2 February 2007

CNO Guidance for 2007

Focus on Execution

THE CHALLENGE

America remains a nation at war. While we continue to fight that war, we must also contend with traditional threats from regional powers who possess robust conventional and, in some cases, nuclear capabilities. The freedom to conduct naval operations in support of joint, allied and coalition operations -- assuring access and projecting persistent combat power -- must be preserved through enduring, warfighting competencies. We are and will remain a warfighting, seagoing service.

The central fronts of the war on terror lie in Iraq and Afghanistan, but the struggle is truly global in scale. Suicide attacks and efforts by terror organizations to gain footholds in the Middle East, Africa, and southern Asia, as well as their increasing use of the internet to spread radical ideologies, all serve as stark reminders of the severity and scope of the fight. Our enemies plot within shadows, hide among innocents, and refuse to be constrained by ethical or geographic boundaries. They are well-funded, agile, media-savvy, fervently motivated, and seek the most dangerous weapons.

The rapid pace of globalization has also accelerated the effects of familiar perils. In the past year alone we have seen economic and political dynamics dramatically affected by natural disasters, energy competition, piracy, and the continuing development of weapons of mass destruction and their delivery systems. We have seen the power and speed with which actions, images and ideas impact military operations. This pace of change continually redefines the security environment in which we operate.

Our Navy is on course and speed to match that pace. Last year we "threw the rudder over" and set ourselves upon three main priorities: **sustaining combat readiness; building a fleet for the future;** and **developing 21st Century leaders.** They were the right priorities then, and they are the right priorities now.

The great challenge today is in execution. We must follow-through -- rapidly *execute* -- on every plan, budget decision, strategy and policy we devise to better defend the American people and our national interests. To that end, my Guidance for 2007 reinforces our 2006 vision, mission and guiding principles, assesses our progress toward our priorities, and calls for accountable execution of key objectives.

VISION

The National Security Strategy makes clear our nation's path: "We choose leadership over isolationism, and the pursuit of free and fair trade and open markets over protectionism. We choose to deal with challenges now, rather than leave them to future generations … We must maintain a military without peer -- yet our strength is not founded on force of arms alone. It also rests on economic prosperity and a vibrant democracy. And it rests on strong alliances, friendships, and international institutions, which enable us to promote freedom, prosperity and peace in common purpose with others."

The vision we established last year is still valid: "Americans secure at home and abroad; sea and air lanes open and free for the peaceful, productive movement of international commerce; enduring national and international naval relationships that remain strong and true; steadily deepening cooperation among the maritime forces of emerging partner nations; and a combat-ready Navy -- forward-deployed, rotational and surge capable -- large enough, agile enough, and lethal enough to deter any threat and defeat any foe in support of the Joint Force."

MISSION

The strategic landscape is evolving and our Navy is being called upon to provide very unique capabilities to multiple regions around the globe. Current events in the Middle East, Venezuela, and North Korea highlight the volatile strategic landscape we face both now and in the future. These developments demand that our Navy remains a preeminent force for dissuading and deterring aggression while providing regional security and global stability.

The National Defense Strategy lists four strategic objectives for U.S. military forces: 1) secure the United States from direct attack, 2) secure strategic access and retain global freedom of action, 3) strengthen alliances and partnerships, and 4) establish favorable security conditions. The 2006 Quadrennial Defense Review (QDR) likewise identified four priorities: 1) defeating terrorist networks, 2) defending the homeland in depth, 3) shaping the choices of countries at strategic crossroads, and 4) preventing hostile states and non-state actors from acquiring or using WMD.

The Navy's mission in support of these objectives remains the same. We will organize, train, maintain, and equip combat-ready naval forces capable of:

- Winning the Global War on Terror and any other armed conflict;
- Deterring aggression by would-be foes;
- Preserving freedom of the seas;
- Promoting peace and security.

