S. Navy Vision for Joint Logistics Engagement details joint logistician billet objectives and corresponding training and education objectives. The overarching objective is to, “influence the organizational structure of joint commands resulting in a Navy joint logistics professionalism and billet base constructed to ensure optimization among Services and to meet both overall Navy interest and support the joint warfighter.” Further objectives are to-

- Codify the concept of Navy logisticians and the specific roles and capabilities of all logistics communities within the Navy.
- Influence the review and development of joint logistics billet studies across all the Navy logistics communities and optimize the education, training, placement and utilization of Navy logisticians at joint commands.
- Continually review and shape the most advantageous allocation of Navy joint logistics billets and influence the development of the best possible joint billet structure for Navy logisticians in the joint and multiservice arenas that are responsive to this vision.
- Coordinate the development of improved opportunities for joint logistics training and education.
- Incorporate joint logistics principles in Navy logistics training and procedures across all Navy logistics capability areas.

Strengths:	Weaknesses:
<ul style="list-style-type: none"> • autonomous, resourceful leaders • broad skill sets (generalists) • diverse workforce • broad experience serving multiple types of clients • well connected, networked community • business acumen • connection to warfighter 	<ul style="list-style-type: none"> • absence of Joint logistics training • difficulty saying “no” to new requirements • late entry to joint environment • backlog of unqualified joint logisticians • no strategy for joint officer development • limited “Logistics” Skill set (Unlike other services our community doesn’t control maintenance, engineering, or health service support)
Opportunities:	Threats:
<ul style="list-style-type: none"> • adopt consultant model for other Services • capitalize on NLI and CGLI efforts to combine logistics initiatives, personnel, and processes with the Marine Corps and Coast Guard • consider multinational, interagency, and intergovernmental support 	<ul style="list-style-type: none"> • relevance to joint force commander • other Service logisticians • other Navy logisticians

FIGURE 9.11: Joint Engagement – Strengths, weaknesses, opportunities and threats (SWOT) diagram for the Supply Corps.

It is important to remember that the Supply Corps is a Navy logistics community not the Navy's logistics community. However, it is no accident that these objectives contain the same strengths and opportunities the Supply Corps must exploit and address efforts to overcome the threats and weaknesses discussed in this chapter. Assertive action that will position the community with an appreciation for community strengths, weaknesses and opportunities is expressed in the joint vision.

SUPPLY CORPS JOINT VISION

Mission: Relevance across the joint environment in 2040 is essential to the Supply Corps and the Navy and is central to the mission of the Supply Corps:

Supply Corps...Delivering Sustained Logistics capabilities to the Navy and Joint Warfighter.

Considering the background and current context of the joint environment, the Supply Corps 2040 Vision Study team developed the Supply Corps joint vision described below.

The Supply Corps will align officer investment to the mutual advantage of JFCs and other Navy and non-Navy stakeholders. Officer investment will place a Supply Corps officer in those billets where a military officer with maritime experience is essential to mission success and is needed to provide influence across joint, international, intergovernmental, and multinational environments.

Supply Corps officers will, through joint logistics education, experience and community culture, understand what each Service and agency brings to the table and will be able to use this capability to the advantage of the JFC.

Supply Corps officers will be highly sought after for their broad skills and will be well qualified by serving in multiple joint logistics tours.

Joint Objectives: Long term objectives are as follows:

- The Supply Corps will sponsor and develop training and education geared toward the development of joint officers.
- The Supply Corps will encourage and recognize, via promotion board precepts, multiple tours in JIIM.

Key Strategies: Supply Corps strategies that will be pursued are:

- Selectively detail best candidates, according to accomplishments and performance, to joint tours. Monitor the joint pipeline as a measure of success seeking to produce the largest pool of joint qualified Supply Corps CAPTs.
- Conduct joint billet reviews in conjunction with annual functional reviews. Seek to migrate to the most relevant billets with emphasis on billets aligning with principal and complementary officer skills. Balance investments across all stakeholders to their mutual advantage.
- Establish and maintain sufficient JPME II quotas and community specific joint logistics training opportunities to train the most promotable officers prior to CAPT.
- Identify a Supply Corps flag officer to manage community strategies and investments across the joint environment as a community of interest.
- Implement a Supply Corps Joint Logistics Concept aligned to the OPNAV concept.

SUMMARY

Developing and assigning officers prepared to deliver logistics readiness across the joint environment depends on career milestone achievements. JPME I, JPME II and JDAs remain fundamental. Missing today, however, are experience and training milestones at the tactical level and joint logistics planning training at the operational level. Investment across the joint environment must be balanced to ensure the limited inventory of Supply Corps officers, constrained today by JO operational opportunities, is optimally aligned to those requirements across the joint enterprise. The community must transition from filling any joint billet and valuing joint qualification as a promotion milestone to recognizing joint investments across joint organizations as fundamental to the relevance and success of the Supply Corps in 2040. A community of interest sponsor should be assigned to guide joint development forward. As stated previously, Supply Corps officers are service logisticians first, therefore service specific training and experience will be fundamental requirements as they become joint officers. For this reason, joint developmental milestones are embedded in the overarching officer development continuum in the chapter that follows.



Chapter 10

OFFICER DEVELOPMENT

Each year officer accessions enter the community as the raw material that, over the course of a 20 to 30 year career, will be forged and shaped through training, education and experience tours to serve in senior leadership, policy, strategy and planning roles on behalf of Navy and joint stakeholders.

Throw them in the deep end, educate them, and mentor them will remain the enduring model for officer development.³⁷ Continuous training and education over a career continuum, reinforced with experience tours, will prepare officers with the broad skills and competencies in demand by Supply Corps stakeholders. These skills will be developed while training for the principal and complementary business lines of operation in demand by Supply Corps stakeholders and will yield officers with core competencies including business acumen. Mentoring will continue to serve as the principal means to guide officers in recognizing and developing the competencies valued by the community and its stakeholders and in satisfying career milestones for promotion.

Officer development over the next 30 years requires a process that is able to look beyond ingrained success paradigms and historic stakeholder demand. The analysis in this chapter focuses on a development continuum emphasizing competencies that provide the community with a competitive edge over the planning horizon. Using the Navy Strategic Planning Process (NSPP) introduced in Chapter 5, the analysis identifies those competencies core to the development of a Supply Corps officer and enduring over a range of futures. Projected competencies are contrasted with current competencies in light of today's officer development model to understand gaps and opportunities.

Revised milestones and community management enhancements preparing officers for future service are presented as the community embraces joint and expeditionary roles and recognizes knowledge management as a key to officer success. A forecast of training, education and experience opportunities is provided that will enhance evolution of key success factors. Rounding out the forecast is senior leadership's use of social networking platforms to communicate challenges and opportunities across Supply Corps communities of interest.

SUPPLY CORPS OFFICER DEVELOPMENT CONSTRUCT TODAY

As indicated in the opening paragraph of this chapter, Supply Corps officer development today is best summarized in the phrase "throw them in the deep end, educate them, and mentor them". This methodology has proven to be very effective at instilling in every Supply Corps officer the core competencies and knowledge necessary for success in dynamic and demanding operating environments.

Throw Them in the Deep End

As retired RADM Ernie Elliott noted, "the sink or swim aspect and the many facets of a sea duty assignment are the building blocks of the senior officer's expertise."³⁸ This phrase describes the cornerstone of the Supply Corps officer development model; the operational tour. The importance of operational assignments cannot be overemphasized. From the beginning, Supply Corps officers are placed in positions of significant responsibility with little support and held to high performance standards. Learning how to work, communicating up and down the chain of command, and operating in multiple challenging environments develops officers who can think on their feet, be flexible and creative, and make sound decisions. Supply Corps officers do this while serving alongside their line and staff counterparts, frequently with limited reach-back capability for guidance, assistance, and mentorship.

Although slow in unfolding, the community paradigm valuing two afloat tours prior to Lieutenant Commander versus any two operational tours has been broken. Today, officers compete successfully for Lieutenant Commander with two operational tours whether they were afloat or supporting an expeditionary platform ashore. The operational analysis confirms that the share of operational opportunities will continue to shift to expeditionary units. "Throw them in the deep end" will endure and underpin core competency development but the definition of "deep end" will change. These expeditionary assignments, or ashore assignments, is where officers will first be exposed to Joint Interagency Intergovernmental Multinational (JIIM) organizations and nongovernmental organizations (NGOs). These assignments will close the skills gap in providing a wide range of logistics management services to operational forces in a joint operating environment. As the Navy expeditionary role evolves, Supply Corps officers and their stakeholders will benefit from the diverse experiences gained in both afloat and expeditionary operational assignments.

Educate Them

Although the experience gained through operational assignments is critical to a Supply Corps officer's development, we must not forget the importance of training and education. The Supply Corps training and education pipeline provides extensive opportunities for officers to refresh their skills and learn new ones. Every course provides community officers with an ever-widening range of skills, preparing them to support the needs of their stakeholders.

The Supply Corps trains and educates its officers based on a continuum of education and experience. This system produces highly knowledgeable and versatile Supply Corps officers, fully capable of supporting stakeholders with supply chain management, acquisition, operational logistics and general supply skills. This system provides a mix of job-specific training, formal education and experience aimed at filling an officer's market basket with principal supply related qualifications, certifications, diplomas and practical experience. Joint education, internships, training with industry, fellowships and civilian MBA opportunities further fill the basket with complementary skills.

Future Valued Experiences

- Afloat
- Expeditionary
- JIIM and NGO assignments



CONTINUUM OF EDUCATION

The continuum of education can be organized into three phases: Junior officer (JO) Basic Technical Development and Leadership, Advanced Technical Proficiency and Leadership, and Senior Officer Development and Leadership. Most of this training starts at the

officer's accession source and continues throughout a career, with each stage building upon the previous one, reinforcing key Supply Corps competencies and values. Figure 10.1 illustrates how each stage incorporates various facets of training, education, and career experience to create the current training model.

The Supply Corps delivers training today primarily within traditional "brick and mortar" institutions with structured, curriculum-based courses offered at various education sites around the globe. Formal classes provide students the basic tools necessary to succeed in future assignments. Students are also exposed to scenario analysis and problem solving techniques.

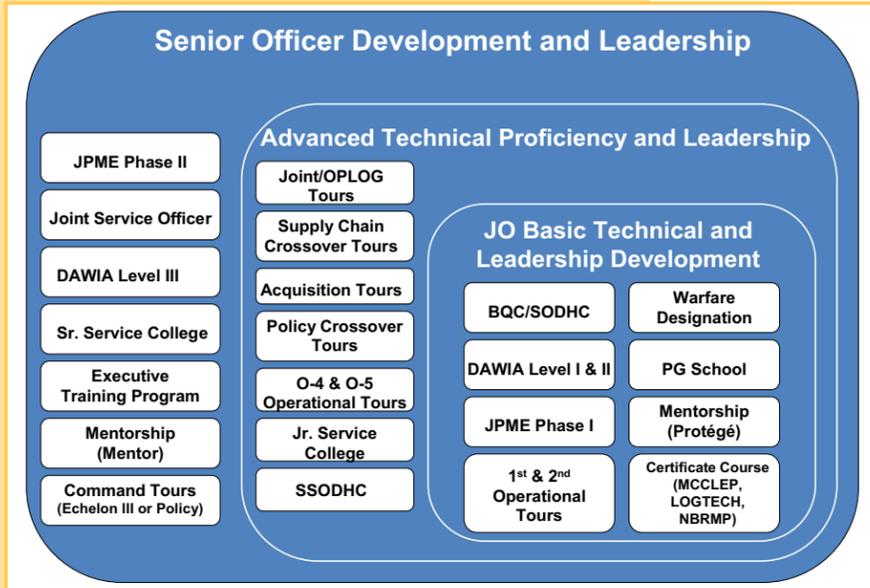
Complementing these "brick and mortar" learning environments are emerging distance learning capabilities. Today flexibility exists as Navy Knowledge Online, the Defense Acquisition University and the Naval War College deliver courses via Web-enabled platforms, correspondence, CD-ROM, and virtual classroom venues.

JO BASIC TECHNICAL DEVELOPMENT AND LEADERSHIP PHASE

The Supply Corps continuum of education begins with the Basic Qualification Course (BQC) provided by the Navy Supply Corps School (NSCS) currently located in Athens, Ga. Averaging a graduation rate of nearly 255 officers a year since 1987, the BQC is the first formalized training all Supply Corps officer receive prior to being assigned to their first operational tour. Here, they receive training in operational supply-related topics such as Disbursing and Retail Management, Food Service Operations, Postal Operations, Supply Management/Stock Control, and Hazardous Material Management. Students also build relationships with their classmates and staff.



FIGURE 10.1: Supply Corps Continuum of Education



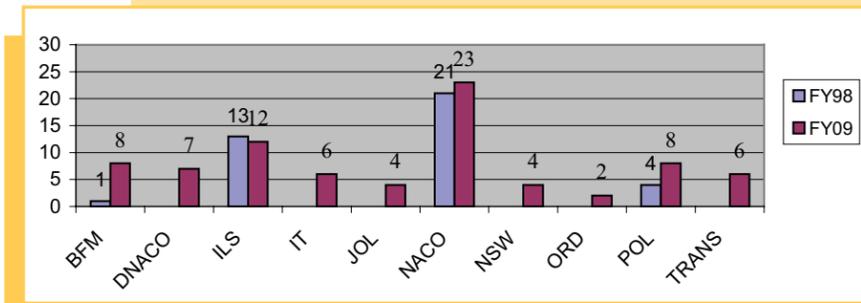
Upon graduation from the BQC, officers receive assignments to their first operational tour ranging from being a department head onboard a submarine or minesweeper to being a division officer on a surface ship or Navy cargo handling battalion. Officers learn to put into practice the skills and concepts they were taught in the BQC to develop expertise in a supply related line of operation. JOs are also encouraged to earn a warfare qualification based on their assigned operational platform. "Learning the platform" places JOs in withstanding roles serving in the same capacity as their line counterparts and allows them to develop a better understanding of the warfighting mission and the stakeholder they serve.

Supply Corps Internships

Shortly after completion of their initial sea tour, junior Supply Corps officers typically begin their developmental education on their first shore tour, usually in the form of an internship or on-the-job training. These programs are excellent opportunities for JOs to develop skills and gain exposure to policy while receiving on-the-job training in a functional subspecialty. Officers who participate in these programs acquire a significant experience "S" code, and in some cases, an AQD.

Selection for one of the 10 categories of Supply Corps internships occurs through a semi-annual administrative board process. Each board meets and reviews approximately 60 to 80 applications for 40 positions. Figure 10.2 shows Supply Corps internship opportunities in fiscal years 1998 through 2009. The number of internship opportunities has grown from 39 in 1998 to 80 in 2009. The most recent additions in Naval Special Warfare and Joint Operational Logistics, Petroleum Logistics, and Transportation reflect the shift toward operational logistics emerging markets. The number of contracting internships has also increased from 21 to 30 positions. This supports the finding made in Chapter 8 stating that the current billet coding does not accurately reflect the developmental pipeline requirements. In this case, there are more contracting internships than are required to support development of experienced contracting officers. Implementing the functional review coding will help alleviate this problem and balance the developmental pipeline with the appropriate number

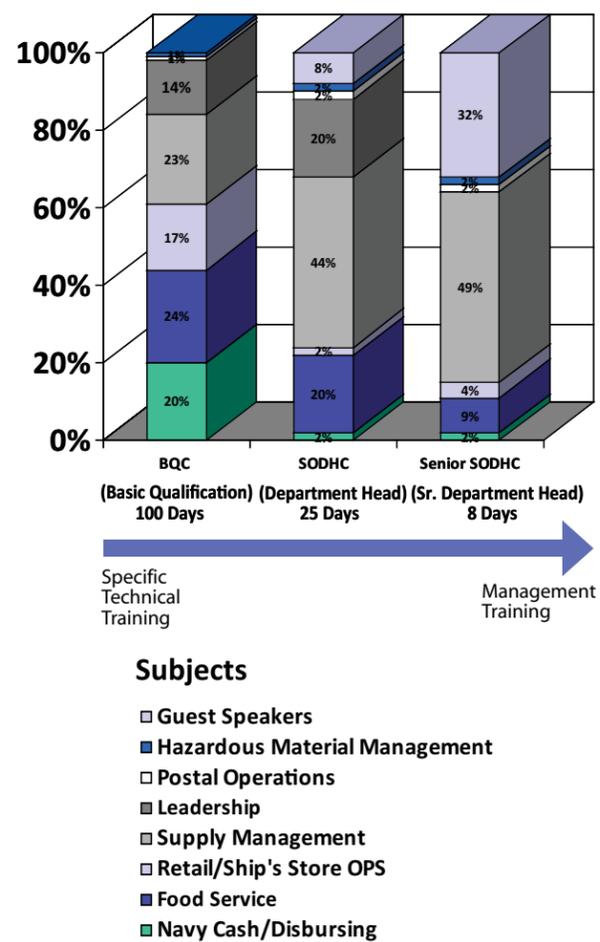
FIGURE 10.2: Navy Supply Corps Internship Opportunities



- BFM** – Business Financial Management
- DNACO**–Dept of the Navy Acq. Contracting Officer
- ILS**–Integrated Logistics Support
- IT**–Information Technology
- JOL**–Joint Operational Logistics
- NACO**–Navy Acquisition Contracting Officer
- NSW**–Navy Special Warfare
- ORD**–Ordnance
- POL**–Petroleum Logistics
- TRANS**–Transportation

Sixty percent of all Commanders are DAWIA certified. Eighty percent of all Captains and one hundred percent of all flag officers achieve certification.

FIGURE 10.3: Supply Corps Continuum of Education



of internships to support growing the number of officers needed to fill billets where prior experience is a prerequisite.

Four internship categories (NACO/DNACO, ILS, BFM, and IT) require Defense Acquisition Workforce Improvement Act (DAWIA) training. DAWIA, signed into law in November 1990, established education and training standards, courses, and requirements for the DoD workforce. Officers can take courses and training in a wide range of fields, but only four areas (life-cycle logistics, contracting, business cost estimating, financial management) are recognized by the Supply Corps as benefitting defense related acquisition and logistics functions. Anyone serving in a designated acquisition position must meet DoD's certification standards and/or specific DAWIA legal requirements. DAWIA certification at Level II or III is an important requirement for most Supply Corps officers. Sixty percent of all Commanders are DAWIA certified. Eighty percent of all Captains and one hundred percent of all flag officers achieve certification. DAWIA certification is also required for comptrollers and business managers. Although these four internship programs have education and training standards, multiple anecdotal comments suggest that the level of structure, discipline, and education received varies within these and the other non-DAWIA internship programs.

Certificate Training Programs

In addition to internships, some officers attend certificate training programs. These three programs cover a wide range of topics, with each being related to Supply Corps business lines. Currently, there are three courses: the Marine Corps Logistics Education Program at Penn State University's Smeal School of Business; LOGTECH Advanced at the University of North Carolina's Kenan-Flagler School of Business; and the Navy Business Resource Management Program at the University of Virginia's Darden School of Business. These courses, ranging in length from five days to one month, are designed to teach officers new skills and techniques, while reinforcing Supply Corps competencies.

