Sailor 2025 - 40 Initiatives
Vice Admiral Robert Burke, CNP
On DoD - Federal News Radio - Jared [Serbu]
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On DoD: We’re glad you’re with us this week. I’m Jared [Serbu].

Earlier this year the U.S. Navy crossed a pretty impressive personnel milestone. Over 120 consecutive months it consistently met its goals for recruiting new sailors. Considering that ten-year string of successes, it might seem counter-intuitive that the service would embark on a wholesale transformation of its personnel system, but that’s exactly what our guest this week says is necessary, and what’s happening.

Vice Admiral Robert Burke, the Chief of Naval Personnel, is with us for the full hour in this week’s show. He says there are at least a couple of factors driving that transformation which falls under the broad heading of an initiative called Sailor 2025.

For one thing, when you dig into the numbers a bit, it turns out that there are some niche areas in which recruiting is not going so well. In skill sets that face a lot of competition from the private sector, for example, there are sometimes just one or two qualified and willing candidates for a given position.

Burke says another factor is cost. In the modern Navy, he argues, the expense of recruiting and separating 40,000 military personnel each and every year just doesn’t make sense, so the Navy wants to find ways to recruit fewer sailors but retain them for longer.

We’ll dig into the more than 40 initiatives that make up Sailor 2025 during the course of the hour, including what I thought were some particularly eyebrow-raising ones, like revamping the Navy’s performance rating system, perhaps even tying an individual sailor’s pay to their performance, and not just their seniority and their skills.

Burke says most of the changes boil down to one goal -- making the Navy an attractive employer in an increasingly competitive recruiting environment.
**VADM Burke:** We’ve been modernizing everything to do with our Navy in terms of our designs of our ships, our airplanes, our weapon systems. But we really haven’t fundamentally changed the approach to our personnel policy, our programs and systems since the ’70s, and some aspects of it really go back to post World War II and the time when we really still had the draft.

As the Chief of Naval Personnel, I’m responsible for making sure that our sailors, when we recruit them and train them and get them out to the fleet, that they’re ready for everything that we’re going to throw at them. The jobs and tasks that they’re going to have to do in the environment that they’re going to have to operate. So that includes everything from finding and recruiting that talent in what is today a very very competitive talent market. And then getting them through training pipelines that are going to turn those newly transformed, just recently civilians and now young sailors into highly skilled maritime warriors.

So when I think about it that’s what we’ve got to do and I think about the challenges, the first piece there is that war for talent piece. We’ve been watching this closely, as our economy in the United States has been recovering, and predicting that we were going to have some challenges on the horizon. And today, I’ll tell you, what those are, those are starting to, come to fruition.

But even larger, the recruiting pool in the United States, folks that have the academic skills and the physical qualifications. And then if you narrow it down even further, to those that have the willingness to serve, it’s getting smaller and smaller.

Our current estimates are that when you put all those factors in, it’s less than one percent of the U.S. population. It’s sort of at an all-time historical low.

Then the other factor is that today’s commercial industrial and Fortune 500 companies, everyone is looking for the same sort of talent. They want technically skilled folks that are able to do the same sort of things that we want our sailors to do in the military. So we’re all sort of competing for the same dwindling talent pool that’s out there.

**On DoD:** When you talk about a recruiting pool, that’s only one percent of the U.S. population; it is sort of amazing that you have been able to meet your recruiting goals so successfully for such a long time.
What are some of the indicators that you see out there that tell you that things are starting to fray?

**VADM Burke:** The predominant factors are, we have a number of different mechanisms by which we distribute goals across the country. Some of them are geographic goals, and then by types of individuals with different skill sets. We’re seeing those subsets of goals, whether it’s skills or geographic locations, districts, if you will, we’re starting to fail to meet individual goals in those individual categories at a higher and higher rate. We’re meeting the overall and aggregate, but we’re more frequently missing those individual goals. And that rate of missing those individual goals has been going up for the last year now. And I look at that with concern.

Then the other element here is for our really high aptitude jobs like advanced electronics, nuclear technicians, linguists, things like that that require very high academic aptitude, we used to be able to look at two or three candidates for every one that we needed. In some cases we’re down to one candidate that we’re able to bring in the door for every one we need.

Fortunately, the ones we’re bringing in still qualify and we’re able to get them in, but if that goes down much lower, we won’t meet the goal in the future.