GUIDING PRINCIPLES

Our guiding principles will continue to inform our actions:

- Warfighting focus
- Dedication to our people
- Naval teamwork
- Jointness
- Leadership
- Accountability and Integrity
- Alignment
- Risk management
- Commitment to change
- Effects-based thinking

2006 ASSESSMENT

We have made significant progress in all three of our priorities. Specifically:

1) Sustain Combat Readiness: The Navy answered all bells in 2006. We met every demand by the President and the Combatant Commanders for well-trained, combat-ready forces -- deterring aggression while conducting Operation Enduring Freedom, Operation Iraqi Freedom, international disaster relief, and humanitarian missions. We joined international navies in successfully evacuating non-combatants from Lebanon and demonstrated our resolve, capability and partner building capacity in Exercises Valiant Shield and Partnership of the Americas. Our Individual Augmentees (IAs) continue to make significant contributions around the world in all manner of joint and coalition billets, particularly in the CENTCOM Area of Responsibility.

We supported homeland defense initiatives with the U.S. Coast Guard, including the development of a Maritime Domain Awareness Concept of Operations (CONOPS) and the establishment of three Sector Command Center-Joint, interagency harbor operations centers. We continued to provide vital direct and indirect combat support to the Marine Corps through a variety of Blue in Support of Green (BISOG) programs, and we co-signed a Naval Operating Concept (NOC) with the Marine Corps to define our common goals and underscore our warfighting interdependence.

One of the most important things we did to enhance alignment was establish the Navy Enterprise Framework. This framework is leveraging improved coordination between the Fleet Readiness Enterprise, including the five TYCOM-led Warfare Enterprises (Surface, Undersea, Aviation, Navy Expeditionary, and Net Warfare) and the Provider Enterprise, including the nine Provider domains (Navy Manpower, Personnel, Training and Education; NAVSEA and applicable Program Executive Offices (PEOs); NAVAIR and applicable PEOs; SPAWAR and applicable PEOs; NAVFAC; NAVSUP; Commander, Naval Installations Command; Office of Naval Research; and BUMED) to reduce the cost of readiness (current and future) while increasing the efficiency and effectiveness with which it is delivered.

2) Build a Fleet for the Future: We submitted to Congress a new 30-year shipbuilding plan that will provide a balanced fleet of 313 ships by 2020; christened nine new ships -- including the first LCS, USS FREEDOM -- and commissioned another two. We consolidated Mine Warfare Command with the Fleet ASW Command; stood up the Naval Expeditionary Combat Command; and established our first Riverine Squadron. That squadron deploys to Iraq in the spring.

Our newly-published Navy Strategic Plan will further align budgetary decisions with future operations and risk assessments, while the Resources and Requirements Review Board continues to help us curb cost and requirement growth.

3) Develop 21st Century Leaders: We developed a "Path to Jointness;" solved key technical issues for Spiral I of Sea Warrior system; and completed Phase I (Assessment) of the Diversity CONOPS. Phase II will be completed soon, focusing on root cause analysis, training, outreach, and mentoring. We established a Foreign Area Officer program to improve our cultural awareness, strengthen alliances and partnerships, and enhance our understanding of potential adversaries. We are also taking a close look at foreign language requirements in support of expeditionary missions. Work on the Strategy for Our People and an Education Strategy continues apace.

Last year's Manpower, Personnel, Training, and Education merger yielded efficiencies and effectiveness in workforce management. The fleet is fully manned at sea. We sustained high retention rates, met nearly all of our recruiting goals, and kept first-term attrition low -- all while reducing endstrength by approximately 10,000 billets in FY-06. We implemented the National Security Personnel System, with 11,000 DoD employees in General Schedule (GS), General Manager (GM), and Acquisition positions entering in the initial phase (known as Spiral 1.1). We also conducted a thorough Navy-wide billet review and stood up a Task Force to improve IA processing.