ADVANCED TECHNICAL PROFICIENCY AND LEADERSHIP:

In this phase of a Supply Corps officers training, the officers begin to broaden their skills sets and receive training, experience, and education in more than one line of operation. A second sea or operational tour is required

for officers to fit within the current career paradigm and remain promotable. Like the BQC, Supply Officer Department Head (SODHC) and Senior Supply Officer Department Head Afloat (SSODHC) courses provide Lieutenants, Lieutenant Commanders, and Commanders respectively with the requisite knowledge and skills required to serve as department heads afloat, as senior supply officers on large afloat platforms, and as Commanding Officers of Logistics Support Units. Figure 10.3 breaks down the current training curriculums for the BQC, SODHC, and SSODHC and shows the shift from specific technical training with equal emphasis placed on all subject areas during the BQC to increasing emphasis on supply management/stock control, policy, lessons learned, and stakeholder management (delivered through guest speakers) at the senior level course.

Postgraduate Education

Virtually all Supply Corps officers have completed a postgraduate degree prior to being considered for promotion to Commander. To facilitate this, the Supply Corps encourages each officer to attend a postgraduate school by providing access to a range of options including Naval Postgraduate School (NPS), service war colleges, and the Acquisition/Distribution Management Program more commonly referred to as the 810 program. Officers study in a supply related discipline or JPME, and upon completion of their degree programs, they earn a "P" coded subspecialty designation, indicating graduate level training in that field. Officers can also choose to attend a non-Navy funded, civilian, postgraduate program on their own time and earn a 1301G subspecialty code. Approximately 10 percent of officers choose this method of obtaining a postgraduate degree.

The Supply Corps Officer Community Manager reviews the inventory-to-billet requirements to ensure there is a proper balance and sufficient officer inventory to meet the billet subspecialty requirements. There are barriers restricting the Community Manager's ability to ensure balance. One of the limiting factors is that almost half of all Lieutenant Junior Grades and Lieutenants do not possess a qualifying academic profile code (APC) or any APC on file. The previous postgraduate education selection process required an officer to apply to an administrative selection board held in conjunction with the Lieutenant selection board and list their curriculum preferences. Today, all eligible officers are screened and selected for the different curricula based on their preferences. Assignment to school is a detailing issue based on qualifying APC, availability and career progression. The civilian MBA program (810) is the only postgraduate education program for which selections are made through an administrative board process.

Externships/Training With Industry

Externships or Training With Industry (TWI) are experiential learning opportunities, similar to internships, designed to give officers practical corporate experience in their field of study. The Supply Corps uses this method to develop contacts with private sector companies to learn the latest commercial methods and to improve logistics business practices. Today, one externship with Home Depot is offered every year to a high performing officer working in the supply chain line of operation. While this type of training opportunity has proved valuable enough to plan additional externship opportunities with FedEx and Exxon/Mobil, there are program processes that could be improved. For instance, there is no clear mechanism for these officers to transfer their knowledge to the largest possible audience. Officers who have served in the current Home Depot externship return to the Supply Corps with enthusiasm and ideas about how the



Supply Corps can leverage commercial practices to improve the Navy's supply chain and knowledge transfer from the officers in these positions. As discussed later in this chapter, the ability to manage knowledge will be a key success factor for the Supply Corps of the future.

SENIOR OFFICER DEVELOPMENT AND LEADERSHIP PHASE

When senior Supply Corps officers enter this phase of their careers, not only have they gained immeasurable experience in areas common to all Supply Officers, but they have also demonstrated a functional expertise in more focused areas such as those designated by their earned subspecialty codes. There is still training these officers receive designed to either shore up already proven skills or to broaden their perspective.

Executive Training Programs

The executive training program is an opportunity for Supply Corps Captains to continue their education at a top tier business school with their peers in business and industry. The program typically involves four weeks of intense study that further hones the skills of senior leadership. The courses expose Supply Corps officers to the latest leadership and management techniques taught by the very best professors these schools have to offer. The program also allows Supply Corps officers to extend their professional networks and associations outside the military environment.

Control grade (CG) officers that have been selected for an O5 sea tour can also take advantage of Executive Training Programs. These programs, offered by a variety of nationally ranked business schools, give experienced Supply Corps officers new skills, management techniques, and new perspectives on challenges common in running businesses and leading large enterprises. Figure 10.4 lists the participating universities.

MENTOR THEM

Mentoring is a source of strength for the Supply Corps. Made evident in the community management section, the Supply Corps is one of the few Staff Corps communities whose entire force structure is centered on the very stakeholders it supports. There are limited assignments in the career of a Supply Corps officer where his/her commanding officer will also be a Supply Corps officer; rather, for most of a Supply Corps officer's career, he/she will work for a commanding officer who belongs to another community. This force structure limits interaction between officers and Supply Corps community leadership. This is not to say that a senior officer who is not a Supply Corps officer does not provide valuable mentorship. In fact, the exact opposite is true. Supply Corps officers are naval officers first, and other communities have done an excellent job of encouraging our officers to assimilate into their commands and their organizations' cultures. The Supply Corps fosters a culture of mentoring with formal mentoring programs that are enhanced over an officer's career with naturally evolving relationships. Mentor-protégé relationships and information sharing are further solidified through participation in regional associations, JO Training Symposiums (JOTS) and with annual community road show presentations.

A Culture of Mentoring

The simplest, yet most effective retention tool is the Supply Corps attitude towards mentorship. Senior officers and JOs alike are encouraged to be "visible and approachable" all while being willing to give and receive mentorship. This has had an extremely positive impact on the Supply Corps community, with many officers citing this concept as the very reason they chose to remain in the Navy. To try to take advantage of this, leadership created an official mentoring pilot program in 2003 with some success. Recent surveys of junior Supply Corps officers indicate that mentoring is most successful when the mentor-protégé relationship happens naturally. The appreciation of developing these natural relationships is not, however, expected of the Ensign who joins the community. Rather, the Supply Corps recognizes that each JO will better understand the concept through an initial mentor assignment. With this objective in mind, the Supply Corps assigns every Ensign who graduates from Navy Supply Corps School a junior Supply Corps Commander mentor who is stationed in the same geographic area. Recognizing that officers benefit from multiple mentor-protégé relationships and because, for a variety of reasons, initial relationships will not endure, the Supply Corps also assigns mentors to JOs as they transition from their initial sea tour to their first shore tour. In this case, NAVSUP Office of Personnel (OP) provides the president of each regional Supply Corps Association with periodic lists of officers with orders to their region. The presidents are asked to meet with each JO as he/she arrives and identify a mentor who they believe "fits" the life and career aspirations of the officer. These formal mentor pairings are recent enhancements to the Supply Corps mentoring program and their success has not been measured.

FIGURE 10.4: Supply Corps Executive Training Programs



NAVY SUPPLY CORPS Junior Officer Mentoring Guide

A byproduct of the mentoring strength valued by our stakeholders is the connection that Supply Corps officers share across the community. Stakeholders recognize this connection as a unique skill making Supply Corps officers more effective than many of their counterparts. The guidance of mentors, their knowledge of career milestones, and their ability to help protégés recognize how to leverage them, combined with the overall connections that naturally evolve, is a cultural advantage of the community. The Supply Corps must continue to monitor the success of this program and leverage it to the advantage of the community and our stakeholders.

EVOLUTION OF THE OFFICER DEVELOPMENT MODEL – THE CAREER CONTINUUM.

As Supply Corps officers develop and advance, they are expected to acquire and refine their knowledge and abilities across the lines of operation demanded by stakeholders. Successful development is marked by satisfactory completion of career milestones over a continuum of service. Quality control or ensuring retention of the best officers who satisfy these career milestones, is accomplished through promotion boards established in Title X law for all military officers. Assignments and milestone accomplishments along this career continuum prepare officers with the skills expected by stakeholders as they occupy roles with ever increasing degrees of responsibility within those organizations.

The previous Supply Corps career path categorized an officer’s career into three different tracks incorporating all the community lines of operation. It spanned a 30-year timeframe and highlighted many of the various career milestones Supply Corps officers were expected to meet prior to being selected for a certain rank. Although this model tried to portray an officer’s ability to move between career tracks, it led to some misperceptions as officers interpreted the construct to mean that specialization in one area would lead to career success. By studying surveys, comments, and analytical data, the Senior Leadership Advisory Council (SRLAC) redesigned the Supply Corps Career Path model and created the revised Supply Corps Career Continuum shown in Figure 10.5.

FIGURE 10.5: The Supply Corps Career Continuum Encourages broad skill development

RANK	YEAR	GSA/IA	TOUR	POSSIBLE TOURS	MARKET BASKET MILESTONES	
FLAG	31+	GSA/IA TOUR AVAILABILITY	FLAG TOURS	COMCOM J4, TRANSCOM J5, JOINT STAFF J4, DSCR, DSCC, NEXCOM, NAVMCP, NAVSUP, COMFISC, OPNAV N41	JQO Designation, APC, Competition, Policy, Program Level, Command, TVST	
	30					
	29					
	28					
	27					
CAPT	26		Shore: CONUS, OCONUS, JOINT (if not JSO)	COMFISC, NAVSUP, COMCOMs, Policy Development, Program Office	NAVCP, NAVSUP, DLA HQ, JCS WASH, COMCOMs, DLA ICPs, Command, Joint Staff	Competition, TVST, Executive Education, JQO Desig, Policy, Program Level, Command
	25					
	24					
	23					
	22					
CDR	21		Shore: CONUS, OCONUS, JOINT O-5 Operational Tour	Large Sup Afloat, COCOMs, Joint Staff, JCS Wash, OPNAV, DLA, Overseas shore, LOGSU	Tours in Sup Chain, Aqz, OPLOG, JOINT STAFF, STAFF, COCOMs, JOINT Tours, Overseas Shore if not been	JQO Designation, APC, Competition, IA, TVST, JPME II
	20					
	19					
	18					
	17					
LCDR	16		3rd Operational Tour	ASUPPO / PAL / PAS Large Afloat, STAFF, COCOMs, Overseas Afloat, FISC, CENTCOM, CTF, Overseas Shore if not been	Tours in Sup Chain, Aqz, OPLOG, STAFF, Sub Spec Assign, SYSCOM, COCOMs, JTF J4 Staff, DLA, NATO HQ, FISC, NAVMCP	2nd Warfare Qual, Competition, Operational Platform Diversity, IA, TVST
	15					
	14					
	13					
	12					
LT	11		Shore: CONUS, OCONUS, JOINT	PG School	NPS or Civilian Institution Alternative	Overseas, Joint Experience, DAWIA LVL III, IA, P payback tour, TVST, Competition
	10					
	9					
	8					
	7					
LTJG	6		2nd Operational Tour	Supply Afloat (Dept Head) or Other Operational Tour	Subspecialty Development/Internships (NACO, OPLOG-POL, BFM, ILS, IT, OPLOG-T, OPLOG-JOL, OPLOG-OOL, OPLOG-NSW)	2nd Oper tour, 2nd Warfare Qual, Geographic Diversity, Opl Diversity
	5					
	4					
	3					
	2					
ENS	1	1st Operational Tour	Supply Afloat or Other Operational Tour	NSCS (6 Months)	Basic Supply Education	
	0					
					Graduation	

This model emphasizes that all Supply Corps officers are encouraged to receive training, experience, and education in more than one line of operation to broaden their skill sets. Although desired by some stakeholders, specialization in one area limits opportunities. In a resource-constrained environment, generalization not only benefits the Supply Corps community as a whole, but also preserves the pool of expertise and experience in many lines of operations. Individual officers also benefit as they continue to learn and develop skills and capabilities essential to DoD logistics.

This model also offers the opportunity to see where officers fall on the continuum, while communicating exactly what they will be expected to demonstrate before progressing to the next level. This way, leadership can clearly mentor officers throughout their career, while each officer can proactively manage his/her own career and professional development.

The current Supply Corps training and education model has historically been effective at preparing officers with basic technical skills to operate in a traditional environment. In the future operational environment, characterized by distributed operations, a smaller Navy and greater levels of responsibility shouldered by JOs, the training system should emphasize critical thinking, problem solving and decision making.³⁹

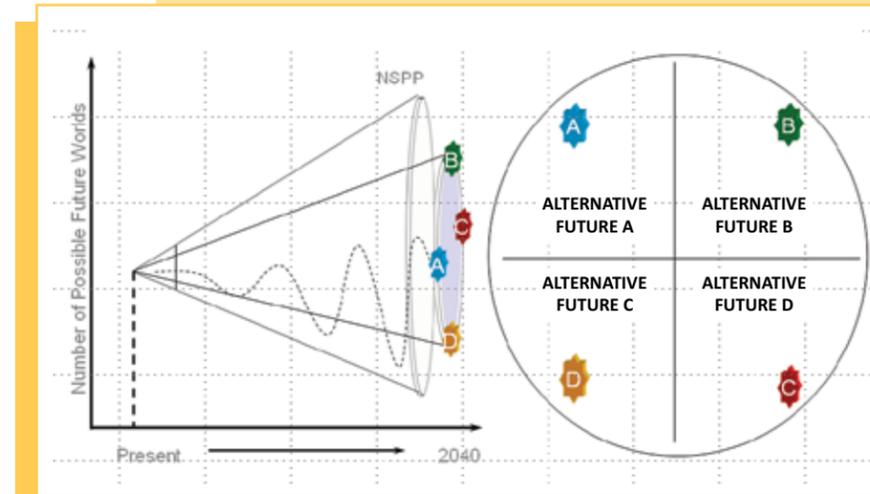
STRATEGY MODEL FOR OFFICER DEVELOPMENT

To proactively look beyond current initiatives and consider what skills will be significant in the future, it is necessary to employ a forward looking model to frame future requirements. The Navy is employing the NSPP model to assist in developing strategies that cut across potential future scenarios. For this reason, the use of the NSPP approach is ideal to ensure consistency with other Navy strategic efforts.

The Reasons to Plan for Uncertainty.

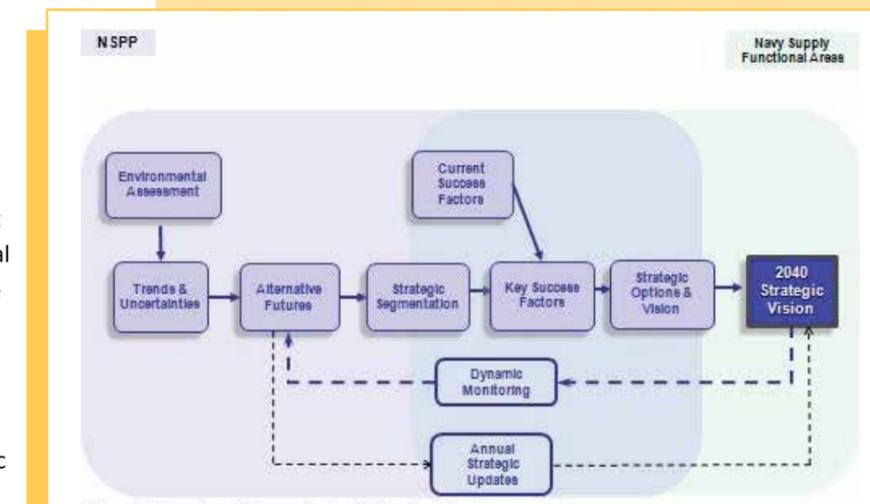
An increasingly complex and globalized strategic environment presents significant challenges in accurately predicting the future and identifying absolute threats and opportunities. The NSPP provides a repeatable and sustainable process using a three-

FIGURE 10.6: Alternative Futures Strategy Model



- Instead of forecasting (i.e. follow a trend and add estimated deviations), scenario-based planning defines a cone of possible “futures” to hedge against a broad spectrum of uncertainty.
- Actual future will fit somewhere within the cone of possible futures, not fitting completely in any of the four future scenarios.
- Strategic monitoring provides a way to update where the Supply Corps is located inside the cone of uncertainty.

FIGURE 10.7: Navy Strategic Planning Process Diagram



dimensional framework that improves the ability to understand the interaction of trends and uncertainties shaping the future, discerns the range of risks the Navy will be required to manage, and provides an adaptive strategy that can respond, reduce, and hedge against future uncertainty. Figure 10.6 demonstrates the three-dimensional nature of the planning environment. A full discussion of the Supply Corps Strategic Planning Process is contained in the Appendix. The major points were outlined in Chapter 5 and are reviewed in more detail in the next few paragraphs.

The Strategic Planning Process is illustrated in Figure 10.7. Each element represents a discrete planning effort providing a tool that could be employed by subordinate commands to align assumptions about the Supply Corps' external environment. To begin, the Supply Corps 2040 Strategic Vision Study team conducted an "environmental assessment" to determine the key "forces" driving the Supply Corps' future strategic environment. Based on these forces, the team developed four Alternative Futures set in year 2040 seen throughout the document. The Alternative Futures were used to highlight the organizational capabilities and Supply Corps officer skills required for success across the range of possible futures, providing an externally driven input to the Supply Corps 2040 Vision. The Alternative Futures are summarized in Figure 10.8.

Environmental Assessment: Forces Database, Trends and Uncertainties.

Forces that the Supply Corps cannot control will primarily shape the 2040 strategic environment. Drawing upon external research and interviews with experts in Navy, industry and academia; environmental forces were developed, examined and cataloged across social, technological, economic, environmental and political lines. To complement this research, 903 forces were leveraged from the Forces Data Base, a component of the NSPP, to help ensure a broad array that could impact the future strategic environment. Similar forces were clustered to produce a list of 46 forces which were presented to experts (Supply Corps Captains and flag officers) for an assessment. They determined those with the highest impact on the Navy Supply Corps' strategic environment that were then used to construct the Alternative Futures. Forces were also assessed for predictability to

determine whether they could be classified as either trends or uncertainties. Trends are concrete, have high impact on the strategic environment and are believed by experts to be highly predictable over the planning horizon. Uncertainties are forces with a high impact on the future environment, but whose predictability is low. These are important guideposts that could have a wide range of outcomes.

The results from the survey were further vetted to capture those with the highest impact, to ensure the assumptions did not reflect overconfidence about predictability, and to avoid overlooking potential blind spots. The top uncertainties and trends are listed in the Appendix. The key trends and uncertainties interact to form the Navy Alternative Futures.

Alternative Futures

Alternative Futures expand the analysis process by overcoming bias against uncertainty while reducing the complexity in the environment into four archetypal scenarios for the future. They provide a lens and context for making strategic decisions and serve as the foundation for a flexible and adaptive strategic plan. Without this context, strategic decisions can become ad hoc, based upon inconsistent and unstated assumptions that vary from issue to issue. Strategies based on a single scenario may become inflexible and subject to failure if assumptions do not occur as predicted. Alternative Futures can be used as a tool for stress-testing strategies and resource allocation decisions. Alternative Futures also provide a common framework to align the assumptions made by other Navy organizations. Our Alternative Futures are aligned with those used by OPNAV in their NSPP effort, which will enable the Supply Corps to better anticipate and adapt to the needs of the Navy as a whole.

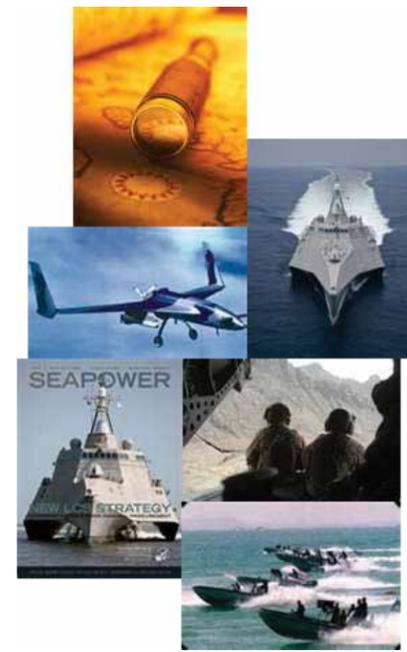


FIGURE 10.8: Four alternative futures.