**On DoD:** Yeah, and I guess where I was leading with that last question is, in those areas where you do, where you are starting to see some challenges like, for instance, where you have one candidate for every open position, can you tie the difficulties in those specific specialty areas to deficiencies in the personnel system itself? Is that specifically what’s informing the changes that you’re trying to make under Sailor 2025?

**VADM Burke:** I think it’s the overall propensity to serve issue. The willingness for people coming in the military is because of the perception of what a career in the military, in our case a career in the Navy, would look like. There’s a perception of what it’s like and what we are doing to transform ourselves is to make our personnel system a lot more modern. And really, the essence of it is making it about flexibility over a career, about choices, and about transparency. We’re not historically known for our transparency of processes, but becoming much more so.
You know, career assignment processes that resemble LinkedIn and things of that nature, where there’s much more of a negotiation type of ability.

When folks can see that it’s a lot more similar to what they might have opportunities to get in the civilian world, plus you get the training, plus you get the opportunity to serve because the overwhelming reason people come to the service is they do have a desire to serve. They have a desire to be part of something that’s bigger than themselves. Folks these days really are about that service, that mission set, if you will. And they can see that the processes are offering that flexibility, offering that transparency. They do have a little bit of control of their destiny going forward, then we can convince them to give it a try and see how it works.

So that’s one element of it.

The other element though, it’s not really sustainable to keep doing it the way we’ve been doing it. If I talked to one of my counterparts in a Fortune 500 company and told him that I’m recruiting 40,000 sailors every year, and I’m also sending 40,000 folks home every year, and then I’m moving 90,000 sailors and their families around every year, they’d look at me like I was insane. Why do you do that? And a lot of that really is driven by those post World War II personnel models where we had limitless supplies of people coming in the front door. They could be very quickly trained up and moved out to the fleet. And those fundamental assumptions just aren’t true anymore. It’s very expensive to bring them in the front door and then it’s also expensive and takes a lot of time to train them up for the skills we need for a long time.

So we need to change the system for all those different reasons. So those are the driving reasons behind Sailor 2025.

On DoD: Let me stick with that last point just a little bit. I’ve heard you talk about this in the past, kind of narrowing that pyramid so that you bring in fewer people, but keep them for longer.

Have you clearly thought through what the end state looks like if you are able to do that? And what would it take in order for you to, again, recruit fewer people but hold onto them longer?

VADM Burke: There’s a number of factors that we’re looking at, and it’s sort of also a difference in terms of enlisted
personnel policy and officer personnel policy, because of the policy versus law governing each of those. We have a tremendous amount of flexibility on the enlisted policy side because there is actually very little law governing it. So we’re making those changes right away.

Again, the policies really date back to the late 1940s when life expectancy was a lot shorter. Life on board ships was a lot harsher. And people didn’t think of careers in the military going much longer than 20 years. Thirty years really was on the outside. But today it would be reasonable to go longer. Forty years would not be unthinkable.

So we’re adjusting a lot of the limits on the enlisted career lengths. Today we’re making those adjustments in the each’s where it makes sense. Where we have needs. We’re also doing it in places where we need to incentivize personnel to, for example, go back to sea duty. Where we have shortages at sea duty we’ll make exceptions to the rules and allow folks to stay in, to go do the types of work we need them to do.

On the officer side, much of that’s governed by law. Congress did pass a law last year that allowed the services the discretion to, on a case by case basis for individual communities of officers, allow officers to serve up to 40 years of commissioned service. And we’re looking at very highly technical trained communities of officers that, in many cases we take unrestricted line officers like surface warfare officers, aviators, pilots, submarine officers, and then late in their careers, around the commanding officer time frame, so 20, 22 years of commissioned service, we transition into things like acquisition professionals. They now become the folks that are experts in, long range acquisition of combat systems, of ships, hulls and reactor vessels or whatever it might be. And then because right now the law says that if they don’t make flag officer they have to retire at 30 years, we only have them for a short period of time. But that would be an example where we may take advantage of that new law that allows us to take folks out to 40 years. Doctors, dentists, lawyers, other things like that where we would start that, and then kind of expand out from there and see where we can make additional gains. But all in an effort to do exactly as you described it, narrow that base of the pyramid. Starting in those sort of easy-win categories as we rethink sort of the more traditional career paths like the aviators, the surface warfare officers, things of that nature.
On DoD: You mentioned a few minutes ago that it may not be smart to move people as frequently as you do right now. Are you taking a serious look at doing fewer permanent change of station moves in the near future? And if so, is that something that would be sort of Navy directed or that the individual sailor would have some say in in terms of whether that person wants geographic diversity versus staying in one place for a while?