2007 FOCUS AREAS

The **priorities from 2006 remain unchanged**, as do our associated desired effects. There are three specific focus areas -- one under each of the priorities -- that I want Navy leadership to emphasize in 2007: Warfighting (Sustain Combat Readiness), Building Strong Partnerships (Build a Fleet for the Future), and Diversity (Develop 21st Century Leaders).

(1) **Warfighting**: With an eye "beyond Iraq," the Navy is increasingly focusing on the improvement of core warfighting capabilities. While we continue to fight the war on terror we must also contend with traditional threats from regional powers who possess robust conventional, and, in some cases, nuclear capabilities. The freedom to conduct naval operations in support of joint, allied and coalition operations -- assuring joint access and projecting persistent combat power -- must be preserved through enduring, warfighting competencies.

The new maritime strategy we are crafting must strike a proper balance between the enduring requirements for traditional naval capabilities with those needed to squarely confront and influence the highly dynamic security environment of the 21st century.

(2) **Building strong partnerships:** We must continue to embrace the vital contributions that our partners can make in securing the global commons. The president's National Strategy for Maritime Security states: "the safety and economic security of the United States depends upon the secure use of the world's oceans." It further notes that "maritime security is best achieved by blending public and private maritime security activities on a global scale into an integrated effort that addresses all maritime threats." One such concept that gained great international traction in 2006 is the "1000-Ship Navy," a concept first introduced at the International Sea Power Symposium in Newport, Rhode Island in September 2005.

Whenever and wherever the opportunity exists, we must develop and sustain relationships that improve the capacity of our emerging and enduring partners' maritime forces to achieve common desired effects. While mindful of the sovereignty of our partners, we must encourage nations to provide security within their territorial waters and to seal seams between neighbors, either by accepting assistance to improve their own capabilities, or through collective security and information sharing arrangements. We will work closely with the U.S. Coast Guard to make this happen.

(3) **Diversity:** We defend the greatest nation in the world. It is a nation that welcomes, indeed encourages, the active participation of every citizen regardless of gender, creed or color -- a democracy founded on the promise of opportunity for all. It is also a nation whose demographic makeup continually changes, reflecting the influx of new immigrants and the growth of minority populations. The Navy must change with it. To the degree we truly represent our democracy, we are a stronger, more relevant armed force. Diversity is a strategic imperative for the United States Navy.

Diversity is also a leadership issue, and everyone is a leader. We will promote and engender a culture that embraces our diversity. Through our communications, education, policies, programs and conduct, each of us must actively foster environments where people are valued, respected, and provided the opportunity to reach their full personal and professional potential. We will drive to execution of the diversity CONOPS in 2007 and will refocus our energies on recruiting, developing, educating and retaining leaders from and for all parts of our Navy and nation.

THE MARITIME STRATEGY

Changes in the strategic landscape since the attacks of 9/11 compel us to develop a new Maritime Strategy. This strategy must reflect the roles and missions we are expected to perform: in the war on terror, in conventional combat campaigns, in defense of the homeland, and in shaping and stability operations. It must strike a proper balance between the enduring requirements for traditional naval capabilities with those needed to

squarely confront and influence the highly dynamic security environment of the 21st Century.

The strategy is already under construction, propelled forward by a measured, phased approach to development and a firm reliance on the value of wargaming and feedback. That process will be augmented through a series of maritime seminars -- "Conversations with the Country" -- that seek to elicit and encourage the input of key civic, business and political leaders around the nation. N3/N5 has been assigned lead. The strategy will be completed by October 2007.

GLOBAL MARITIME PARTNERSHIPS -- "1,000-SHIP NAVY"

The concept of global maritime partnerships -- the "1,000-Ship Navy" -- has resonated well with the leaders of maritime forces around the world. Even in places where U.S. assistance is neither required nor routinely requested, nations are expressing a desire to work together to achieve common goals. This groundswell of support is a major step forward in promoting the economic and political stability that secures for all maritime nations the benefits of globalization. It also promises to mitigate the conditions in which extreme ideologies and terrorism fester.