Hypercompetitive World	Collaborative World	Hypercompetitive World	Collaborative World
Managing through Technology	Facilitating American Influence	Doing More with Less	Global Purchasing Agent
The U.S. armed forces rely heavily on unmanned self-healing systems. Innovations in logistics help replace on-board Supply Corps officers with centralized command and control structures. Disruptive technological advancements have significantly changed the nature of warfare.	In an era of global cooperation, the U.S. places great effort on humanitarian missions to maintain its global influence. Major nations follow the U.S. lead, working together to solve major problems. There are major advances in logistics technology. Supply Corps officers play a key role in American diplomatic efforts.	The world is a dangerous place with conflict driven by resource rivalry and terrorism. Supply Corps officers are challenged to provide logistics support to deployed naval forces with tight budgets and threatened supply lines. Improvements in logistics technology have not delivered on their promise, so Supply Corps officers rely on traditional approaches.	Power has shifted. China leads the globe in technological advances and international influence. The world works together on collaborative solutions to major issues. Improvements in logistics are marginal. Supply Corps officers are experts at obtaining goods through non-traditional channels and services from the global marketplace.

FIGURE 10.9: Alternative Futures Matrix



To frame the Alternative Futures in an intuitive format, two uncertainties were identified to bound the future—creating a 2x2 matrix of four distinct Alternative Futures. These two uncertainties are not necessarily the most important forces shaping the future environment; however, they provide the best combination considering the criteria above. “Resource Rivalry” was a strong candidate as it drives important factors such as the economy, globalization, technology, geopolitical power, and demographic change. It was also attractive because the NSPP used it as a top uncertainty, which helped to ensure the Alternative Futures remain consistent with Navy strategic planning efforts. “Technology implications on supply” was an attractive candidate for an axis because it created challenging worlds when paired with “Resource Rivalry”. The pairing matrix and descriptions of the Alternative Futures that resulted is shown in Figure 10.9.

While Alternative Futures were initially framed by the two primary uncertainties, the richness and complexity of each Alternative Future is found in the interaction of the other uncertainties and key trends. These futures are not an attempt to predict the world that will exist in 2040, but instead they represent extreme environments to bound the cone of future possibilities. The goal of the futures is to be “roughly right” rather than “precisely wrong”. The Alternative Futures blueprint provides an overview of how the forces play out and interact in each of the futures.

To highlight distinctions for the Supply Corps in each of the Alternative Futures, a framework was developed to detail specific strategic implications. The vignettes titled, “A Day in the Life of a Supply Corps Officer” presented in the course of the study, highlight the impacts of each of these worlds on fictional officers. A full explanation of the implications is contained in the Appendix.

Strategic Segmentation

As warfare concepts and technologies evolve, change or converge, the strategic environment in which the Supply Corps must operate will also change. Therefore, past frameworks used to characterize Supply Corps capabilities and operational contributions may lose their usefulness. Strategic segmentation is a tool used to assist in recognizing new threats and opportunities by looking at different ways of defining the Supply Corps’ operational contribution, lines of operation, and strategic activities. A segmentation scheme, constructed by considering types of operations relative to a broad array of stakeholders, provides the best insight.

The Strategic Planning Process yielded the following strategic segments representing the Supply Corps’ potential future lines of operation and strategic activities:

- **Naval Operational Support** - Providing the full range of traditional Supply Corps logistics management services to operational naval forces. This includes shore establishments supplying shore units.
- **Specialized Logistics Services** - Providing focused support to the U.S. Navy, other naval forces and DoD agencies in financial management, logistics and contracting.
- **Global Infrastructure Services** - Providing business and economic services and other value added services leveraging Supply Corps core competencies to non-military agencies (including NGOs) and other maritime organizations (including foreign navies).
- **Joint Operational Support** - Providing a wide range of logistics management services to operational forces in a joint operating environment.

- **Extended DoD Services** - Providing value added services (outside traditional Supply Corps logistics management) leveraging Supply Corps core competencies to organizations within DoD.
- **External Contract Support** - Providing contracting/acquisition support to other non-military agencies (including NGOs) and other maritime organizations (including foreign navies).

These strategic segments created a lens through which to view the Alternative Futures in order to surface capabilities necessary to succeed in 2040.

Core Competencies

An analysis was performed to understand what gives the Supply Corps its current competitive advantage. This analysis identified the strategic activities performed by the Supply Corps and the interrelationships between them to isolate the core factors critical to organizational success. These underlying capabilities are called core competencies (or, current success factors) in the Strategic Planning Process. They represent a complex set of skills, knowledge and resources reaching across the organization, yielding a sustainable advantage over competitors, and permeating the Supply Corps culture. Core competencies cannot be easily replicated, bought or sold and are enduring. Any strategy that improves the Supply Corps’ strategic advantage must complement and enhance these competencies. Core competencies today are as follows:

- **Developing autonomous, accountable and resourceful leaders and managers**- The ability to produce, through the operational, leadership, and skill development processes, highly responsible officers who have the confidence, knowledge, and ability to use every means available to successfully accomplish required tasks.
- **Operational unit support** - Possessing the necessary knowledge, skills, and resourcefulness enabling the Supply Corps the ability to continuously and independently provide superior logistics and supply-related management to operational units in order sustain a high level of readiness and mission effectiveness.
- **Business acumen** - Overall “know how” as it pertains to business related functions. Possessing the ability to make sound judgments and quick, rational decisions, all supported by a solid foundation of knowledge and business-related experience enhanced by graduate education at top business schools or NPS.
- **Broad skill training and experience** - Exercising a high level of understanding and proficiency developed through a wide range of varied assignments, tasks, training, and educational opportunities.
- **Professional networks** - The ability to create, sustain, and perpetuate, both personal and professional connections, to achieve mission accomplishment and develop camaraderie in the Navy Supply Corps.

Key Success Factors (KSFs)*

KSFs are the activities, capabilities, and resources positioning the Supply Corps for success in support of the nation across the range of future environments. Identifying and investing in KSFs that are robust across the range of future environments are critical to developing a

*KSFs are a trademark term from work developed by Decision Strategies International

Supply future lines of operation and strategic activities

- **Naval Operational Support**
- **Specialized Logistics Services**
- **Global Infrastructure Services**
- **Joint Operational Support**
- **Extended DoD Services**
- **External Contract Support**

Supply Corps core competencies

- **Autonomous, accountable and resourceful leaders and managers**
- **Operational unit support**
- **Business acumen**
- **Broad skill training and experience**
- **Professional networks**

Supply Corps Future Skill Sets

flexible strategy that can succeed no matter how the future actually unfolds. Future strategic plans must leverage the existing strengths of the organization in a complementary way, or they risk weakening the strategic advantage and the underlying culture of the organization.

KSFs were evaluated for organizational fit by the 2040 Study Team and a representative group of Supply Corps officers including the functional leads. Each Alternative Future was evaluated for the KSFs that would enable the Supply Corps to succeed in that particular strategic environment. The KSFs were ranked according to their strategic contribution and weighted by the likelihood of each alternative future and the importance of each strategic segment.

A KSF gap analysis was conducted to help estimate the gap between the Supply Corps' current capabilities versus their desired state and is illustrated in Figure 10.10. Current performance was benchmarked against other organizations as part of this process, and KSFs with large gaps were prioritized.

KSFs for the Supply Corps with their definition, in priority order, are:

- **Knowledge Management** – A field of management focusing on the creation, identification, capture, and distribution of organizational knowledge.
- **Responsive Processes** – Practices that are highly conducive to the rapid and accurate transfer of information and effectively bridge the gaps between rapidly supporting the warfighter's needs and meeting all regulatory requirements.
- **Extended Professional Networks** – The ability to create, sustain, and perpetuate, personal and professional connections extending to other supply/logistics professionals outside the Supply Corps, to include other agencies, the private sector and academia.
- **Joint/Combined Operational Support** – Having a functional working knowledge of the operational environment as it relates to the integration of acquisition and logistics functions between services provided to JIIMs.

- **Environmental Consciousness/Green Operations** – Displaying awareness of the various challenges facing the health of our environment and the availability of natural resources, to include operations focusing on reducing the overall ecological impact of all parties involved.
 - **Tech Savvy People** – People who have been identified as having a rich understanding and proficiency of current and emerging technologies, in addition to being able to simultaneously perform a multitude of functions in a highly fluid environment characterized by a high level of uncertainty.
 - **Interoperability** – The ability of diverse systems and organizations (both internal and external to the Navy Supply Corps) to effectively exchange and use data, information, material, and/or services.
 - **Regional/Cultural Expertise** – Having an identifiable proficiency in the history, traditions, values, beliefs, and language skills of a particular region or society.
 - **Operations Management** – A management discipline focusing on managing the strategic and operational control of various components making up a business operation. This includes, but is not limited to process improvement, acquisition, logistics, contracting, supply chain management, operations strategy, and/or service operations.
- Partnering/Alliances** – The development of successful, strategic relationships between two or more parties for the purposes of achieving a specific task or goal.
- Redundant Systems/Processes** – Parallel or secondary systems and processes designed to make the primary system or process increasingly reliable and less vulnerable to interruption.
- Life Cycle Management** – A management concept focusing on basing programmatic decisions on the anticipated mission – related and economic benefits derived over the life of the system.

FIGURE 10.10: Key Success Factor Gap analysis

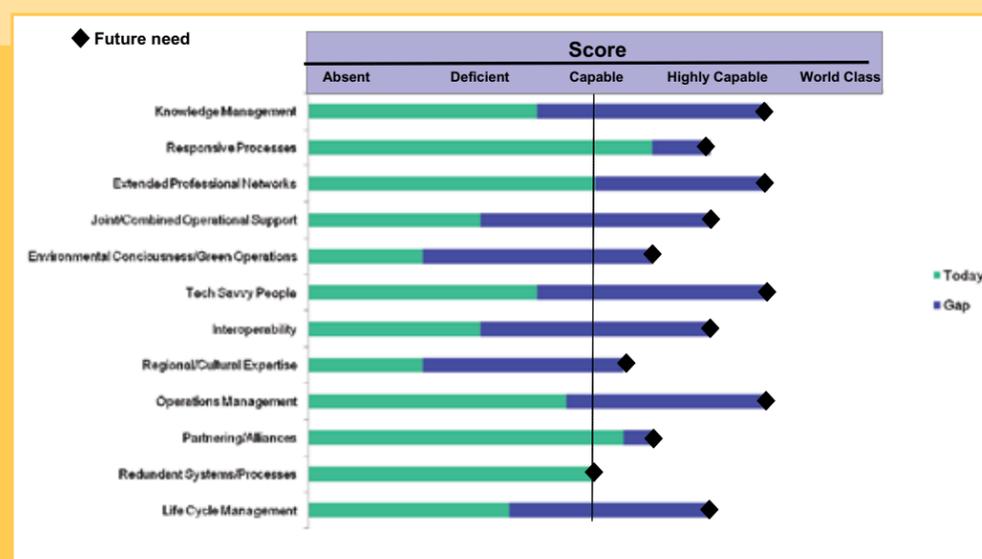
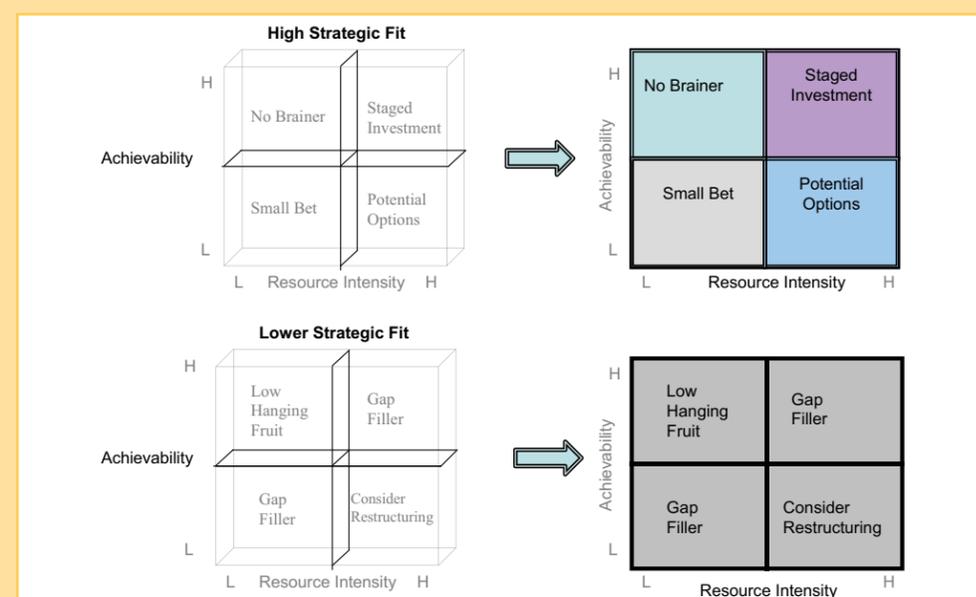


FIGURE 10.11: Strategic Option Categories



Strategic Options

Strategic options are specific actions the Supply Corps could execute to develop each of the KSFs and help close any potential gaps. These options were developed and vetted by the working group, then ranked based on strategic fit, compatibility with Supply Corps current competencies, the magnitude of the resources required, and achievability. The 2040 Strategic Vision Study team identified 40 future initiatives and actions to close the gap between the current and the desired state for each of the 12 KSFs. These strategic options were considered in terms of planning horizon, falling into Actionable, Future Years Defense Plan (FYDP), or post-FYDP categories. Options were segregated into the bins illustrated in figure 10.11 and further developed in Figure 10.12. Options with high strategic fit were ranked based on resource requirements and achievability. “No brainers” were options with the highest strategic fit, low cost and high achievability. “Small bets” had high strategic payoff, low cost and low achievability. None of the options fell into this category. “Staged investments” were higher cost but achievable options. “Potential options” required high intense resource investment with low perceived achievability. Options considered to be of low strategic fit but having low cost and high achievability were considered “low hanging fruit” that could yield strategic value at low risk. As an example, some of the top options included improving communica-

tions to overcome constraints between other services and agencies, employing social networking platforms to enable and expand professional networking, and developing a network of experts to assist in monitoring the strategic environment. A full listing of the options and the action plan is included in the Appendix.

The success of this strategic planning effort will depend on how the most practical of these options are embedded within the officer development continuum. Understanding what comprises the continuum today serves as a foundation to implement options. Existing delivery mechanisms, if durable, should be leveraged to reinforce core competencies and to begin closing the gaps on KSFs. Execution efforts must also be complemented with success measures, periodic reviews and strategic updates when appropriate. Providing the execution glue is a strategic communications plan reinforcing the community strategy, efforts and success measures with internal and external stakeholders.

CAREER TRAINING FOR 2040 - INITIAL COURSE CORRECTIONS

The 2040 stage is already being set at the BQC. Fleet feedback during a recent NSCS curriculum review encouraged operational applications over “pub punching” and book knowledge. This is a somewhat radical shift in the community’s officer development paradigm that serves as the first step in producing officers with KSFs complementing traditional core competencies. NSCS responded to this challenge by modifying the training curriculums to include scenario based training focused on improving critical thinking, problem solving and decision making skills. Figure 10.13 shows an example of the revised BQC Curriculum. Courses are also being updated to reflect current policies and challenges, with the aim of better preparing officers for success in the operational environment.

Some changes must take place in the way the Supply Corps approaches training and education with regards to the joint arena. Analyzing the forecasted future operating environment and aligning the supply community with larger initiatives such as the DoD Logistics Human Capital Strategy, provides the Supply Corps with a unique opportunity to match key factors necessary for success in the future and position the Supply Corps for full employment in the DoD Logistics Enterprise. The BQC is also only the starting point. Updates to SODHC and SSODHC that will close the KSF gaps must follow.

FIGURE 10.12: Strategic Options based on high strategic fit

High Achievability	No Brainers	Staged Investments
	<ul style="list-style-type: none"> •Employ social networking programs to expand professional networking opportunities •Improve communications between the Supply Corps and other organizations •Develop an expert network thru current MBA students, sponsoring academic research •Develop training plans designed to foster partnerships and alliances with external organizations •Examine targeted MBA programs for potential advanced application relative to operations mgmt 	<ul style="list-style-type: none"> •Knowledge Management (KM): Create and manage a KM system capable of building and nurturing professional networks •Embed Supply Corps officers in successful public and private companies to broaden their perspective •Develop a formal relationship management program •Create initiatives for additional interagency/coalition personnel exchanges, exercises and postings
Low Achievability	Small Bets	Potential Options
	<ul style="list-style-type: none"> •No options fell into this category 	<ul style="list-style-type: none"> •Interoperable Systems/Networks: Develop logistics systems that synchronize efficiently with Joint, Interagency and Coalition data networks to improve interoperability.
	Low	High
	Resource Intensity	

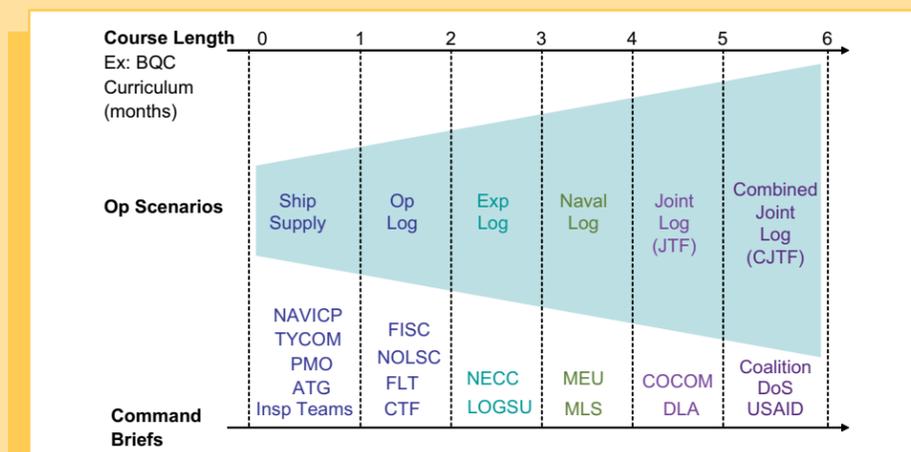


FIGURE 10.13: Revised Supply Corps BQC Curriculum

The 2040 Skills and Experience Market Basket

As the community evolves, Supply Corps officers will be encouraged to fill their market basket with a wide array of skills. Milestones will be updated to reflect leadership expectations and allow the community to consistently send qualified officers to assignments. Training, education and mentoring will continue to be Supply Corps strengths and the community will leverage traditional and emerging delivery mechanisms to sustain and enhance the competitive advantage that Supply Corps officers possess.

The statements that follow notionally describe the Supply Corps officer development future. They are essentially findings presented as a forecast. Recommendations needed to turn these notional futures into reality are contained in Chapter 11.