VADM Burke: I think it would come from both directions. We always look at minimizing the number of moves, just from a cost reduction basis, but a number of things drive that. Part of it is as we’ve reduced the numbers of bases that we have worldwide, and also at the same time disbursed our forces with a lot of differing reasons, but some of them operational, some of them consolidation of bases to reduce operating costs across the world, all hosts of reasons. You do have to ensure upward mobility as a sailor’s career progresses, so they have to move to those areas of increasing responsibility. Sometimes that means moving between ship classes which causes you to move from port to port.

When we can avoid doing that, and that sort of depends on what the sailor’s job is, what their occupational specialty or rating is. We do avoid doing that. And over the last couple of years, just in terms of budgetary pressures, we’ve really looked to maximize the numbers of opportunities to keep sailors in the places that they were, and even when they go between sea duty and shore duty, whenever possible, keep them in the same places to the maximum extent possible.

Given the types of ships we have and the locations that they’re homeported right now, we’re kind of at our theoretical limits in terms of what we can do. So the art is in the mix of which sailors go where and when, and that’s always an ongoing negotiation.

What we want to do, though, is offer that as part of the overall discussion for sailors. One of the end state goals of Sailor 2025 is to look at an idea that we call tailored compensation. This would require some more legislative authority. We would work this in phases. But, compensation that’s tied to not only performance level, or not only a skillset which we can pay to today, but performance level as well, and then maybe we tie it in to willingness to move or desire to stay in one location. And even educational packages downstream. So it all becomes sort of, exactly the way you would do it with an employer at a Fortune 500 company. Willing to sign a contract for the next
four, five, six, ten years, but I would like to stay here to get my son through high school. After that I’m willing to go where you need me to go. But someplace downstream I want to get my master’s degree or whatever your next educational opportunity is. And have that negotiation for that length of time and put those mechanisms in place.

Today, the pay is all very structured. It’s mandated by Congress. We would like to have some additional flexibility. Not advocating for making that all go away, but just some flexibility within each of those tables, to have some maneuvering room, to have a little bit so a negotiation such that, if a sailor really wanted to stay in place, maybe a component of that pay would be a little bit lower as compared to a sailor who was willing to move to an unattractive location.

[Break]

On DoD: Before the break, Admiral, you were telling us that one of the things you’re looking at is to pay different sailors of the same pay grade differently, in ways that you can’t do today based on things like their willingness to move to a new duty station, or their individual performance; and tying pay to performance in any way, is an intriguing concept and I think a pretty foreign one to the U.S. military at the moment. Which ties into another thing that I know you’re working on right now under Sailor 2025, which is revamping the entire performance measurement system, which I would assume that that would be geared toward getting better fidelity on an individual’s performance so that you could do things like tailored pay and figure out exactly when you want to promote somebody.

But in any case, describe to us a little bit about where you’re headed with the performance evaluation system at the moment.

VADM Burke: Absolutely. And you have that exactly right. Today we just don’t have enough fidelity, enough good, objective data on sailors’ performance that we really could pay based on performance.

But our current systems are laden with some problems. We’ve had a number of different fitness reports for officers, we call it, and evaluations for enlisted folks. You Probably over 50 different systems over our 241-year history.

But what we’re looking for with our changes is something that first and foremost gives our sailors meaningful, frequent, and
useful feedback so some actual useful counseling that they can do something with before the actual formal performance report. It’s put in their record.

Second, when, for both counseling and then the formal report, we want to get to some objective measures of a sailor’s performance with enough fidelity that we could do things like, put merit pay against it.

And then third, we want to get rid of some of the artificialities in our current system, one of which is we have a forced distribution system in our current reporting systems that was designed to prevent grade inflation, and today has unintentionally turned into a system that drives the reporting seniors to rate individuals by their seniority rather than talent. We’re looking to drive that behavior out of our reporting seniors so that we really can recognize and report on and reward talent through promotions and then ultimately through pay. And we haven’t had a major update to our fitness reports or evaluations since 1996. We’ve been living with it. We’re comfortable with it because folks have learned how to work with it. It’s sort of the evil we know in terms of what it’s doing for it.

So we’re using a system now, we’re piloting a system that does all those things. It’s objectives based. It removes this peer comparison, forced distribution. So it frees up the reporting senior from sort of this entitlement of time and grade or people waiting their turn to move up to the highest ratings.