We worked hard at the "1,000-Ship Navy" this year. U.S. Sailors participated in multi-national counter-piracy efforts off East Africa; conducted training with navies in the Gulf of Guinea and Latin America; conducted a first-ever three-phase search and rescue exercise with the People's Liberation Army Navy in the waters off Hawaii, southern California and Zhanjiang, China; and operated with maritime forces of India, Pakistan, and Russia, among many others. We lent our skills to relief efforts in the Philippines and in Pakistan; dispatched the hospital ship MERCY on an enormously successful five-month humanitarian deployment across Southeast Asia to Bangladesh, Indonesia, East Timor and the Philippines; and evacuated thousands of American citizens from Lebanon.

We contributed small boats and Automated Identification System programs to Gulf of Guinea nations to support regional Maritime Domain Awareness; opened our Executive Business Course to senior naval officers from key partner nations; and expanded our foreign nation engagement strategy, increasing to 51 students from 25 countries at the Naval Academy, 277 students from 52 countries at the Naval Postgraduate School, and 132 students from 47 countries at the Naval War College.

One adaptive force package that will support the "1,000-Ship Navy" within a regional area of interest is the Global Fleet Station (GFS). Part of the Navy's overarching Sea Basing CONOPS, a GFS is a persistent sea base of operations focusing primarily on Phase 0 (shaping) operations, theater security cooperation, and global maritime awareness. GFS offers a means to increase regional maritime security through the cooperative efforts of joint, interagency, and multinational partners, as well as non-governmental organizations *without imposing a footprint ashore*. This year, with the help

of the Coast Guard, the Marine Corps, and inter-agencies, I intend to launch at least one GFS pilot in response to the Combatant Commanders' demands.

I am aware of many productive means by which other navies are also implementing the "1,000-Ship Navy" concept through regional cooperation and advanced technology. I look forward to exploring new U.S. initiatives and sharing ideas with our counterparts at the International Seapower Symposium in Newport next October.

OBJECTIVES

To support these priorities, we will achieve the following objectives. Each objective will be pursued using discrete, measurable goals. The accountable Executive Agent is listed:

- Increase contributions to the Joint Force through improved core warfighting competencies, including ASW, ASUW, AAW, strike warfare, mine warfare, air defense, sea basing, and strategic deterrence (CFFC);

- Increase our emphasis on continuing to field a credible, proven ballistic missile defense capability (CFFC);

- Strengthen transnational, global and regional maritime deterrence with enhanced capability to detect, track, intercept and neutralize WMD (CFFC);

- Develop Strategic Communication as a force enabler for the 21st century. Our every action must be closely supported by a strategic communication plan to ensure our desired message and effect are achieved (DNS);

- Continue to develop the Strategy for Our People, to include career paths and sea/shore rotation schemes that support a Maritime Strategy reliant on persistent forward presence, partnership, and core Navy warfighting competencies (DNS);

- Strengthen personal and family readiness and wellness programs (DNS/CNIC);

- Reduce all alcohol-related incidents and all incidents of sexual assault and domestic violence (DNS);

- Develop and mature the Navy Enterprise as the framework through which readiness and capabilities are delivered and managed (DNS);

- Improve interdependence with the Marine Corps (CFFC);

- Improve interdependence with the Coast Guard and other government agencies in defense of the homeland (CFFC);

- Accelerate the delivery of Open Architecture systems to the Fleet through a close partnership with industry (DNS);

- Advance Maritime Headquarters with Maritime Operations Centers (MHQ/MOC) to enhance and standardize the warfighting and C4I capabilities of our Joint Force Maritime/Naval Component Commanders (CFFC);

- Improve the IA program to better provide Combatant Commanders with trained and ready Sailors, while better preparing and supporting Navy families of IAs -- active and reserve (DNS);

- Implement the Navy's employability/deployability policy, correctly balancing at-sea time with home tempo to meet mission requirements without degrading family readiness (CFFC);

- Complete and execute a Navy Education Strategy, emphasizing the importance of critical thinking, leadership, cultural awareness, jointness, innovation, and adaptability (DNS);