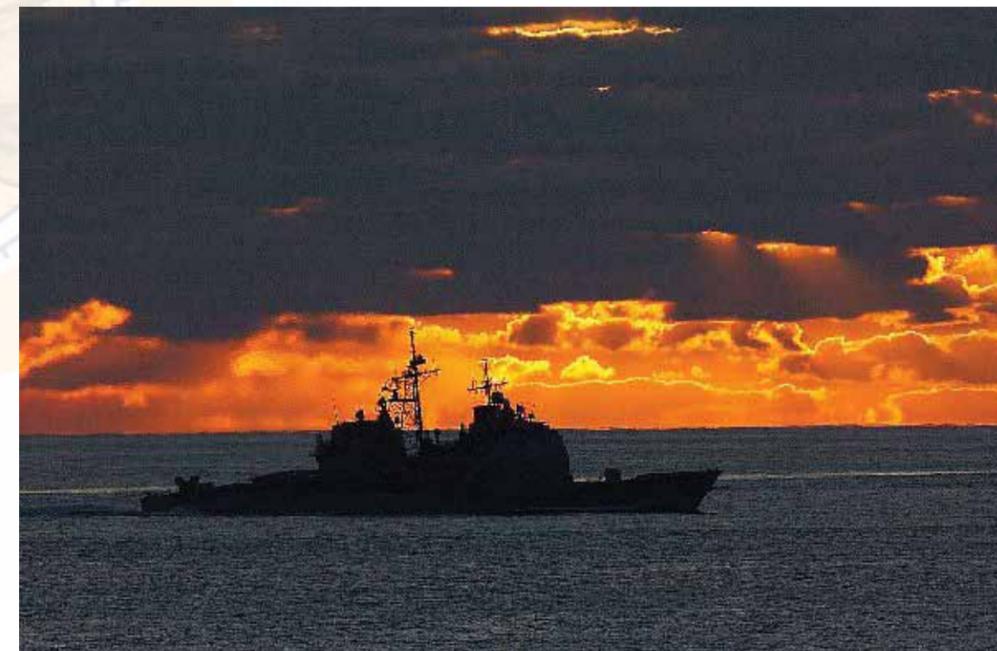
- As expeditionary and other non-traditional operational opportunities grow, the community will further value JO expeditionary assignments coupled with an afloat tour. First and second tours that support different platforms including ships, aviation, submarines and expeditionary units will be the norm. The current milestone requiring two operational tours for promotion to Lieutenant Commander will recognize additional non-traditional assignments that equate to operational experience.
- The community will encourage all officers to supplement principal lines of operation skills in supply chain management, acquisition and operational logistics with a complementary skill or a second principal skill. A milestone for Commander will require the first skill and a milestone for Captain will require a second skill in a principal Supply Corps business line.
- As the community embraces its role supporting the JFC, a milestone for Captain valuing joint qualification will be added. JPME I will also emerge as a milestone for promotion to Commander.
- The community will continue to explore non-traditional opportunities in externships and look for meaningful international and interagency exchange programs allowing it to enter an emerging market with support for international aid efforts and NGOs. To guarantee success, the community will highly value these externships when considering officers for promotion.
- Training and education in a traditional brick and mortar environment will be replaced where practical with distance learning alternatives. Distance learning will emerge to provide just-in-time training to address routine matters.
- Curricula will be revised to incorporate training objectives enhancing KSFs at all stages along the career continuum. Particular emphasis will be given to enhancing regional, cultural and joint fluency.
- The ability of officers to leverage technology to capitalize on knowledge management mediums will permeate the community. Officers will be challenged to enhance their ability to grapple with vast amounts of information through both graduate courses and hands on training.
- The community will leverage social networking alternatives to enhance and extend their professional networks. Community leaders will assume roles as community champions for supply chain management, acquisition, operational logistics and diversity. Their use of social networking solutions will allow officers at all pay grades to follow their efforts supporting current and emerging issues and opportunities.

SUMMARY

Employing the NSPP allowed the study team to set aside aged paradigms and step back to appreciate the challenges Supply Corps officers will face in 2040. The NSPP framed Alternative Futures and helped the team overcome natural human bias against uncertainty.

The result is a better appreciation of the strategic environment, which led to the development of KSFs and strategic options. This is significant since these KSFs and related strategic options are intended to enhance those Supply Corps core competencies that will remain core and create the flexibility and agility necessary to maintain its strategic advantage. This “outside-in” approach to strategic planning ensured the Supply Corps considered key threats and opportunities that are often overlooked in traditional strategic planning approaches.

This study sets forth changes and enhancements to paradigms necessary for the Supply Corps to succeed across the range of Alternative Futures and remain relevant as a community. Continued focus on developing our core competencies through our leadership development model and our technical skills in our principal and complementary business lines of operation will ensure the Supply Corps remains a relevant force in delivering sustained logistics capabilities to the Navy and the Joint Warfare Commander.



Chapter 11

FINDINGS AND RECOMMENDATIONS



Two findings require immediate action:

- **Erosion of JO afloat billets**
- **JO to CG ratio imbalance**

This Chapter consolidates the findings from the entire study and groups them into the original deliverable categories to facilitate review. Each finding and recommendation pairing is referenced with a chapter number where the related analysis can be found. Community of Interest (COI) leads are those individuals or organizations that have the lead for any actions associated with each recommendation.

The first two general findings, “Erosion of Junior Officer Afloat Billets” and “Junior Officer to Control Grade Officer Ratio Imbalance” require immediate attention. Most of the actions derived from the remaining findings and recommendations can be executed within the Future Year Defense Plan. However, several actions will require additional research and analysis prior to implementation. A comprehensive action plan is included in the Appendix.

Strategic Focus Area: 1. Community Management

Deliverable: 1. Force Employment

General Finding: Erosion of Junior Officer Afloat Billets

Finding	Recommendation	CH	COI Lead	ID
Projected decommissionings and the proposed future afloat manning profiles will eliminate more than 25% of junior officer afloat billets by 2030. This puts the Supply Corps officer development model at risk and produces gaps in control grade (O4-O6) billets. Alternatives that increase the JO billet base, like billeting Supply Corps officers on LCS and other new platforms, have the most profound positive effect on resolving both the shortfall in building LCDRs and the loss of developmental opportunities.	Determine control grade billet tradeoffs required to pay for alternatives that produce junior officer billet base increases on new platforms and for expeditionary assignments.	7	FORCE	2

General Finding: Erosion of Junior Officer Afloat Billets

Finding	Recommendation	CH	COI Lead	ID
Additional expeditionary billets could help increase junior officer operational assignments.	Investigate opportunities for additional junior officer expeditionary operational assignments that help resolve the JO shortfall and provide training in desired operational logistics skill sets.	7	OPLOG	4

General Finding: Erosion of Junior Officer Afloat Billets

Finding	Recommendation	CH	COI Lead	ID
The future shortage of junior officer afloat tours may require future roll downs of CG billets.	Mitigate this risk by creating additional LT operational opportunities using LCDR to LT operational billet roll downs where feasible. Establish a metric that measures risk associated with this challenge.	7	SC COS	75

General Finding: Junior Officer:Control Grade Officer Ratio Imbalance

Finding	Recommendation	CH	COI Lead	ID
Junior officer (JO) billet losses without corresponding reductions to control grade (CG) billets are leading to an imbalance in the ratio of JO to CG billets resulting in diminished capability to develop a sufficient number of control grade officers resulting in billet gaps. The solution to mitigating the junior officer to control grade officer imbalance is a combination of pipeline increases, retention incentives, alternative accession methods, and junior officer billet growth in new areas.	Develop an executable implementation plan based on the mitigation options presented in the Study.	7	FORCE	5

General Finding: Junior Officer:Control Grade Officer Ratio Imbalance

Finding	Recommendation	CH	COI Lead	ID
Promoting to LCDR at YCS 9 is the most effective mitigation strategy to reduce the JO:CG imbalance.	Continue promoting LCDRs at YCS 9 until use of other mitigating courses of action allow a shift toward a YCS 10 promotion plan.	7	FORCE	6

Legend: COI - Community of Interest; SC COS - SC Chief of Staff; ACM - Acquisition Mgmt; OFF DEV - Officer Development; FORCE - Force Employment; OPLOG - Operational Logistics; POL - Petroleum Mgmt; JOINT - Joint

Strategic Focus Area: 1. Community Management

Deliverable: 1. Force Employment

General Finding: Junior Officer:Control Grade Officer Ratio Imbalance

Finding	Recommendation	CH	COI Lead	ID
Unrestricted Line (URL) attrition creates a pool of officers available for transfer to the Supply Corps. The Supply Corps has historically used this pool of officers with operational experience to augment the community by 20%. Qualified URL transfers can help fill the gap in LT requirements without increasing Supply Corps officer accessions.	Annually, in concert with development of annual promotion and accession plans, review the requirement for lateral transfers of unrestricted line officers at or near YCS 4. Identify and accept qualified candidates within the constraint of officer end-strength by year group.	7	FORCE	7

General Finding: Junior Officer:Control Grade Officer Ratio Imbalance

Finding	Recommendation	CH	COI Lead	ID
Progressive billet roll downs can be effectively used to respond to manpower taxes, as a mitigation method for the JO:CG imbalance, and as compensation for new requirements.	Develop and maintain a list of potential roll downs that can help shape the community and act as compensation for higher priority requirements.	7	FORCE	86

General Finding: Junior Officer:Control Grade Officer Ratio Imbalance

Finding	Recommendation	CH	COI Lead	ID
New demands for control grade ashore billets are not filtered through business rules developed from a community strategy leading to unregulated growth in control grade billets.	Develop a billet evaluation process for new requirements that considers alignment with Supply Corps lines of operation, billet pyramid balance and strength, and officer career development. Develop and enforce billet compensation business rules for new requirements.	7	FORCE	9

General Finding: Junior Officer:Control Grade Officer Ratio Imbalance

Finding	Recommendation	CH	COI Lead	ID
Billets that do not align to Supply Corps lines of operation, consistently vacant billets, and billets that do not improve the promotion potential of career officers can serve as compensation for manpower taxes or for new requirements in existing lines of operation or emerging markets.	Shape control grade billets in concert with CNP and stakeholders during the development of annual promotion and accession plans. Develop an annual review process of billets that do not align to Supply Corps lines of operation, are consistently vacant, or are not career enhancing. Maintain a list of prioritized billets as a proactive approach to responding to manpower taxes over the FYDP.	7	FORCE	8

General Finding: Junior Officer:Control Grade Officer Ratio Imbalance

Finding	Recommendation	CH	COI Lead	ID
Supply Corps officers continue to fill uncoded control grade, general supply, program management and staff billets ashore that do not align to Supply Corps lines of operation.	Annually review general supply, program management and staff billets among the eligible candidates for responding to manpower taxes and as billet compensation for emerging, high value requirements. Annually review and reconcile all non-3100-coded billets filled by Supply Corps officers.	8	FORCE	79

Legend: COI - Community of Interest: SC COS - SC Chief of Staff: ACM - Acquisition Mgmt : OFF DEV - Officer Development
FORCE - Force Employment : OPLOG - Operational Logistics : POL - Petroleum Mgmt : JOINT - Joint

Strategic Focus Area: 1. Community Management

Deliverable: 1. Force Employment

General Finding: Junior Officer:Control Grade Officer Ratio Imbalance

Finding	Recommendation	CH	COI Lead	ID
Acquisition Distribution Management (1301): Graduates of the Supply, Acquisition and Distribution civilian MBA program (810) have a 150% higher retention rate than graduates of other Navy-funded programs making it a highly effective, targeted retention tool that reduces the JO:CG ratio imbalance.	Continue to invest in the 810 graduate school MBA program as a targeted retention initiative. Initiate a breakeven analysis to determine the optimal number of 810 quotas that maximizes retention while maintaining the competitiveness and quality of the program.	8	FORCE	32

General Finding: Supply Corps Joint Strategy

Finding	Recommendation	CH	COI Lead	ID
The types of joint assignments have shifted from routine logistics support roles within defense agencies to logistics planning and operations requirements within the JCS and Joint Force commands without a deliberate strategy.	Develop a community strategy for employing, developing and assigning Supply Corps officers within the joint environment. Include the following elements: (1) Identify a community of interest (COI) sponsor to manage community strategies and investments across the joint environment. (2) Evaluate quantity, quality and positioning of joint billets and training opportunities to maximize senior officer joint expertise. (3) Continue to selectively detail officers with best prospects for promotion to joint tours. (4) Evaluate training pipelines for sufficient quotas to maximize the ability to produce the largest pool of joint-qualified officers.	9	JOINT	49

General Finding: Growth Via Competitors

Finding	Recommendation	CH	COI Lead	ID
Investing in inventory management or financial management roles that support Navy medicine is not beneficial to the Supply Corps at this time. These billets do not include an operational junior officer billet base. Stakeholders for these billets demand officers with a Health Care Administration (HCA) masters degree.	Review Supply Corps billets supporting Navy medicine supply/logistics efforts to identify candidates for billet divestiture, realignment, or compensation for other billets that contribute to the strength of the billet pyramid and officer development.	8	FORCE	40

General Finding: Growth Via Competitors

Finding	Recommendation	CH	COI Lead	ID
Supply Corps officers have skill sets that would allow them to perform ordnance inventory management afloat. Transfer of these billets would positively impact the Supply Corps JO billet base. However, efforts to redesignate these billets to 3100 are likely to be met by resistance from the Surface Warfare Officer community because it would negatively impact their billet pyramid and officer development pipeline.	Conduct a pilot study by assigning a Supply Corps officer in this role on a major afloat unit such as a CVN or LHD to determine feasibility of assuming this responsibility.	8	SC COS	41

Legend: COI - Community of Interest: SC COS - SC Chief of Staff: ACM - Acquisition Mgmt : OFF DEV - Officer Development
FORCE - Force Employment : OPLOG - Operational Logistics : POL - Petroleum Mgmt : JOINT - Joint

Strategic Focus Area: 1. Community Management

Deliverable: 1. Force Employment

General Finding: Growth Via Competitors

Finding	Recommendation	CH	COI Lead	ID
The assumption of ordnance inventory management billets ashore recommended by the 2010 study was only partially executed resulting in a suboptimal career development pipeline. Officers holding these billets did not experience high promotion or retention rates.	Realign or divest current Supply Corps weapons station billets. Retain Naval Operational Logistics Support Center (NOLSC) ordnance planning billets.	8	FORCE	42

General Finding: Growth Via Competitors

Finding	Recommendation	CH	COI Lead	ID
Although Supply Corps officers could be trained to fill admin afloat billets, these have traditionally been filled by the LDO community or as a collateral duty by Unrestricted Line (URL) Junior Officers. These billets are primarily control grade billets that would exacerbate the JO:CG imbalance.	Focus on force shaping alternatives where benefits outweigh the cost. Cease efforts to evaluate filling admin afloat billets.	8	SC COS	43

Deliverable: 2. Lines of Operation

General Finding: Validated Lines of Operation

Finding	Recommendation	CH	COI Lead	ID
The three validated principal lines of operation are Supply Chain Management, Acquisition Management and Operational Logistics. Petroleum Management is a subset within the principal lines of operation. Business Financial Management (BFM) is a subset of Acquisition Management. Complementary functions include Operations Research, Comptrollership/Financial Management, and Business Management skills learned through a civilian MBA program (1301, 810 program).	Develop a process to validate new requirements against the principal lines of operation, complementary skills, and emerging market opportunity. Document results of new requirement validation.	8	SC COS	13

General Finding: Validated Lines of Operation

Finding	Recommendation	CH	COI Lead	ID
Operational logistics skills demand is supported by growth in expeditionary commands and with Individual Augmentation assignments and GSA billets.	Support funding of junior officer operational opportunities in expeditionary billets.	8	OPLOG	12

General Finding: Validated Lines of Operation

Finding	Recommendation	CH	COI Lead	ID
Current Acquisition Distribution Management (1301, 810 program) billet coding serves as a graduate school quota identifier rather than providing transparency of competitive business management billets.	Implement Functional Review billet coding recommendations to identify key competitive business management billets.	8	FORCE	34

Legend: COI - Community of Interest: SC COS - SC Chief of Staff: ACM - Acquisition Mgmt : OFF DEV - Officer Development
FORCE - Force Employment : OPLOG - Operational Logistics : POL - Petroleum Mgmt : JOINT - Joint

Strategic Focus Area: 1. Community Management

Deliverable: 2. Lines of Operation

General Finding: Low Fit

Finding	Recommendation	CH	COI Lead	ID
There is no clear method of identifying skill sets and lines of operation associated with billets. Forty-two percent of control grade billets ashore are not coded with a subspecialty. Additional Qualification Designators (AQDs) serve as another method of identifying skill sets, but there are more than 40 AQDs used by Supply Corps officers. The majority of the AQDs do not help in identifying lines of operation.	Establish Supply Corps principal lines of operation in supply chain management, acquisition management, and operational logistics. Implement Functional Review proposed billet coding. Initiate an AQD review to identify consolidated list of Additional Qualification Designators (AQDs) that align to lines of operation.	8	SC COS	14

General Finding: Low Fit

Finding	Recommendation	CH	COI Lead	ID
The use of subspecialty extensions to reflect the training, education and/or experience that a stakeholder needs is inaccurate.	Implement the Functional Review proposed billet coding.	8	FORCE	16

General Finding: Low Fit

Finding	Recommendation	CH	COI Lead	ID
Routine oversight of billets and the training, education, and experience required in Supply Corps lines of operation and identified by subspecialties and associated extensions is required to maintain a healthy billet pyramid and officer development pipeline.	Designate Community of Interest (COI) sponsors to each principal line of operation and other strategically important focus areas. At a minimum include: SCM - Supply Chain Management ACM - Acquisition Management OPLOG - Operational Logistics POL - Petroleum Management JOINT - Joint FORCE - Force Employment OFF DEV - Officer Development Formally charter responsibilities to include an annual billet review.	8	SC COS	17

General Finding: Low Fit

Finding	Recommendation	CH	COI Lead	ID
Officer/Billet "Fit" is one metric designed to measure how well the Supply Corps fills stakeholder requirements. The Supply Corps billet "Fit" rate is 25-30% for six of the eight Supply Corps subspecialties.	Establish a "Fit" metric, monitor and report. Communicate with stakeholders the value of detailing officers with previous training, education and/or experience. Ensure measures of "Fit" are flexible, yet capable of meeting stakeholder expectations.	8	SC COS	19

Legend: COI - Community of Interest: SC COS - SC Chief of Staff: ACM - Acquisition Mgmt : OFF DEV - Officer Development
FORCE - Force Employment : OPLOG - Operational Logistics : POL - Petroleum Mgmt : JOINT - Joint

Strategic Focus Area: 1. Community Management

Deliverable: 2. Lines of Operation

General Finding: Strengthen Acquisition Management Skill Set

Finding	Recommendation	CH	COI Lead	ID
Acquisition Management stakeholders have articulated that some senior Supply Corps officers assigned to their billets do not have the requisite experience to meet and exceed stakeholder expectations. Inconsistent billet coding compounds the problem. Of the 176 1306-coded billets, 21 do not include a corresponding ACN/ACC AQD. Also, of the 237 ACN/ACC coded 3100 billets, 82 do not include a corresponding 1306 subspec, including 15 ACC coded billets.	Implement Functional Review coding recommendations. Assign a Community of Interest (COI) lead to liaison with stakeholders and conduct annual billet reviews.	8	ACM	22

General Finding: Strengthen Acquisition Management Skill Set

Finding	Recommendation	CH	COI Lead	ID
The Acquisition Management - Contracting (1306) community has consistent subspecialty assignment history, but inconsistent levels of practical experience. Although DAWIA certification requirements demand specific education credentials that drive higher levels of Fit, assigned officers often lack the range and depth of functional expertise required for a particular billet.	Conduct annual Functional Review that validates acquisition management billets and their education and experience prerequisites.	8	ACM	77

General Finding: Comptroller/Financial Management is a Valued Complementary Skill

Finding	Recommendation	CH	COI Lead	ID
Comptroller/Financial Management (3110) is a valued function that complements skills learned in all principal lines of operation. However, many Supply Corps financial management leadership positions have been converted to civilian SES positions decreasing the perceived value of the billets and associated promotion pipeline.	Establish a working group to develop a strategy to revitalize the Comptroller/Financial Management complementary function and restore confidence with stakeholders.	8	ACM	36

General Finding: Operations Research is a Valued Complementary Skill

Finding	Recommendation	CH	COI Lead	ID
The Operations Research skill set is valued by our stakeholders. While not a principal line of operation, it is a complementary skill that can be used in wide varieties of jobs within the DoD supply or logistics chain.	Implement Functional Review billet coding. Retain NPS quotas that result in a 3211P subspecialty.	8	SC COS	37