It also drives the reporting seniors to make meaningful evaluations of the individual traits. We rate on individual components like character and leadership which are very very important subcomponents of an overall evaluation. Today we’re overly obsessed with the bottom line number, and those individual component grades have become less meaningful.

In this new system you can’t reverse engineer those component grades. They have to actually mean something in and of themselves so that as we’re selecting commanding officers or command master chiefs, we can have a meaningful discussion about an individual’s evaluations of character as well as the results that they’ve gotten before we select them as a commanding officer, because that’s an important conversation that should be had before we put individuals in that special position of trust.
So those are the sorts of things that we’re doing. There’s been a lot of work done in behavioral science, a lot of Fortune 500 companies have adopted mechanisms along these lines, and we’re taking advantage of that learning. Paired with technology and smartphones, you can do this relatively quickly and use the same tool for both the formal reporting and the counseling and get a lot more counseling from not only the supervisors but peers and subordinates, which our sailors have told us that they want. And at the same time it kills a lot of the administrative burden because our reports today are very manual and time intensive, taking two hours on average. These ones that we’re piloting right now can be done on a smart phone in about six minutes.

On DoD: Wow.

VADM Burke: You get a lot more fidelity out of them.

So we’re very excited about the possibilities here. We’re early in the testing, and this summer we’ll be, we’ll be piloting a lot more with some test groups. We’ll be going out and talking to the fleets about the details of the individual traits and then how the system works to come up with these grades. We sort of see this grading mechanism as being different for different seniority levels. We never really broke it down that way before, but because of these, the mechanism at play here, we think we need to break it up a little bit, so we want the fleet's involvement to make sure we get this right.

Then we want to generate, thousands of test cases that will do the, will do the reports the old way and the new way over the course of the summer. Then we’ll go run some mock promotion boards both ways and compare the results before we switch over.

But our goal is to sort of refine this by the end of the year and have some version of this new system in place by next year.

On DoD: Objectivity seems to me really, really key here, but also really hard, because no matter what, you’re going to, you’ve going to be subject to the subjective unconscious biases and experiences of whoever the rating official is and what that person values, to some degree.

So can you tell us a little bit more about the objective measures that you’re trying to put in place that will kind of level the playing field and make these ratings more consistent based on actual, measurable performance?
VADM Burke: Yes. The behavioral science behind this is aimed at the reporting senior. In the simplest terms, if you take a particular trait that you want to evaluate, and the mechanism we’re employing is, this is an over-simplification, but in general, if you’re evaluating character, you would take a bunch of statements that illustrate positive character. So something like always does the right thing when people aren’t looking. And then you would make 20 more statements like that. Then you would mix them up with a batch of 20 very positive statements about leadership, 20 very positive statements about tactical competence, technical competence, all the other things you want to grade. Jumble them all together, and now they waterfall down a computer display. And the rater gets one at a time. They waterfall down, and you’ve got to make a gut call in about six seconds and put them into a bin, and all the bins are good, varying degrees of good. So there’s no hard decisions here, but it goes from good to really good.

It turns out that the behavioral science says that you get a pretty good distribution. And our pilots so far have shown that. Compared to our old systems where we got a distribution of grades, our old system was a 0 to 5.0 scale. We would get a distribution of grades from 4.85 to 5.0. We got a very nice bell curve, with the same ranking order, using this mechanism.

The art, though, is in getting all those value statements for each of the traits you want to grade right, and how you vary them for seniority. I think the value statements of good character for a very very junior sailor are probably different than they are for a very very senior captain. And that’s what we’ve really got to work on and spend the time on.

But by forcing that gut reaction for a reporting senior, you can’t go back and reverse engineer it to force one grade to be higher to make an overall outcome work out. You can’t do it on this new system, and that’s what we have been doing in the past.

[Break]

On DoD: Admiral, we should probably step back a little bit and talk about where we are in terms of all the separate initiatives under Sailor 2025, because I know there’s more than 40 of them. The Navy’s been on this journey of reexamining the personnel management system for a couple of years now. Your predecessor, Admiral Moran, talked about many of these same issues with us when he was still Chief of Naval Personnel.
Talk to us a bit about what’s been accomplished so far, which of these elements of Sailor 2025 you can point to and say we’ve made some progress there.