- Advance the Navy's Diversity CONOPS; complete Phase II, move to execution of Phase III (DNS);

- Create mechanisms and incentives that attract the best and brightest innovators, bridging the gaps between Naval RDT&E, Industry, Academia, and our operational warfighters (DNS);

- Complete a long-range aviation procurement, recapitalization and modernization plan that contributes to industrial base stability and enhanced warfighting (DNS);

- Develop effective business strategies for the day-to-day management of Navy processes through the use of Lean Six Sigma and other business practices (DNS);

- Fully enable the Fleet Training Continuum in support of FRP, to advance fleet synthetic training initiatives, reduce environmental encroachment, complement the principle-based sonar training strategy, and mitigate rising fuel costs while maintaining readiness (CFFC);

- Develop a Navy Strategy for Alternate Fuels that is aligned with related OSD initiatives (DNS);

- Conduct Global Fleet Station sea-based pilots as a proof of concept for adaptable force packaging (CFFC);

- Complete the development of Global Shore Infrastructure Plans (GSIP) for all enterprise and provider installations (CNIC);

- Working closely with OSD and the other services, aggressively develop Joint Basing concept of operations, roles and responsibilities and macro-implementation schedule. In coordination with Warfare Enterprises and the Providers, fast-track BRAC 2005 execution and the identification of consolidation and elimination of excess shore infrastructure. Maximize demolition and enhance use to create savings and cost avoidance (DNS).

EXECUTION AND TASKING

Specific tasking for each objective will be provided to Executive Agents in separate correspondence. Tasking will assign supporting agencies/commands.

The Commander U. S. Fleet Forces Command, Director of the Navy Staff (DNS), and Commander, Navy Installations Command will develop execution plans for the achievement of these objectives within 60 days of the promulgation of this guidance.

Execution plans shall delineate the specific tasks required to accomplish a given objective, provide a timeline for implementation, identify the resources required, and detail the desired effects, risks and assumptions. Executive Agents will also provide a quarterly status report to the Navy Enterprise Executive Committee (EXCOMM).

The DNS is responsible for coordinating EXCOMM agendas and for tracking the development of execution plans. The Vice Chief of Naval Operations will review and approve all execution plans.

Execution demands that we continuously assess the right metrics and dynamically adjust our allocation of resources as necessary to succeed. To pace global change and achieve the speed of war, we must monitor fleeting indicators, anticipate future trends, accurately measure our progress to date and execute our strategy according to plan.

CONCLUSION: FOCUS ON EXECUTION

We serve during an era of unprecedented change and unparalleled opportunity. As the President made clear in his National Security Strategy: "There was a time when two oceans seemed to provide protection from problems in other lands, leaving America to lead by example alone. That time has long passed. America cannot know peace, security and prosperity by retreating from the world. America must lead by deed as well as by example."

I am proud of the example our Sailors -- and their families -- have set, as I am of the leadership they have demonstrated. We should feel emboldened by their courage and by the course we have taken. I believe the U.S. Navy today is uniquely skilled to help defeat terrorism, deter conflict, and create the conditions necessary for security throughout the global maritime commons. It is tough work, make no mistake. But our commitment to doing it has had, and will continue to have, a profound impact on the lives of countless people around the world.

While our ground forces are engaged in Iraq and Afghanistan, the United States Navy -- with its ability to deliver global reach and persistent presence -- will continue to serve as a vital element of our nation's "Strategic Reserve." The new Maritime Strategy will certainly capture these demanding responsibilities, but only in the execution of them will we find true success. In fact, the ability to do so must form the very foundation of that Strategy.

The challenges we face today are not altogether *for* today. They are for the future, for our children and for their children. We owe these future generations nothing less than our best effort to plan well, of course, but also to execute smartly those things we plan. I know you join in my eagerness to do just that. It is time to execute.

M. G. MULLEN
Admiral, U. S. Navy