General Finding: Petroleum Management is a Subset of Two Lines of Operation

Finding	Recommendation	CH	COI Lead	ID
Petroleum Management (1307) is a subset within two principal lines of operation: bulk petroleum management billets fall under supply chain management and fuel planning billets fall under operational logistics.	Implement Functional Review billet coding.	8	POL	26

Legend: COI - Community of Interest; SC COS - SC Chief of Staff; ACM - Acquisition Mgmt; OFF DEV - Officer Development
FORCE - Force Employment; OPLOG - Operational Logistics; POL - Petroleum Mgmt; JOINT - Joint

Strategic Focus Area: 1. Community Management

Deliverable: 2. Lines of Operation

General Finding: Validated Demand for Bulk Petroleum Management Skills

Finding	Recommendation	CH	COI Lead	ID
Demand for bulk petroleum management skills is supported by NAVSUP's Regional Fuels Officer concept that provides a single face to the fleet for Navy fuels and supports the regional customer.	Monitor impacts on Supply Corps officer demand.	8	POL	78

General Finding: Information Technology/Knowledge Management

Finding	Recommendation	CH	COI Lead	ID
As owners/stakeholders of the Navy's supply chain, Supply Corps officers are dependent on the systems that manage the exchange of information. However, current Supply Corps information technology billets are focused on application development versus information management which is a requirement satisfied by a civilian workforce. Additionally, the community does not hold any logistics information technology leadership positions and therefore existing billets are not valued as career enhancing.	Disestablish the IT subspecialty for Supply Corps officers. Recode current IT billets associated with information management with an appropriate subspecialty in a principal line of operation at activities where Supply Corps presence is required. Code billets with an AQD to denote information management skill set requirements. Review remaining billets for realignment or compensation for manpower taxes and new requirements. Maintain the 870 NPS curriculum but redesignate graduates with a supply chain management subspecialty. Shift IT internships to supply chain management billets where there is an information management focus.	8	OFF DEV	35

General Finding: Emerging Market Opportunities

Finding	Recommendation	CH	COI Lead	ID
Naval Logistics Integration (NLI) presents an emerging opportunity for both Supply Corps and Marine Corps personnel to integrate ground logistics capabilities and processes. This initiative supports the Supply Corps strategy of increasing partnerships that develop logistics expertise and developing officers who provide operational advantage to the Navy and Joint forces.	Endorse participation in Navy-Marine Corps IPT to develop the Service level plan for the cross assignment of Marine and Navy logisticians into each organization.	6	OPLOG	80

General Finding: Petroleum Management Future Focus on Energy Management

Finding	Recommendation	CH	COI Lead	ID
Energy management (including alternative fuels) will become a more critical skill set within supply chain, acquisition, and operational logistics principal lines of operation.	Investigate opportunities for additional officer assignments in the energy management field. Continue to support Task Force Energy and associated working groups to remain aligned with Navy and Joint efforts in energy management.	8	POL	30

Legend: COI - Community of Interest; SC COS - SC Chief of Staff; ACM - Acquisition Mgmt; OFF DEV - Officer Development
FORCE - Force Employment; OPLOG - Operational Logistics; POL - Petroleum Mgmt; JOINT - Joint

Strategic Focus Area: 2. Officer Development

Deliverable: 1. Officer Development

General Finding: Officer Development Milestones

Finding	Recommendation	CH	COI Lead	ID
To ensure the community develops well-rounded officers with broad skills who meet stakeholder needs and provide flexibility in assignment, the community should encourage officers, via published career milestones and promotion board precepts, to develop two or more skills from the principal lines of operation and complementary skill set list. These skills will be identified by a subspecialty code or AQD.	Develop career milestones and promotion board precepts. The suggested milestone is for an officer to achieve one documented skill set for selection to CDR and a second skill set for selection to CAPT. Develop a timeline and strategy and communicate this information to members of the community.	10	SC COS	83

General Finding: Officer Development Milestones

Finding	Recommendation	CH	COI Lead	ID
To support the objective of Chairman of the Joint Chiefs of Staff's "Vision for Joint Officer Development" (JOD) of creating the largest possible pool of fully qualified and inherently joint officers, the community should continue to evaluate and revise appropriate joint officer qualification milestones.	Evaluate joint officer development milestones and incorporate into published career milestones and promotion board precepts. The first suggested revision is to require JPME I for selection to CDR. Develop a timeline and communication strategy to implement revisions to milestones.	9	SC COS	84

General Finding: Core Competencies

Finding	Recommendation	CH	COI Lead	ID
The factors that make the Supply Corps successful today and provide competitive advantage are: (1) The ability to develop autonomous, resourceful leaders (2) Positioning alongside the warfighter in providing operational unit support (3) Broad-based skills and business acumen (4) Extensive networks	Communicate this message to internal and external stakeholders. Institutionalize a culture within the community that embraces these competencies and seeks to maintain and enhance them to the advantage of Supply Corps stakeholders. Explore new mechanisms to ensure future competitive advantage.	10	SC COS	66

General Finding: Petroleum Management Focus on Operational Planning Capability

Finding	Recommendation	CH	COI Lead	ID
Joint Force Commanders, Navy, and DoD stakeholders value Supply Corps Officers with fuel planning expertise. This expertise is expected to be valued across the spectrum of alternative futures.	Ensure the requisite experience, training and development pipeline is established to produce Supply Corps officers with this expertise. Focus on assignments that generate meaningful officer development and that are of the highest value to the warfighter.	8	POL	27

General Finding: Extended Professional Networks

Finding	Recommendation	CH	COI Lead	ID
The Supply Corps does not capitalize on social networking tools to connect and share knowledge among its officers.	Develop a strategy to capitalize on social networking solutions. Consideration should be given to creating lead/follow relationships where Community of Interest leaders (principal skill arenas, Joint, Diversity, etc.) are able to communicate current challenges and opportunities plus related initiatives.	10	SC COS	64

Legend: COI - Community of Interest; SC COS - SC Chief of Staff; ACM - Acquisition Mgmt; OFF DEV - Officer Development; FORCE - Force Employment; OPLOG - Operational Logistics; POL - Petroleum Mgmt; JOINT - Joint

Strategic Focus Area: 2. Officer Development

Deliverable: 1. Officer Development

General Finding: Extended Professional Networks

Finding	Recommendation	CH	COI Lead	ID
The Supply Corps has the opportunity to leverage the top civilian business school resources through officers selected for the Acquisition, Distribution Management (1301, 810 program). However, there is no formal requirement or process in place to capitalize on these resources. MBA networks could be leveraged for academic research, best practices, personnel exchanges, and recruitment.	Develop formal requirements and a communication and knowledge sharing process to leverage resources at civilian academic institutions.	10	SC COS	65

General Finding: Future Key Success Factors

Finding	Recommendation	CH	COI Lead	ID
The top five future key success factors that make Supply Corps officers successful across a broad range of futures are: (1) Knowledge Management (2) Responsive Processes (3) Operations Management (4) Interoperability (5) Extended Professional Networks	Explore and implement alternatives across training, education, experience, networking mechanisms, externships, etc. that will enhance officer competencies across key success factors. Develop measures that monitor progress towards closing the gaps between today's average officer competency in these areas and the desired competency in 2040. Institutionalize scenario-based planning and the environmental scan process to continue to refine importance of key success factors.	10	SC COS	67

General Finding: Command Billet Selection

Finding	Recommendation	CH	COI Lead	ID
No formal competitive process exists to select officers for command billets ashore and these billets are not tiered (major command).	Evaluate the concept of implementing a competitive screening process and/or related alternatives that could enhance transparency of the command billet assignment process.	8	SC COS	58

Deliverable: 2. Training and Education

General Finding: Supply Corps Joint Strategy

Finding	Recommendation	CH	COI Lead	ID
JPME II education is the principal constraint in developing the largest possible pool of joint qualified Supply Corps officers under the current detailing model.	Expand training pipelines for sufficient quotas to maximize the ability to produce the largest pool of joint-qualified officers. Continue engagement with N123 Navy Total Force (NTF) Strategic Roadmap Integrated Process Team.	9	JOINT	50

Legend: COI - Community of Interest; SC COS - SC Chief of Staff; ACM - Acquisition Mgmt; OFF DEV - Officer Development; FORCE - Force Employment; OPLOG - Operational Logistics; POL - Petroleum Mgmt; JOINT - Joint

Strategic Focus Area: 2. Officer Development

Deliverable: 2. Training and Education

General Finding: Supply Corps Joint Strategy

Finding	Recommendation	CH	COI Lead	ID
The strategy for selection and assignment to junior and senior service war colleges is unclear. Upon promotion to LCDR and CDR, the top 50% of the promotion zone are selected as candidates for junior and senior war college attendance. Only 22% of junior service college selects attend junior war colleges. Only 25% of senior war college selects attend. Officers who have not been officially selected also attend respective service colleges.	Perform an assessment of this selection and assignment strategy. Make recommendations to update a Supply Corps joint strategy (Supply Joint Logistics Concept.). Incorporate results in the strategic communications plan.	9	JOINT	51

General Finding: Additional Qualification Designator (AQD) Review

Finding	Recommendation	CH	COI Lead	ID
Supply Corps officers can earn up to 40 supply-related Additional Qualifying Designators (AQDs). An increasing number of junior officers add as many as possible to their records. There is no indication that more than 10-15 Navy AQDs are actively used in detailing and community management and only a few Supply Corps specific AQDs are considered by promotion boards. However, an increasing number of junior officers add significantly more without regard to what is truly valued.	Initiate a comprehensive AQD review. Add Additional Qualifying Designators (AQDs) to billets where they benefit officer development, serve to recognize key milestones and/or serve to enable stakeholders to specify unique training or experience requirements to assist the detailing process. Educate officers on AQDs through strategic communications.	8	FORCE	62

General Finding: Post Graduate Education Qualification

Finding	Recommendation	CH	COI Lead	ID
Fifteen to twenty-five percent of Supply Corps officers are assessed into the Supply Corps without a qualifying APC for any Navy-funded graduate education program.	Determine feasibility of assessing APC during recruitment process to: (1) Determine pre-qualified recruits. (2) Identify post-recruitment educational requirements. (3) Enhance officer development requirements to mentors and protégés.	10	OFF DEV	89

General Finding: Post Graduate Education Qualification

Finding	Recommendation	CH	COI Lead	ID
Eighty percent of Supply Corps ENSs and LTJGs do not have an Academic Profile Code (APC) on file.	Implement a process for new Supply Corps officers to update this information with NPS while attending the BQC.	10	SC COS	55

General Finding: Post Graduate Education Qualification

Finding	Recommendation	CH	COI Lead	ID
Twenty-six percent of Supply Corps LCDRs with a masters degree earned a post-graduate degree from a non-Navy funded source. Twelve percent of these are from institutions that are on par with the top 25 business programs identified in the 810 program.	Coordinate with NPC and NPS to create a method for officers who earn a MBA from a top 25 program to qualify for a 1301P subspecialty designator like their 810 graduate counterparts.	10	SC COS	56

Legend: COI - Community of Interest; SC COS - SC Chief of Staff; ACM - Acquisition Mgmt; OFF DEV - Officer Development
FORCE - Force Employment; OPLOG - Operational Logistics; POL - Petroleum Mgmt; JOINT - Joint

Strategic Focus Area: 2. Officer Development

Deliverable: 2. Training and Education

General Finding: Improving the Training and Education Continuum

Finding	Recommendation	CH	COI Lead	ID
The NSCS curriculum at all levels of the training continuum must keep pace with technology insertion, changing operational environments, and process improvements.	Institute a process for periodically reviewing the Supply Corps education continuum to incorporate changing operational environments with specific consideration for technology insertion as it applies to curriculums and delivery mechanisms.	10	OFF DEV	59

General Finding: Improving the Training and Education Continuum

Finding	Recommendation	CH	COI Lead	ID
Supply Corps officer training should be aligned with and complementary to DoD logistics training.	Periodically review the Supply Corps education continuum with specific consideration to how it complements or is complemented by DoD logistics training opportunities.	10	OFF DEV	61

General Finding: Scenario Based Training

Finding	Recommendation	CH	COI Lead	ID
Supply Corps Officers benefit from scenario-based training with just-in-time delivery based on the operational environment in which the officer is scheduled to be detailed.	Employ the scenario-based training model used at NSCS and across the education continuum.	10	OFF DEV	60

General Finding: Training and Education Continuum

Finding	Recommendation	CH	COI Lead	ID
Supply Corps officer effectiveness will be enhanced by cultural training and language skills in a future that includes distributed operations, expanded mission sets, and increased collaborative partnerships.	Explore billet opportunities among emerging logistics roles abroad and align with language training opportunities. Embed cultural awareness training within the education continuum.	10	SC COS	63

General Finding: Strengthen Acquisition Management Skill Set

Finding	Recommendation	CH	COI Lead	ID
Stakeholders and officers will be best served when officers obtain the training and education required to earn DAWIA certification. However, not all Acquisition billets are DAWIA coded. Officers assigned to non-DAWIA coded billets may lack the range and depth of functional expertise required for a billet and have less access to DAWIA education resources than officers in DAWIA coded billets.	Code all acquisition billets with acquisition related Additional Qualifying Designators (AQDs). Liaison with DAU to assess impact on education resources.	8	ACM	23

Legend: COI - Community of Interest; SC COS - SC Chief of Staff; ACM - Acquisition Mgmt; OFF DEV - Officer Development
FORCE - Force Employment; OPLOG - Operational Logistics; POL - Petroleum Mgmt; JOINT - Joint

Strategic Focus Area: 2. Officer Development

Deliverable: 2. Training and Education

General Finding: Strengthen Acquisition Management Skill Set

Finding	Recommendation	CH	COI Lead	ID
Stakeholders desire well-rounded acquisition professionals. Expertise resident in other acquisition competencies, specifically financial management and acquisition logistics, are complementary and crucial to the 1306 contracting profession. The Navy acquisition cycle would benefit from Supply Corps acquisition professionals with combined skills and understanding of contracts, financial management, and acquisition logistics, not just specialized niches.	Develop an Acquisition Career Development Plan that includes requirements for integrated skill sets including contracting, financial management, and acquisition logistics. Investigate possibility of revising the 1306 contracting curriculum to include Level II Acquisition Financial certification along with the DAWIA Level III contracting requirements currently offered.	8	ACM	76

General Finding: Strengthen Acquisition Management Skill Set

Finding	Recommendation	CH	COI Lead	ID
Contingency contracting skills should become a basic training/educational requirement for junior SC officers given a future operating environment that includes distributed and HA/DR operations.	Evaluate the appropriate mechanism and timing of providing contingency contracting training to junior Supply Corps officers.	8	ACM	25

General Finding: Strengthen Acquisition Management Skill Set

Finding	Recommendation	CH	COI Lead	ID
SC officers operating in a joint environment will require expertise in operational contract support integration and contractor management.	Assess range and magnitude of requirement and identify alternatives to address training, education and experience shortfalls.	8	ACM	24

General Finding: Operational Logistics Education

Finding	Recommendation	CH	COI Lead	ID
The NPS Operations Logistics curriculum (3212) is virtually indistinguishable from the Operations Research curriculum (3211), yet stakeholders demand two very different skill sets from officers with those subspecialties. Operational logistics involves the planning, coordination and oversight of theater-wide logistics support and Operations Research is an interdisciplinary branch of applied mathematics and formal science.	Implement the Functional Review billet coding recommendations that identify and code training and experience billets using 3212S and 3212R. Evaluate and incorporate the recommendations of the U.S. Navy Vision for Joint Logistics Engagement into the Supply Corps officer training and development pipeline.	8	OPLOG	81

Legend: COI - Community of Interest; SC COS - SC Chief of Staff; ACM - Acquisition Mgmt; OFF DEV - Officer Development; FORCE - Force Employment; OPLOG - Operational Logistics; POL - Petroleum Mgmt; JOINT - Joint

Strategic Focus Area: 2. Officer Development

Deliverable: 2. Training and Education

General Finding: Leverage Externships/Training with Industry

Finding	Recommendation	CH	COI Lead	ID
Experience with a commercial organization or non-governmental organization provides valuable skills, business linkages and a broader perspective in our qualified control grade officers. These experiences can enhance the effectiveness of defense supply and logistics processes.	Continue to embrace Training With Industry (TWI) initiatives and seek to grow externships where there is a strategic advantage to the community. Develop a process and requirements for participants to communicate lessons learned with community leadership and the broader community. Consider social networking alternatives as a mechanism whereby participants can extend the reach of these lessons. Communicate the value of these externships through career milestones and promotion board precepts.	10	SC COS	69

General Finding: Leverage Externships/Training with Industry

Finding	Recommendation	CH	COI Lead	ID
Experience in working in a joint, intergovernmental, interagency, multinational (JIIM) environment will be important to developing the control grade officer of the future.	Explore externship opportunities in a JIIM environment. Communicate the value of these externships through career milestones and promotion board precepts.	9	SC COS	68

General Finding: Internship Quality

Finding	Recommendation	CH	COI Lead	ID
Internships are a valuable way for Supply Corps junior officers to explore major Supply Corps policy experience while gaining on-the-job training and education. However, the structure, discipline, and education received is inconsistent across intern programs.	Assign Community of Interest (COI) leads to conduct a comprehensive review of current intern programs to ensure that officers who complete the programs are fully prepared to later succeed in a similar experience coded requirement. Develop program expectations complete with written standards for each intern program. Develop a process to monitor program success.	10	SC COS	57

General Finding: Petroleum Management Education Pipeline

Finding	Recommendation	CH	COI Lead	ID
Petroleum Management (1307): Opinions are divided on whether a civilian graduate school curriculum is required for successful performance in bulk fuel terminal management and fuel planning.	Investigate alternative training and education methods that produce officers skilled in bulk petroleum management and fuel logistics planning.	8	POL	29

Legend: COI - Community of Interest; SC COS - SC Chief of Staff; ACM - Acquisition Mgmt; OFF DEV - Officer Development; FORCE - Force Employment; OPLOG - Operational Logistics; POL - Petroleum Mgmt; JOINT - Joint

Strategic Focus Area: 3. Environmental Landscape

Deliverable: 1. Force Employment

General Finding: Continued Pressure to Reduce Manpower

Finding	Recommendation	CH	COI Lead	ID
Sustained pressure to find savings through military end-strength reductions is likely to remain a key component of stakeholder Program Objective Memorandum (POM) submissions for at least the next decade and perhaps across the planning horizon. Budget Submitting Offices (BSOs) will continue to be pressured to reduce manpower budgets over the FYDP and will pay at least part of this tax with Supply Corps billets.	Develop and maintain a prioritized list of billets that can be used to negotiate with stakeholders when manpower taxes are levied. The list should include billets for roll down, realignment, and divestiture.	8	FORCE	87

Deliverable: 2. Officer Development

General Finding: Evaluation of Operational Career Milestones

Finding	Recommendation	CH	COI Lead	ID
Expeditionary and other non-traditional operational opportunities are expected to grow while traditional afloat opportunities decrease over time. These opportunities should be reviewed periodically to ensure officers are encouraged to take non-traditional and emerging market billets via revised operational career milestones and promotion board precepts.	Conduct annual billet review to evaluate new operational assignments to include in career milestones and promotion board precepts.	10	SC COS	82

General Finding: Technology Opportunities

Finding	Recommendation	CH	COI Lead	ID
Training and education in a traditional brick and mortar environment will be replaced, where practical, with distance learning alternatives. Distance learning will emerge to provide Just-in-Time training to address routine matters.	Continue to critically review training delivery mechanisms to ensure the most effective mechanism is employed.	10	OFF DEV	85

Legend: COI - Community of Interest: SC COS - SC Chief of Staff: ACM - Acquisition Mgmt : OFF DEV - Officer Development
 FORCE - Force Employment : OPLOG - Operational Logistics : POL - Petroleum Mgmt : JOINT - Joint

Strategic Focus Area: 4. Governance

Deliverable: 1. Governance

General Finding: Formal Governance Process

Finding	Recommendation	CH	COI Lead	ID
There is no formal governance process in place to manage community sponsorship in the Supply Corps.	Establish a formal governance process.	12	SC COS	44

General Finding: Formal Governance Process

Finding	Recommendation	CH	COI Lead	ID
The Supply Corps does not actively engage in formal strategic planning as a community.	Institutionalize scenario-based planning to develop and refine the Supply Corps' strategy.	12	SC COS	48

General Finding: Formal Governance Process

Finding	Recommendation	CH	COI Lead	ID
There is no published strategy or annual guidance from the Chief of Supply Corps as the Community Sponsor	Publish annual strategic guidance.	12	SC COS	45

General Finding: Formal Governance Process

Finding	Recommendation	CH	COI Lead	ID
There are no business rules established for developing investment recommendations.	Develop and implement business rules and metrics.	12	SC COS	46

General Finding: Formal Governance Process

Finding	Recommendation	CH	COI Lead	ID
There are no established strategic focus areas and measures of effectiveness that establish accountability for community-sponsored decisions affecting the health of the community.	Establish strategic focus areas and measures of effectiveness. Align measures with CNP. Monitor performance through periodic updates.	12	SC COS	47

General Finding: Formal Governance Process

Finding	Recommendation	CH	COI Lead	ID
Strategic communications are essential for program success.	Properly resource and execute strategic communications.	12	SC COS	88

Legend: COI - Community of Interest: SC COS - SC Chief of Staff: ACM - Acquisition Mgmt : OFF DEV - Officer Development
 FORCE - Force Employment : OPLOG - Operational Logistics : POL - Petroleum Mgmt : JOINT - Joint

Chapter 12

GOVERNANCE AND NEXT STEPS

Organizations benefit not only from written rules, policies and laws guiding behavior, but also from an effective oversight entity that monitors compliance. Written guidance reduces confusion and ensures all stakeholders understand goals and expectations. Monitoring behavior ensures consistency of purpose and deters movement away from the rules, policies and laws. Managing the written rules through the oversight entity is governance.

Governance is the process whereby strategic goals are set, key relationships are maintained, the health of the organization is safeguarded, and account is rendered for performance.⁴⁰

There are multiple written rules, policies, and laws governing personnel within the Department of Defense and the Navy and, that by default, govern the Supply Corps as well. The Inspector General monitors compliance for the great majority of these rules, policies and laws. However, when it comes to governing the Supply Corps, although numerous rules, policies, and laws exist, there is no single integrated governance structure charged with oversight. While there are individual organizations formally tasked with governing the Supply Corps, they are not connected with an integrated strategy to manage the health of the Supply Corps community and the development of its officers. The Chief of Supply Corps, the community's flag officers, NAVSUP Office of Personnel (NAVSUP OP), the Senior Leadership Advisory Council (SRLAC), and the Officer Community Manager (OCM) all play roles in maintaining the health of the community. These individuals and groups are not bound by a formal structure. They act to manage individual efforts but not as an integrated body aligned to a common strategy.

The position of Chief of Supply Corps, established by SECNAV NOTICE 5460 on October 13, 1966, has responsibilities that include Supply Corps community management. The Chief serves as the principal advisor to the Chief of Naval Operations and the Chief of Naval Personnel in matters concerning the numerical requirements of the Department of the Navy for and the qualifications, procurement, training, education, development, assignment and overall appraisal of the performance of Supply Corps officers.

The OCM is the principal individual responsible for the health of the Supply Corps community. The OCM's responsibility is to plan, manage, facilitate, integrate and coordinate manpower and personnel requirements for the Navy Supply Corps officer community as directed by the Chief of Supply Corps and Commander, Naval Personnel Command (COMNAVPERSCOM). NAVSUP OP is primarily responsible for assigning officers to billets meeting stakeholder needs and that are professionally enhancing. Previously the OCM position was part of NAVSUP OP and facilitated the coordination of community health and officer detailing issues. However, in 2007 the OCM position transferred to the newly created Echelon II command, BUPERS-3.

The role of the community's flag officers regarding governance is not articulated in a designation letter or charter. Supply Corps flag conferences are held twice yearly and serve as a venue for discussing topics that maintain the community's interests inside and outside of the Supply Corps.

Another element of the existing governance structure is the SRLAC. The SRLAC serves as a conduit between the Chief of Supply Corps and the community via the Senior Leadership Training Symposium (SLTS). The annual symposium is a venue for the community's Captains and flag officers to discuss issues facing the Supply Corps, and address future challenges. Each year the Chief of Supply Corps charters the SRLAC with researching and making recommendations on community and officer development issues that are out-briefed at the flag officer conference and the SLTS. One of the drawbacks of the current model is that those serving on the SRLAC do so as a collateral duty and rely on the staff support that each member has at his/her individual commands.

The absence of formal strategic guidance results in decisions that serve the interests of individual organizations, enterprises or budget submitting offices but is often in competition with community health. A formal governance process incorporating the following recommendations will acknowledge these competing interests and balance them with community health:

- Establish the Supply Corps flag officers as a Board of Advisors.
- Institutionalize scenario-based strategic planning.
- Publish annual strategic guidance.
- Establish and resource full-time community staff support.
 - Establish a Supply Corps Chief of Staff (SC COS) who provides full time community support to the Chief and acts as the SRLAC lead.
 - Designate the Director of NAVSUP OP and the Commanding Officer of NSCS positions as permanent SRLAC members.
 - Align and report funding requirements for strategic initiatives under the SC COS.
- Develop and implement process business rules and metrics that hold governance participants accountable.
- Establish Supply Corps communities of interest chartered with creating a plan of action and milestones to address the findings and recommendations presented in Chapter 11. Review billet structure and composition annually for their respective functional areas.
- Appoint SRLAC members for a minimum of two years and stagger member turnover.



These recommendations strengthen the foundation of the current informal Supply Corps governance model. With annual reviews and assessments, the Supply Corps will continue to refine its governance process and ensure community success via a focused strategy. Figure 12.1 presents a notional governance organization.

THE NEXT STEPS

The strategy and policy resulting from implementation of the Supply Corps 2040 Strategic Vision Study recommendations will more likely achieve the intended outcomes if the Supply Corps adopts a practical implementation plan. A principal objective of this study is to overcome the challenges associated with managing the Supply Corps in the absence of a unified strategy. Implementation of the governance recommendations marks the transition from strategy to execution. Resources are critical and the first that must be identified is the Supply Corps Chief of Staff (SC COS). Given the range of issues and the magnitude of the effort necessary, the SC COS will be the key to success as he or she orchestrates the efforts of the governance engine on behalf of the Chief. Orchestrating a successful implementation plan will require inputs from all members of the governing body. Members should be careful to identify the challenges to implementation and adopt careful mitigation strategies for each of the strategic focus area recommendations (i.e. officer development, environmental landscape, etc).

Resources are finite and each member of the governing body will need to participate. Key elements of each lead's actionable plans should address:

- What can reasonably be accomplished using existing resources?
- What could be accomplished with additional resources?

- What findings can the community defer?
- What the implications are of each recommendation?
- How those recommendations affect the whole of the Supply Corps?

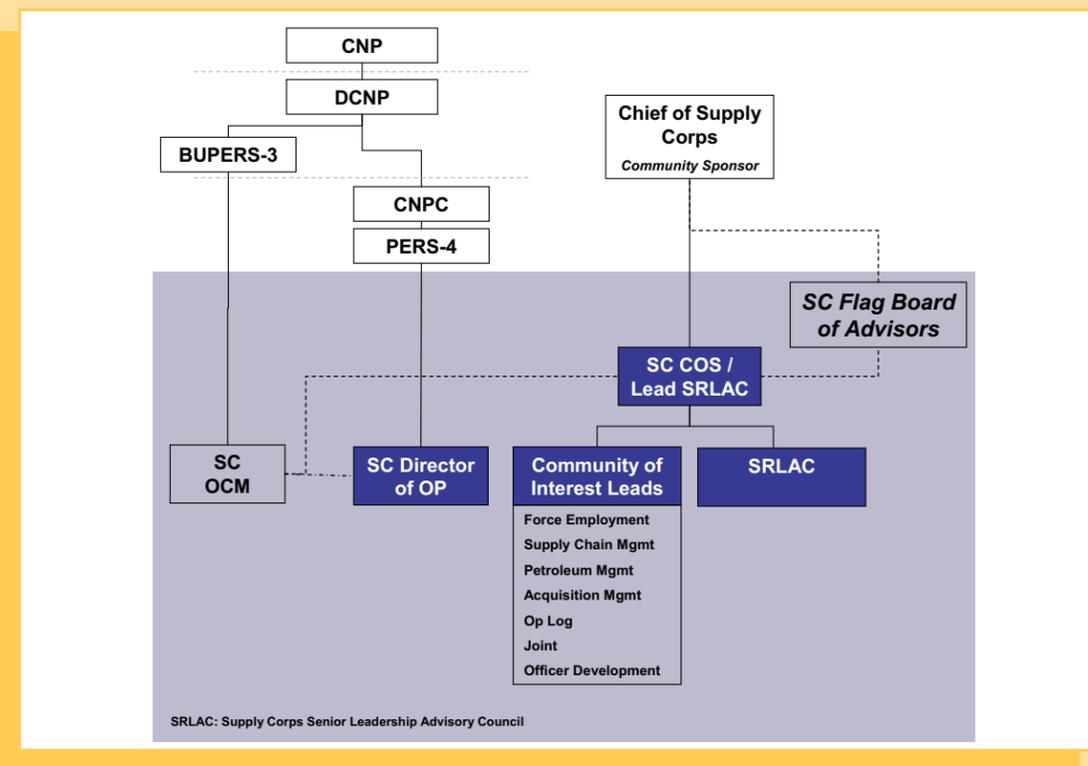
Strategic communications are also essential and must be resourced. Communicating this strategy represents the initial steps of a sustained communication effort that disseminates the Chief's strategic guidance and intent for the community. This is not a static message, but rather one that is routinely updated in concert with governing the community. The message must be tailored to each audience and must reflect the importance of fulfilling the needs of Supply Corps internal and external stakeholders along the journey to 2040.

A key component of governance and recommendation implementation is monitoring and review. Definite metrics should be developed early in the implementation process. Progress reports will also provide assurance that the Supply Corps community is meeting its established objectives.

SUMMARY

The journey to 2040 is filled with unknowns, multiple challenges and opportunities. The Supply Corps 2040 Strategic Vision Study has attempted to present near term challenges that must be addressed to ensure there is a smoother road for the Ensigns who are joining the Supply Corps community today. Key success factors for future Supply Corps officer success are outlined. The study provides recommendations for governing the future in a more systematic and strategic manner. No one ever predicts the future with 100 percent clarity, but this effort should become the cornerstone for Supply Corps development in preparing for any number of potential futures, ensuring the community is still strong, respected and in demand by the Navy and the Joint Warfighter.

FIGURE 12.1: Notional Governance Organization



End Notes

- ¹ Robert S. Kaplan and David P. Norton, *The Execution Premium: Linking Strategy to Operations for Competitive Advantage*. (Boston, Massachusetts: Harvard Business School Publishing Corporation, 2008), p. 42
- ² Defense Logistics Education Workshop Minutes, Dr. Alex Miller, October 8, 2008
- ³ VADM P.M. Hekman Itr dtd 3 February 1989
- ⁴ Value Proposition Team Brief given at the Senior Leadership Training Symposium, 28 April 2009
- ⁵ MC2 Rebekah Blowers, ‘CNO Testifies Before Congress,’ NAVY.MIL, 5 June 2009
- ⁶ Michael E. Porter, ‘The Five Competitive Forces That Shape Strategy,’ *Harvard Business Review*, January 2008
- ⁷ Robert S. Kaplan and David P. Norton, p. 42
- ⁸ Institute on Governance. www.iog.ca
- ⁹ Conversations with RADM (Ret) McKinnon on 25 March 2009 at 2040 Team Meeting
- ¹⁰ Porter
- ¹¹ Porter
- ¹² Ann Scott Tyson, ‘New approach to Afghanistan Likely,’ *Washington Post*, June 3, 2009
- ¹³ Capstone Concept for Joint Operations, p. 2
- ¹⁴ Quadrennial Defense Review
- ¹⁵ Robert M. Gates, ‘A Balanced Strategy: Reprogramming the Pentagon for a New Age,’ *Foreign Affairs*, p. 2
- ¹⁶ Cooperative Strategy for the 21st Century, p. 5
- ¹⁷ Global Trends 2025: A Transformed World, National Intelligence Council, November 2008
- ¹⁸ Joint Operating Environment
- ¹⁹ ‘National security and the Threat of Climate Change,’ Center for Naval Analysis, 2007, p. 6-7
- ²⁰ ‘National Security and the Threat of Climate Change,’ p. 6
- ²¹ Barry D. Watts, ‘The U.S. Defense Industrial Base; Past Present and Future Strategy for the Long Haul,’ Center for Strategic and Budgetary Assessments, 2008, p. ix
- ²² Testimony before the Senate Armed Services Committee by Thomas Gates, Secretary of Defense on 27 January 2009
- ²³ VADM (ret) Dan McCarthy, Draft Presentation ‘Leading Change From a New Fiscal Reality,’ Navy Corporate Business Course, University of Virginia
- ²⁴ George Friedman, *The Next 100 Years, A Forecast for the 21st Century*, Doubleday, p.52
- ²⁵ Global Trends 2025
- ²⁶ Global Trends 2025
- ²⁷ Loren B. Thompson, ‘The Defense Industry Outlook through 2012,’ Remarks at Raytheon HQ, 16 January 2009, Lexington Institute
- ²⁸ Competitive Strategy for the 21st Century, p.8
- ²⁹ Robert Work, ‘The U.S. Navy, Charting a Course for Tomorrow’s Fleet,’ Center for Strategic and Budgetary Assessments, 2008, vi
- ³⁰ Department of the Navy Human Capital Strategy 2007, Office of the Secretary of the Navy, Manpower and Reserve Affairs, p.16
- ³¹ http://en.wikipedia.org/wiki/United_States_public_debt
- ³² Urgent and Program Management Reform Required: Army Expeditionary Contracting, Report of the ‘Commission on Army Acquisition in Expeditionary Operations’ 31 October 2007
- ³³ Global Trends 2025
- ³⁴ U. S. Congress, John Warner National Defense Authorization Act for Fiscal Year 2007, Sec 519
- ³⁵ LTGen John M. Paxton, USMC, testimony before the Subcommittee on Oversight and Investigations of the House Armed Services Committee Professional Military Education Policy Hearing, 28 July 2009
- ³⁶ Joint Publication 4.0. Joint Logistics. July 18, 2008.
- ³⁷ Defense Logistics Education Workshop Minutes, Dr. Alex Miller, October 8, 2008
- ³⁸ E-Mail correspondence from RDML Ernie Elliot to RADM Mike Lyden dtd 12 July 2009
- ³⁹ Cooperative Strategy for the 21st Century, p. 17
- ⁴⁰ Institute on Governance. www.iog.ca

Bibliography

- Blowers, Rebekah, MC2, USN, ‘CNO Testifies Before Congress,’ <<http://www.navy.mil>>, 5 June 2009
- Defense Logistics Education Workshop Minutes, Notes from lecture given by Dr. Alex Miller, 3 October 2008: 2
- Elliot, Ernie, RADM, SC, USN (Ret) E-Mail to RADM Mike Lyden, 12 July 2009
- Friedman, George, *The Next 100 Years, A Forecast for the 21st Century*, Doubleday, 2009
- Gates, Robert M., ‘A Balanced Strategy: Reprogramming the Pentagon for a New Age,’ *Foreign Affairs*, January 2009: 2
- Gates, Robert M., Secretary of Defense, Testimony before the Senate Armed Services Committee, 27 January 2009
- Hekman, P.M. VADM, USN (Ret) letter to RADM Daniel W. McKinnon, 3 February 1989
- Institute on Governance. <<http://www.iog.ca>>
- Joint Publication 4.0., *Joint Logistics*, July 18, 2008
- Kaplan, Robert S. and David P. Norton, *The Execution Premium: Linking Strategy to Operations for Competitive Advantage*. Harvard Business School Publishing Corporation, Boston, Massachusetts, 2008
- McCarthy, Dan, VADM, SC, USN (Ret), Draft Presentation ‘Leading Change From a New Fiscal Reality,’ Navy Corporate Business Course, University of Virginia
- McKinnon, Daniel W., RADM, SC, USN (Ret) Interview with 2040 Team on 25 March 2009
- ‘National security and the Threat of Climate Change,’ Center for Naval Analysis, 2007: 6-7
- Paxton, John M., LTGen, USMC, Testimony before the Subcommittee on Oversight and Investigations of the House Armed Services Committee Professional Military Education Policy Hearing, 28 July 2009
- Porter, Michael E., ‘The Five Competitive Forces That Shape Strategy,’ *Harvard Business Review*, January 2008
- Thompson, Loren B., ‘The Defense Industry Outlook through 2012,’ Remarks at Raytheon HQ, 16 January 2009, Lexington Institute
- Tyson, Ann Scott, ‘New approach to Afghanistan Likely,’ *Washington Post*, June 3, 2009
- United States, Chairman of the Joint Chiefs of Staff, *Capstone Concept for Joint Operations, Version 3.0*, Washington, D.C., CJCS, 15 January 2009: 2
- United States, Chief of Naval Operations, Commandant of the Marine Corps, Commandant of the Coast Guard, *Cooperative Strategy for the 21st Century*, Washington, D.C., October 2007
- United States, National Intelligence Council, ‘Global Trends 2025: A Transformed World’, Washington, D.C., GPO, November 2008
- United States, Office of the Secretary of Defense, *Quadrennial Defense Review*, Washington, D.C. OSD, 06 February 2006
- United States, Office of the Secretary of the Navy, Manpower and Reserve Affairs, Department of the Navy Human Capital Strategy – Building and Managing the Total Force, Washington, D.C., OSN (MNR&A), 2007: 16
- United States, Secretary of the Army, Commission on Army Acquisition in Expeditionary Operations, Urgent and Program Management Reform Required: Army Expeditionary Contracting, SoA, Washington, D.C., 31 October 2007
- United States, U.S. Congress, John Warner National Defense Authorization Act for Fiscal Year 2007, Sec 519
- United States, U.S. Joint Forces Command, Joint Operational Environment – Into the Future, Coordinating Draft, USJFC, Norfolk, 11 January 2005
- Value Proposition Team Brief given at the Senior Leadership Training Symposium, 28 April 2009
- Watts, Barry D., ‘The U.S. Defense Industrial Base; Past, Present and Future Strategy for the Long Haul,’ Center for Strategic and Budgetary Assessments, 2008: ix
- Work, Robert, ‘The U.S. Navy, Charting a Course for Tomorrow’s Fleet,’ Center for Strategic and Budgetary Assessments, 2008: vi

Acronyms/Abbreviations

3100	Active Component Supply Corps Officer Designator	CGX	The next generation in cruiser ship design	DON	Department of the Navy	IW	Information Warfare
3105	Reserve Component Supply Corps Officer Designator	CHNAVPERS	Chief of Naval Personnel (Washington)	DOPMA	Defense Officer Personnel Management Act	IZ	In-Zone
3107	Full Time Support Supply Corps Officer Designator	CIV	Civilian	DoS	Department of State	J4	Joint Staff Logistics Directorate
AAUSN	Assistant for Administration, Undersecretary of the Navy	CIVPERS	Civilian Personnel	DS	Distance Support	JCASO	Joint Contingency Acquisition Support Office
AC	Active Component	CJCS	Chairman of the Joint Chiefs of Staff	DSC	Defense Supply Center	JCS	Joint Chiefs of Staff
ACM	Acquisition and Contract Management/Managers	CJTf	Combined Joint Task Force	eFSM	Electronic Food Service Management	JCWS	Joint and Combined Warfighting School
ACQ	Acquisition	CNIC	Chief of Naval Installations Command	EJDA	Experience Joint Duty Assignment	JD1	Joint Duty Assignment Billet
ADM	Admiral	CNO	Chief of Naval Operations	ENS	Ensign	JDA	Joint Duty Assignment
ADP	Automated Data Processing	CNP	Chief of Naval Personnel	EOD	Explosive Ordnance Disposal	JDAL	Joint Duty Assignment List
AEDO	Aerospace Engineering Duty Officer	COA	Course of Action	EOM	Expendable Ordnance Management	JDDE	Joint Deployment and Distribution Enterprise
AL	Acquisition Logistics	COCOM	Combatant Commander	ERP	Enterprise Resource Planning	JFC	Joint Force Commander
ALNAV	All Navy	COI	Community of Interest	ESG	Expeditionary Strike Group	JFCOM	United States Joint Forces Command
ALOC	Advanced Logistics Operations Course	COMFISC	Commander, Fleet and Industrial Supply Centers	EUCOM	European Command	JIIM	Joint Interagency Intergovernmental Multinational
AOR	Area of Responsibility	COMNAVAIRSYSCOM	Commander, Naval Air Systems Command	FAIR	Federal Activities Inventory Reform	JMD	Joint Manning Doctrine
APC	(1) Academic Profile Code; (2) Acquisition Professional Community	COMNAVRESFOR	Commander, Navy Reserve Forces Command	FFG	Guided Missile Frigate	JNT	Joint Planning and Logistics
API	Asian Pacific Islander	COMNAVSEASYSYSCOM	Commander, Naval Sea Systems Command	FISC	Fleet and Industrial Supply Center	JO	Junior Officer
APM	Acquisition Program Management	COMNAVSPECWARCOM	Commander, Naval Special Warfare Command	FITREP	Fitness Report	JOD	Joint Officer Development
AQD	Additional Qualification Designator	COMNAVSUPSYSYSCOM	Commander, Naval Supply Systems Command	FLT	Fleet	JOE	Joint Operating Environment
ARI	Active-Reserve Integration	COMPACFLT	Commander, U.S. Pacific Fleet	FM	Financial Management/Manager	JOL	Joint Operational Logistics
ASD (FMP)	Assistant Secretary of Defense (Force Management and Personnel)	COMMSC	Commander, Military Sealift Command	FM&C	Financial Management and Comptroller	JOM	Joint Officer Management
ASDOF	Afloat Supply Department of the Future	CONUS	Continental United States	FO	Flag Officer	JOPEs	Joint Operational Planning and Estimating System
ASN	Assistant Secretary of the Navy	COS	Chief of Staff	FS	Food Service	JOTS	Junior Officer Training Symposium
ATG	Afloat Training Group	CPO	Chief Petty Officer	FSA	Field Support Activity	JP	Joint Publication
ATM	Automated Teller Machine	CPPD	Center for Personal and Professional Development	FSPC	Fleet Supply Policy Council	JPME	Joint Professional Military Education
BFM	Business Financial Management	CSF	Current Success Factor	FTS	Full Time Support	JQO	Joint Qualified Officer
BG-N	Beyond Goldwater-Nichols	CSIS	Center for Strategic and International Studies	FYDP	Future Year Defense Plan	JSO	Joint Specialty Officer (replaced by JQO)
BQC	Basic Qualification Course	CTF	Carrier Task Force	GOFO	General Officer/Flag Officer	JTF	Joint Task Force
BRAC	Base Realignment and Closure	CVN	Nuclear Powered Aircraft Carrier	GMT	General Military Training	KM	Knowledge Management
BRIC	Brazil, Russia, India and China	CWO	Chief Warrant Officer	GNA	Goldwater-Nichols Act	KSF	Key Success Factor
BSO	Budget Submitting Office	DAU	Defense Acquisition University	GO	General Officer	KU	University of Kansas
BUMED	Bureau of Medicine and Surgery	DAWIA	Defense Acquisition Workforce Improvement Act	GSA	Global War on Terrorism Support Assignment	LCC	Amphibious Command Ship
BUPERS	Bureau of Naval Personnel	DCMA	Defense Contract Management Agency	GWOT	Global War on Terrorism	LCDR	Lieutenant Commander
CAP	Critical Acquisition Position	DCO	Direct Commission Officer	HADR	Humanitarian Assistance/Disaster Relief	LCS	Littoral Combat Ship
CAPT	Captain	DDC	Defense Distribution Center	HCA	Health Care Administration	L-deck	Amphibious Landing Ship
CCDR	Combatant Commander	DDG	Guided Missile Destroyer	HN	Host Nation	LDO	Limited Duty Officer
CCJO	Capstone Concept for Joint Operations	DDX	The next generation in Destroyer ship design	HOA	Horn of Africa	LOE	Letter of Explanation
CDO	Chief Diversity Officer	DESC	Defense Energy Support Center	HSC	Hardware Systems Command	LOGSU	Logistics Support Unit
CDR	Commander	DFC	Detachment for Cause	HSS	Health Service Support	LOGTECH	The Center of Excellence in Logistics and Technology
CEC	Civil Engineer Corps	DLA	Defense Logistics Agency	IA	Individual Augmentee	LS	Logistics Specialist
CECOS	Civil Engineer Corps Officer School	DNACO	DoD Navy Acquisition and Contracting Officer	ICAF	Industrial College of the Armed Forces	LSC	Logistics Support Center
CG	(1) Control Grade; (2) Guided Missile Cruiser	DoD	Department of Defense	IGO	Intergovernmental Organization	LSC	Logistics Specialist Chief
				ILS	Integrated Logistics Support	LT	Lieutenant
				IMS	Individual Mobilization Status	LTJG	Lieutenant Junior Grade
				INST	Instruction	MAGTF	Marine Air Ground Task Force
				IOP	Instrument of National Power	MARCORPS	United States Marine Corps
				IP	Information Professional	MAS	Manpower Availability Status
				IPT	Integrated Process Team	MAW	Marine Air Wing
				IT	Information Technology	MBA	Master of Business Administration

MCLEP	Marine Corps Logistics Education Program	O1	Ensign	Pubs	Publications	URL	Unrestricted Line
MCM	Mine Countermeasures Ship	O2	Lieutenant Junior Grade	PYG	Promotional Year Group	USAID	United States Agency for International Development
MEU	Marine Expeditionary Unit	O3	Lieutenant	QOL	Quality of Life	U.S.C.	United States Code
MLS	Marine Load System	O4	Lieutenant Commander	RDML	Rear Admiral (Lower Half)	USD	Under Secretary of Defense
MPSRON	Maritime Prepositioning Squadron	O5	Commander	RADM	Rear Admiral (Upper Half)	USD P&R	Under Secretary of Defense for Personnel and Readiness
MSC	Medical Service Corps	O6	Captain	RC	Reserve Component	USFFC	United States Fleet Forces Command
MSC	Military Sealift Command	O7	Rear Admiral (Lower Half)	RDA	Research, Development and Acquisition	USNA	United States Naval Academy
MSOR	Master of Science in Operations Research	O8	Rear Admiral (Upper Half)	RIVRON	Riverine Squadron	UUV	Unmanned Underwater Vehicle
N1	Navy Staff Manpower, Personnel, Training and Education Directorate	O9	Vice Admiral	RL	Restricted Line	VADM	Vice Admiral
N4	Navy Staff Logistics Directorate	O10	Admiral	ROM-ES	Retail Operations Management - Enterprise Support	VCNO	Vice Chief of Naval Operations
N42	Navy Staff Strategic Mobility/Combat Logistics Directorate	OA	Operations Analysis	ROMO	Range of Military Operations	VP	Value Proposition
NACO	Naval Acquisition Contracting Officer	OCM	Officer Community Manager	S&T/R&D	Science and Technology/Research and Development	WOS	Women of Supply
NALC	Naval Ammunition Logistics Center	OCO	Overseas Contingency Operation	SC	Supply Corps	YCS	Year of Commissioned Service
NATAM	Native American	OCONUS	Outside the Continental United States	SCM	Supply Chain Management	YG	Year Group
NAVAIR	Naval Air Systems Command	OCS	Officer Candidate School	SES	Senior Executive Service	ZBR	Zero Based Review
NAVESLG	Navy Expeditionary Logistics Support Group	ODC	Officer Data Card	SJDA	Standard Joint Duty Assignment		
NAVET	Navy Veteran	OGA	Other Government Agency	SK	Storekeeper		
NAVICP	Naval Inventory Control Point	OIC	Officer in Charge	SKC	Storekeeper Chief Petty Officer		
NAVSEA	Naval Sea Systems Command	OL	Operations Logistics	SLTS	Senior Leadership Training Symposium		
NAVSISA	Naval Supply Information Systems Activity	Op	Operational	SME	Subject Matter Expert		
NAVSUP	Naval Supply Systems Command	OP	Supply Corps Personnel	SODHC	Supply Officer Department Head Course		
NDA	National Defense Authorization Act	OPA	Officer Programmed Authorizations	SOUTHCOM	United States Southern Command		
NDA	National Defense Authorization Act	OPL	Operational Planning	SPAWAR	Space and Naval Warfare Systems Command		
NDS	National Defense Strategy	OPLOG	Operational Logistics	SRLAC	Senior Leadership Advisory Council		
NDU	National Defense University	OPLOG-JOL	Operational Logistics - Joint Operational Logistics	SRM	Sustainment, Restoration, Modernization		
NECC	Navy Expeditionary Combat Command	OPLOG-NSW	Operational Logistics - Naval Special Warfare	SSBN	Nuclear Powered Ballistic Missile Submarine		
NETC	Naval Education and Training Command	OPLOG-OOL	Operational Logistics - Operational Ordnance Logistics	SSG	Strategic Studies Group		
NGO	Nongovernmental Organization	OPLOG-T	Operational Logistics - Transportation	SSGN	Nuclear Powered Guided Missile Submarine		
NKO	Navy Knowledge Online	OPMEP	Officer Professional Military Education Policy	SSN	Nuclear Powered Attack Submarine		
NLI	Naval Logistics Integration	OPNAV	Chief of Naval Operations	SSODHC	Senior Supply Officer Department Head Course		
NMC	Navy Munitions Command	OPS ANAL	Operations Analysis	Subspec	Subspecialty Code		
NMCB	Naval Mobile Construction Battalion	OPTEMPO	Operational Tempo	SUP OP	Supply Corps Personnel		
NMS	National Military Strategy	OR	Operations Research	SWO	Surface Warfare Officer		
NOLSC	Navy Operational Logistics Support Center	OR-A	Operations Research - Analysis and Assessment	SWOT	Strengths, Weaknesses, Opportunities, Threats		
Non-CAP	Non-critical Acquisition Position	ORD	Ordnance	TAD	Temporary Active Duty		
NOOCS	Navy Officer Occupational Classification System	OR-L	Operations Research Analysis - Joint Operational Logistics	T-AKE	Dry Cargo/Ammunition Ship		
NPRST	Navy Personnel Research, Studies and Technology	OSD	Office of the Secretary of Defense	TDY	Temporary Duty		
NPC	Navy Personnel Command	P&R	Personnel and Readiness	TIG	Time in Grade		
NPS	Naval Postgraduate School	PACOM	United States Pacific Command	TLOC	Tactical Logistics Operations Course		
NROTC	Naval Reserve Officer Training Course	PAPA	Pay and Personnel Ashore	TOC	Total Ownership Cost		
NSCS	Navy Supply Corps School	PCS	Permanent Change of Station	TPFDD	Time-Phased Force and Deployment Data		
NSPP	Navy Strategic Planning Process	PEO	Program Executive Officer	TPPH	Transients, Patients, Prisoners, and Holdees		
NSW	Naval Special Warfare	PEP	Personnel Exchange Program	TRANS	Transportation		
NSWC	Naval Special Warfare Command	PG	Postgraduate	TRANSCOM	United States Transportation Command		
NSWU	Naval Special Warfare Unit	PM	Program Manager	TVST	Tough Visible Shore Tour		
NTF	Navy Total Force	PMO	Program Management Office	TWI	Training with Industry		
NWC	Naval War College	POL	(1) Petroleum, Oil, and Lubricants (2) Petroleum Management	TYCOM	Type Commander		

Glossary

- 1301 Subspecialty Code: The civilian Master of Business Administration Program in Acquisition, Distribution Management.
- 1302 Subspecialty Code: The Naval Postgraduate School Program in Supply Chain Management.
- 1306 Subspecialty Code: The Naval Postgraduate School Program in Acquisition and Contract Management.
- 1307 Subspecialty Code: The University of Kansas graduate program in Petroleum Management.
- 1309 Subspecialty Code: The Naval Postgraduate School Program in Information Technology Management.
- 3110 Subspecialty Code: The Naval Postgraduate School Program in Business Financial Management.
- 3211 Subspecialty Code: The Naval Postgraduate School Program in Operations Research Analysis – Analysis and Assessment.
- 3212 Subspecialty Code: The Naval Postgraduate School Program in Operations Research Analysis – Logistics.
- 5700 Subspecialty Code: The Naval Postgraduate School Program in Combat Systems Science and Technology (Ordnance Management).
- 810 Curriculum: Subspecialty Code 1301 - Acquisition, Distribution Management Program (civilian MBA).
- 819 Curriculum: The Naval Postgraduate School's Master of Business Administration in Supply Chain Management.
- 870 Curriculum: The Naval Postgraduate School's Master of Business Administration in Logistics Information Technology Management.
- Acquisition Positions: Designated military billets that have acquisition duties and fall into established acquisition position categories. There are two subsets of acquisition categories: Critical Acquisition Positions and non-Critical Acquisition Positions.
- Acquisition Professional Community: A select group of highly skilled military and civilian acquisition professionals who meet the Defense Acquisition Workforce Improvement Act (DAWIA) education, training, and experience requirements.
- Acquisition Support: Integrating and influencing the procurement and logistics considerations needed to assure the effective and economic support of a system through-out its life-cycle.
- Acquisition: single uniform system whereby all equipment, facilities, and services are planned, developed, acquired, maintained, and disposed of by the Department of Defense (DoD). The System includes policies and practices that govern acquisition, identifying and prioritizing resource requirements, directing and controlling the process, contracting, and reporting to Congress.
- Additional Qualification Designator: A three-position alphanumeric code that identifies the attainment of skills and knowledge, certified by competent authority, in addition to those identified by the officer's Designator. The first character of the AQD identifies a broad occupational area closely related to the Designator; the second character specifies the qualifications appropriate to that occupational area with the third character further defining the specific qualifications.
- Ad-hoc Business and Economic Infrastructure: Providing business and economic services and other value added services that leverage Supply Corps core competencies to non-military agencies (including NGO's) and other maritime organizations (including foreign navies).
- Asymmetric Warfare: War between belligerents whose relative military power differs significantly, or whose strategy or tactics differ significantly.
- Autonomous, Resourceful Leaders: Highly responsible officers who have the confidence, knowledge, and ability to use every means available to successfully accomplish required tasks.
- Broad Skills: Exercising a high level of understanding and proficiency that is developed through a wide range of varied assignments, tasks, training, and educational opportunities.
- BUPERS 3: The Echelon II command responsible for Navy community management.
- Business Acumen: Overall "know how" as it pertains to business related functions. Possessing the ability to make sound judgments and quick, rational decisions, all supported by a solid foundation of knowledge and business-related experience enhanced by graduate education at top business schools or NPS.
- Business Professionals: Individuals responsible for planning, directing, and overseeing the logistics, supply chain management, financial, and acquisition functions of an organization and guiding employees, resources, and activities to achieve mission success.
- CGX: The next generation in cruiser ship design, intended to replace the Ticonderoga Class AEGIS cruisers.
- Change Management: Activities involved in (1) defining and instilling new values, attitudes, norms, and behaviors within an organization that support new ways of doing work and overcome resistance to change; (2) building consensus among customers and stakeholders on specific changes designed to better meet their needs; and (3) planning, testing, and implementing all aspects of the transition from one organizational structure or business process to another.
- Client: External: The different enterprises and organizations that purchase Supply Corps officer billets.
Internal: Supply Corps Officer
- Client Demand: Articulated by the number of officer billets bought or sold.
- Coded Billet: A personnel duty assignment that identifies the specific rank, training level, or specific skill requirements for the individual intended to fill it.
- Complementary Lines of Operation: Secondary functional areas within the Supply Corps that support the principal lines of Supply Chain Management, Acquisition/Contract Management, and Operational Logistics, which include Comptrollers, Operations Research, and Business Management.
- Confidence Based Learning: A method that takes into account what a person knows, what they don't know, and attempts to bridge the gap between the two.
- Contingency Contracting: The process of obtaining goods, services, and construction via contracting means in support of contingency operations.
- Continuation Rate: The average number of officers by year of commissioned service who continue to serve.
- Continuum of Service: A system that enables an easy and seamless transition between active duty and reserve status via smooth "on ramp" and "off ramp" opportunities based upon the needs of the service and availability of the member to support existing requirements.
- Control Grade Officer: An officer at the rank of O4 (Lieutenant Commander) through O6 (CAPT).
- Core Competency: A complex set of skills, knowledge, and resources that reach across an organization, permeating its culture and evolving over time and that are based on specific "know-how", enabling the organization to be a world leader.
- Core Logistic Capabilities: Supply, maintenance operations, deployment and distribution, health service support, engineering, logistic services, and operational contract support (Joint Pub 4-0, 18 Jul 08).
- Courseware: Learning packets designed by a group of subject matter experts that can be easily downloaded to a computer.
- Critical Acquisition Position: A military acquisition billet that must be filled by an officer at the O-5 level or above and is a member of the Acquisition Professional Community (APC).
- DDX: The next generation in Destroyer ship design, intended to replace the Oliver Hazard Perry Class Frigates and Spruance Class Destroyers (also known as the DD1000 Program).
- Defense Officer Personnel Management Act: A federal code enacted in 1980, designed to establish rules and regulations governing the management of military officers and provide numerical constraints on the number of control grade officers that each service might have as a percentage of its officer corps.
- Developing Autonomous, Accountable and Resourceful Leaders and Managers: The ability to produce, through our operational, leadership, and skill development processes, highly responsible officers who have the confidence, knowledge, and ability to use every means available to successfully accomplish required tasks.
- Distance Support: The force employment concept whereby supply and logistical support is provided to the greatest extent possible from ashore facilities in order to reduce the overall officer footprint aboard operational platforms.
- Distributed Operations: A form of maneuver warfare where small, highly capable units spread across a large area of operations will create an advantage over an adversary through the deliberate use of separation and coordinated, independent tactical actions.
- Diverse: Composed of distinct attributes and characteristics to include education, age, gender, ethnicity/race, as well as geographics and socioeconomics.
- Dwell: The period of time where a service member is not eligible for involuntary mobilization, usually calculated as a ratio of five to one for any previous time spent mobilized (i.e. a member mobilizes for one year, and is subsequently not eligible for involuntary mobilization for five years after they return).
- Environmental Consciousness/Green Operations: Displaying awareness of the various challenges facing the health of our environment and the availability of natural resources, to include operations that focus on reducing the overall ecological impact of all parties involved.
- Environmental Scan: The organizational planning process of analyzing both internal and external factors, to include events, trends, and relationships, which influence operations and decision making in order to identify opportunities and challenges.
- Environmental Stewardship: The act of protecting and preserving the mission capabilities of Navy installations and training areas, ensuring operational flexibility by meeting environmental laws and regulations, and sustaining the resources and public support needed to carry out the mission.
- Expeditionary: Relating to military operations conducted usually on short notice, consisting of forward deployed, or rapidly deployable, self-sustaining forces tailored to achieve a clearly stated objective and re-deploy upon mission completion.
- Extended DoD Services: Providing value added services (outside traditional Supply Corps logistics management) that leverage Supply Corps core competencies to organizations within DoD.
- External Contract Support: Providing contracting/acquisition support to other non-military agencies (including NGO's) and other maritime organizations (including foreign navies).

53. Federal Activities Inventory Reform Act of 1998: Directed that the heads of executive agencies report annually those functions being performed by federally funded employees, including members of the armed services that are not inherently governmental, establishing the case for competitive sourcing, which led to conversion of some Supply Corps billets under A-76 competitive sourcing initiatives.
54. Fit: The assignment of an officer with equal or better qualifications and with the rank required for a particular billet.
55. Flag level: Involving the Navy or Coast Guard officer ranks of O7 and above.
56. Flow Point: The average number of years of commissioned service officers have when promoted to the next higher grade.
57. Focused Acquisition Services: Providing focused support to the U.S. Navy, other naval forces and DoD agencies in financial management, logistics and contracting.
58. Gansler Report: Also known as the Report of the "Commission on Army Acquisition and Program Management in Expeditionary Operations", it was a Special Commission on Army Contracting led by the Honorable Jacques Gansler, former Under Secretary of Defense for Acquisition, Technology, and Logistics in August 2007, which examined theater acquisition and program management processes; reviewed management controls to prevent fraud, waste and abuse; assess legislative needs; and recommended changes in policies and procedures predominantly due to poor contracting practices in Kuwait.
59. General Officer: An officer of the Army, Air Force, or Marines at the rank of O7 or above.
60. Goldwater-Nichols Department of Defense Reorganization Act of 1986: Increased emphasis on the joint environment by elevating the power and staff of the Joint Chiefs of Staff chairman above those of the service chiefs and military departments. It also increased the authority and influence of the unified combatant commander, codified joint officer personnel policies, and provided specific personnel management guidance on how to identify, educate, train, promote and assign officers to joint duties.
61. Governance: The process whereby strategic goals are set, key relationships are maintained, the health of the organization is safeguarded, and account is rendered for performance.
62. Interoperability: The ability of diverse systems and organizations (both internal and external to the Navy Supply Corps) to effectively exchange and use data, information, materiel, and/or services.
63. Irregular Warfare: A violent struggle among state and non-state actors for legitimacy and influence over the relevant populations. IW favors indirect and asymmetric approaches, though it may employ the full range of military and other capabilities, in order to erode an adversary's power, influence, and will. It is inherently a protracted struggle that will test the resolve of our Nation and our strategic partners.
64. Joint Duty Assignment: Per USC Title 10, § 668, (A) shall be limited to assignments in which the officer gains significant experience in joint matters; and (B) shall exclude assignments for joint training and education, except as assignment as an instructor responsible for preparing and presenting courses in areas of the curricula designated in section 2155(c) of this title as part of a program designated by the Secretary of Defense as joint professional military education Phase II.
65. Joint Logistics: The coordinated use, synchronization, and sharing of two or more Military Departments' logistics resources to support the joint force.
66. Joint Matters: "Per USC Title 10, § 668: "(1) ...matters related to the achievement of unified action by multiple military forces in operations conducted across domains such as land, sea, or air, in space, or in the information environment, including matters relating to – (A) national military strategy; (B) strategic planning and contingency planning; (C) command and control of operations under unified command; (D) national security planning with other departments and agencies of the United States; and (E) combined operations with military forces of allied nations."
67. Joint Operation Planning and Execution System (JOPES): A continuously evolving system which provides the foundation for conventional command and control by national- and theater-level commanders and their staffs. It is used to monitor, plan, and execute mobilization, deployment, employment, and sustainment activities associated with joint operations.
68. Joint Operational Support: Providing a wide range of logistics management services to operational forces in a joint operating environment.
69. Joint Operations: A general term to describe military actions conducted by joint forces, or by Service forces in relationships (e.g., support, coordinating authority), which, of themselves, do not establish joint forces.
70. Joint/Combined Operational Support: Having a functional working knowledge of the operational environment as it relates to the integration of acquisition and logistics functions between and services provided to intra and interagency partners, to include other Services, NGOs, etc.
71. Junior Officer Training Symposium: A group of lieutenants and below that are gathered from various geographic areas to solicit their feedback on a range of issues facing the community.
72. Junior Officer: An officer below the rank of O4 (Lieutenant Commander).
73. Knowledge Management: A field of management that focuses on the creation, identification, capture, and distribution of organizational knowledge.
74. Life Cycle Management: A management concept which focuses on basing all programmatic decisions on the anticipated mission – related and economic benefits derived over the life of the system.
75. Life-Cycle Logistics: A core program management function that ensures the integration of all support elements to maximize deployability, supportability, and mobility of the system throughout the program life cycle.
76. Lines of Operation: The primary and complementary functional areas that form the foundation of the Supply Corps skill base, which include Supply Chain Management, Acquisition/Contract Management, and Operational Logistics, as well as Comptrollers, Business Management, and Operations Research.
77. Littoral Combat Ship: Envisioned to be an entirely new breed of Navy warship, it is a networked, agile, stealthy surface combatant utilizing the newest generation hull form to be capable of defeating anti-access and symmetric threats in the littorals.
78. Logistics: The aspect of military science dealing with the procurement, maintenance, and transportation of military material, facilities, and personnel.
79. Maritime: Involving Naval and Coast Guard forces.
80. Millennial: The demographic cohort following Generation X, which is generally marked by an increased use and familiarity with communications, media, and digital technologies.
81. Multiple Military Forces: In the context of joint matters, refers to forces that involve participants from the armed forces and one or more of the following: (A) Other departments and agencies of the United States. (B) The military forces or agencies of other countries. (C) Non-governmental persons or entities.
82. National Defense Authorization Act (NDAA) for Fiscal Year 2002: Kicked off a series of studies which helped pave the way for legislation that modified the structure of the Goldwater-Nichols Act.
83. National Defense Authorization Act for Fiscal Year 2005: Required the Secretary of Defense to develop a strategic plan for Joint Officer Management and JPME that linked Joint Officer Development to the accomplishment of the overall missions and goals of the DoD.
84. National Defense Authorization Act for Fiscal Year 2007: Responsible for authorizing significant changes to the nature of jointness and provided much greater flexibility in Joint Officer Management.
85. National Security Act of 1947: Merged the Department of War and the Department of Navy into the Department of Defense.
86. Naval: Involving United States Navy and United States Marine Corps forces.
87. Naval Logistics Integration: A formal commitment by the Navy and Marine Corps to integrate Naval Logistics business processes.
88. Naval Operational Support: Providing the full range of traditional Supply Corps logistics management services to operational naval forces, this includes shore establishments that supply shore units.
89. Navy Strategic Planning Process (NSPP): The Navy's approach to understanding the future strategic environment by employing a scenario-based approach to improve insight and foresight about the future world in which we will live and work.
90. Non-critical Acquisition Position: A military billet that does not require an O-5 or above or a member of the Acquisition Professional Community (APC).
91. Officer Programmed Authorization (OPA): A recurring, published document summarizing officer authorizations and provides the manpower signals to strength planners to determine accessions, training and promotion plans, and retention.
92. Operational Environment: A composite of the conditions, circumstances, and influences that affect the employment of capabilities and bear on the decisions of the commander.
93. Operational Level of War: The level of war at which campaigns and major operations are planned, conducted, and sustained to achieve strategic objectives within theaters or other operational areas. Activities at this level link tactics and strategy by establishing operational objectives needed to achieve the strategic objectives, sequencing events to achieve the operational objectives, initiating actions, and applying resources to bring about and sustain these events.
94. Operational logisticians: Individuals responsible for assessing, planning, preparing and executing logistics operations to provide sustainment and the optimal allocation and apportionment of logistics resources to maximize the Commander's capabilities.
95. Operational Logistics (OPLOG): Pertains to the assessing, planning, preparation and execution of logistics operations to provide sustainment and the optimal allocation and apportionment of logistics resources to maximize the Commander's capabilities. It links tactical requirements to strategic capabilities.
96. Operational Tempo (OPTEMPO): How frequently a unit deploys.
97. Operational Unit Support: Possessing the necessary knowledge, skills, and resourcefulness that enable the Supply Corps the ability to continuously and independently provide superior logistics and supply-related management to operational units in order sustain a high level of readiness and mission effectiveness.
98. Operations Management: A management discipline that focuses on managing the strategic and operational control of various components that makes up a business

- operation. This includes, but is not limited to: process improvement, acquisition, logistics, contracting, supply chain management, operations strategy, and/or service operations.
99. Opportunity Rate: The percentage of total officers selected for promotion over the eligible in-zone population.
 100. Orthogonality: The extent to which an uncertainty is unrelated or has a significant impact on the other.
 101. Overseas Contingency Operation (OCO): A military operation outside of the continental United States that:
 - a. is designated by the Secretary of Defense as an operation in which members of the Armed Forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing force; or b. is created by definition or law.
 102. Partnering/Alliances: The development of successful, strategic relationships between two or more parties for the purposes of achieving a specific task or goal.
 103. Peer Competitor: A nation or rival coalition with the motivation and capabilities to contest U.S. interests on a global scale.
 104. Posse Comitatus Act: A federal statute generally prohibiting federal military personnel and units of the National Guard under federal authority from acting in a law enforcement capacity within the United States, except where expressly authorized by the Constitution or Congress.
 105. Principal Lines of Operation: For the Supply Corps, these are the primary functional areas of Supply Chain Management, Acquisition/Contract Management, and Operational Logistics.
 106. Professional Networks: The ability to create, sustain, and perpetuate, both personal and professional connections, to achieve mission accomplishment and develop camaraderie in the Navy Supply Corps.
 107. Quality of Life Service: Pertaining to food service, postal services, Navy Exchanges, and movement of household goods.
 108. Redundant Systems/Processes: Parallel or secondary systems and processes that are designed to make the primary system or process increasingly reliable and less vulnerable to interruption.
 109. Regional/Cultural Expertise: Having an identifiable proficiency in the history, traditions, values, beliefs, and language skills of a particular region or society.
 110. Relevance: Positioned to contribute to the proper business management and logistic success of the Navy and the joint force commander.
 111. Responsive Processes: Practices that are highly conducive to the rapid and accurate transfer of information and effectively bridge the gaps between rapidly supporting the warfighter's needs and meeting all regulatory requirements.
 112. Roll Down: To move or change to a lower level, option, or position.
 113. Senior Leadership Advisory Council (SRLAC): A group of Supply Corps CAPTs selected by the Chief of the Supply Corps to advise him on a range of issues facing the community.
 114. Strategic Level of War: The level of war at which a nation, often as a member of a group of nations, determines national or multinational (alliance or coalition) strategic security objectives and guidance, and develops and uses national resources to achieve these objectives. Activities at this level establish national and multinational military objectives; sequence initiatives; define limits and assess risks for the use of military and other instruments of national power; develop global plans or theater war plans to achieve those objectives; and provide military forces and other capabilities in accordance with strategic plans.
 115. Strategic Monitoring: The continuous process of providing updates through the evaluation of key trends and uncertainties and the scanning for weak signals in order to develop and evolve an adaptive final plan.
 116. Strategic Segmentation: The process of dividing an organization's functional areas in order to create one or more groups or segments that can then be targeted effectively, based upon the unique skills, resources, and overall mission of the organization.
 117. Strategic Vision: A broad, aspirational image of the future.
 118. Subspecialty Code: A five character code, four numerals and an alphabetic suffix, that identifies the area of specialization required for a particular billet assignment.
 119. Subspecialty Suffix Codes: Q - Masters Education with experience; P - Masters Level of education; R - Previous experience tour completed; S - 18 month experience tour.
 120. Supply Chain Management (SCM): Getting the right things to the right places at the right times through coordination of the production of goods and services, including which suppliers to buy materials from; how and where to store inventory and how to distribute products in the most cost-effective and timely manner.
 121. Supply Chain Managers: Coordinating supply and demand functions across a network of suppliers, distributors, and customers.
 122. Supply Corps Mission: The overall function of the community that reflects strong culture, heritage and traditions, while conveying dedication to and flexibility in delivering core expertise to support maritime and joint strategies.
 123. Supply Corps Officer: A commissioned officer characterized by their broad business management education and training who is responsible for a wide range of logistics, acquisition, and financial functions in support of the Navy and the joint warfighter.
 124. Supply Corps Strategy: Derived from the mission and visions statements, the strategy provides a specific goal and a high level description of how the Supply Corps will create value.
 125. Supply Corps Value Proposition: The Supply Corps develops and manages the logistic processes that enable the warfare Commander complete freedom of action... serving as the Navy's business leaders, as operational logistics professionals, and as Quality of Life service providers.
 126. Supply Corps Vision: To produce autonomous, resourceful military logisticians with broad skills who deliver operational logistics, supply chain management, and acquisition and business solutions to the Navy and Joint Warfighter.
 127. Supply Officer: A commissioned officer responsible for the delivery, purveyance, or coordination of provisions and/or services.
 128. Supply: To deliver, purvey, coordinate provisions and/or services; a component of logistics (supply, transportation, facilities and services). The procurement, distribution, maintenance while in storage, and salvage of supplies, including the determination of kind and quantity of supplies.
 129. Sustained Logistics Readiness: Provisioning logistics required to maintain and prolong operations until successful mission accomplishment.
 130. Tactical Level of War: The level of war at which battles and engagements are planned and executed to achieve military objectives assigned to tactical units or task forces. Activities at this level focus on the ordered arrangement and maneuver of combat elements in relation to each other and to the enemy to achieve combat objectives.
 131. Tech Savvy People: People who have been identified as having a rich understanding and proficiency of current and emerging technologies, in addition to being able to simultaneously perform a multitude of functions in a highly fluid environment characterized by a high level of uncertainty.
 132. Time-Phased Force and Deployment Data (TPFDD): The JOPES data base portion of an operation plan; it contains time-phased force data, non-unit-related cargo and personnel data, and movement data for the operation plan.
 133. Title 10 of the United States Code: Provides the legal basis for the roles, missions and organization of each of the armed services as well as the United States Department of Defense. Each of the five subtitles deals with a separate aspect or component of the armed services.
 134. Total Force Battle Network: Formerly the Total Ship Battle Force, it represents the concept of smaller littoral combat ships configured in a distributed, connected, modular, and, where possible, unmanned network.
 135. Total Force Concept: A fundamental force employment concept that provides for a redistribution of responsibilities where the reserve and active duty units are integrated into the initial contingency plans for meeting the various aggressions that could occur throughout the world.
 136. Total Ownership Cost (TOC): An initiative to manage costs over the entire life cycle of a system.
 137. Zero Based Review (ZBR): An examination of an entire organization down to the individual member/employee level, with the goal to create a new, requirement-based organization capable of fulfilling the vision and core mission. It involves identifying/quantifying the skills needed by individual members the organization as well as the positions/locations to be filled.

Acknowledgements

There have been multiple individuals who have helped contribute to the Supply Corps 2040 Strategic Vision Study and the team would be remiss if we did not express our gratitude. The following groups and individuals have contributed to the completion of this product:

Former Chiefs of Supply Corps

VADM Alan Thompson

VADM (ret) Keith Lippert

VADM (ret) Dan McCarthy

RADM (ret) Andy Giordano

RADM (ret) Dan McKinnon

RADM (ret) Jim Miller

RADM (ret) Bob Moore

RADM (ret) Ted Walker

Retired Supply Corps Flag Officers

RADM Bob Abele

RADM Bob Crates

RADM Bob Cowley

RADM Jim Davidson

RADM Vance Fry

RADM Gene Harshbarger

RADM Stuart Platt

RADM Fenton Priest

RADM Sharon Redpath

RDML Ernie Elliot

RDML Bill Hauenstein

RDML Bill Jenkins

RDML Mark Young

Current Supply Corps Flag Officers

VADM Mark Harnitchek

RADM Ray Berube

RADM Sean Crean

RADM Kathleen Dussault

RADM Mark Heinrich

RDML Dave Baucom

RDML Rob Bianchi

RDML Andy Brown

RDML Vince Griffith

RDML Steve Romano

RDML Tom Traaen

Senior Leadership Advisory Council for 2009

CAPT Grisell Collazo (OASN – BRAC)

CAPT Jim Davis (OP)

CAPT Bob Gantt (NECC)

CAPT John Landry (SUP)

CAPT Lee Singleton (JCS)

CAPT Michelle Skubic (DSCR)

CAPT Greg Stroh (COMPACFLT)

CAPT John Titus

ASN(RDA)

CAPT Kevin Wheelock

BUPERS 3

CDR Brad Emerson

CDR Jack Moreau

CDR Michael O'Connell

Decision Strategies International (DSI)

Defense Manpower Data Center (DMDC)

Center for Naval Analysis (CNA)

EUCOM N4

Functional Leads in all the SC subspecialties

CAPT Leigh Ackart

CAPT Jeff Baquer

CAPT Doug Borrebach

CAPT (Sel) Jim Liberko

CAPT John Meier

CAPT Doug Newell

CAPT Tim O'Brien

CAPT Mike Patten

CAPT Joyce Robinson

N134 – Diversity Office

Navy Personnel Research, Studies, and Technology (NPRST)

NAVSEA 02

CAPT Jim Barnard

NAVAIR 02/BFMs

CAPT John Spicer

CAPT Forrest Tucker

NAVICP-P

CDR Rick Wilson

NAVSUP

CAPT Toni Kasprzak

CDR James Macaranas

LCDR Jerry King

NAVSUP 03 Funding and Travel Support

NAVSUP OCC

Jan Derk

Kathy Adams

Lee Mundy

NOLSC

CAPT Chris Bower

OPNAV

CAPT Bert Brunson

CAPT Rod Hubbard

CDR Rick Poepfelmeier

CDR Kerry Pearson

CDR Darrell Everhart

CDR Nick Rapley

Ms. Dana Nielsen

JCS J41

CDR Pat McClanahan

PACOM N4

Office of Supply Corps Personnel 4412

CAPT John Dillender

CDR Frank Nevarez

Navy Reserve Naval OPLOG Readiness Unit at NOSC Washington

CAPT Althea Coetzee

CDR Charles Arnold

CDR Leo Creger

CDR Jeffrey Tucker

LCDR Jason Cassano

LCDR Robert Fitzpatrick

ENS Brad Moore

Other Acknowledgements

CDR Aristides Iliakis

LCDR Mike Breaux

LT Danny Ewing

Mr. Matthew Culbertson

This study would not have been possible without their input, reviews, critiques, edits and advice.

Our heartfelt thanks to all,

Supply Corps 2040 Strategic Vision Team

CAPT Beth Howell

CDR (Sel) Pamela Dozier

LCDR Mark Williams

LT Marcus Thomas

Mr. Phillip Knauss

Mr. Jim Naber



2010

2020

2030

2040