**VADM Burke:** Sure. Again, it’s a living, breathing set. Today it’s about 45 initiatives and it’s built on a framework of three pillars. The first is completely modernizing our personnel system. The second pillar is developing a career learning continuum for our enlisted force. And then the third pillar is all about career readiness. So I’ll talk about the first pillar, which is the modernization of our personnel system. That’s all about the flexible policies, the additional career choices, and efforts really to empower commanding officers and our command triads -- the COs, the executive officers, the command master chiefs -- to give them the tools in their hands to retain and recognize the best and brightest sailors.

Some of our larger ones are fairly mature now, one of our shining examples is the meritorious advancement program, and that’s in its third year now. And it takes a major portion of the enlisted advancement opportunity from E4 to E6 and puts it directly in the hands of the commanding officers and command master chiefs. So they directly pick who gets advanced.

Our first year it was about 2,000 of the advancements. It went up last year and we expanded it from just sea duty to sea and shore duty. And this year we’re a little over 4,000 advancement quotas, directly in the hands of the COs and expanded out to essentially every command in the Navy now has a handful of quotas that they can give to E4s to E6s.

The other thing we did this year is we completely removed the time in grade requirements for the E4s and E5s, which used to tie us to the old advancement exam cycle as well. But the idea here is the commanding officers, command master chiefs, can see if an individual is mature enough to, in addition to performing well enough to merit being promoted. And we’ve been grading the commands, and they’ve been doing the right thing. They’ve been looking for folks that just haven’t been able to break out of the pack because of these issues with the evaluations and things like that, and pulling them forward and promoting them. So that’s working really well. We’re getting a lot of very positive feedback on that one.

The sailors love it. The commands like it because it’s putting the power where it belongs, in the hands of the folks that can
directly see who the talent is. It’s not, being done an institutional process.

Another example I would cite is some expansion that we’ve done with our graduate education opportunities. We’ve always done a good job with sort of our own Navy institutions for graduate education, and we have also done good stuff in terms of tuition assistance which allows folks to do stuff on their own time. But where we were always lacking was in residence, full-time education opportunities.

Last year we established what we call the Fleet Scholar Education Program, and it’s not large numbers. It started with 15 a year. This year it’s 30 scholarships. And it’s very competitive. We make officers and senior enlisted folks compete for it, and each community sets up their own rules for how they compete and select for it. But these folks, once they compete, they get to select their schools, and it’s high-powered schools. It’s Yale, Dartmouth, Harvard, very powerful schools. They go for up to two years. They stay on the payroll. They go get an education that does something that gets them additional qualifications that work towards things in the Navy, a sub-specialty code for officers, additional qualifications for enlisted folks. But it also helps them with their goals, their personal goals as well.

Another one is tours with industry. We really are looking at programs like this one, to let our folks go see if the grass is greener on the other side, but more importantly, go see what industry is doing and bring those best practices back to us, whether it’s personnel, whether it’s manufacturing, whatever it might be. So similar to the Civilian Institution Grad Ed programs, we compete out these tours with industry and let folks go for 18 to 24 months, and work with a number of industrial partners. We’re up to about 30 different partners, and it’s folks like Amazon, FedEx, Microsoft. Our officers, our senior enlisted folks, E6s, bring really good work ethic to these companies, technical training, and I think do well for the companies. Then they’re going out and learning state of the art, Fortune 500 techniques and bringing them back to the Navy. And it’s a win/win situation. Our folks love it because they’re getting out and doing something a little bit off the beaten path. And yet they’re coming back and getting to bring those techniques back to the Navy and change the Navy for the better.

So those are pieces in the personnel pillar.
We talked a lot about several of the other ones there. Those are some of the more mature ones.

The second pillar there though, our ready relevant learning, we’ve made some significant progress. Really three components to that one. The first component is moving the training to the right time in the career path. So the right training at the right time. And we’ve got most of the training divided up into the right blocks, and by the end of next year all of our enlisted training will be broken up.

We used to do all of it at the front end of a sailor’s career. And in many cases by the time a sailor would become a chief, the training they had gotten, fresh out of boot camp would be no longer relevant because of the combat systems, or aircraft would be modernized and they’ve have to learn all over again. So we’re going to bring them back over before each sea tour and refresh them and give them some updates.

The next part of that will start year after next, but in large numbers and that’s to bring modern training delivery methods and really take advantage of, advances in the science of learning. It’s about virtual reality and virtual world learning environments with digital tutors where you can put sailors in these worlds where everything is hands on, and everybody knows that you’ll learn quicker and retain the knowledge better by just doing it repeatedly. These things have become very cost-effective, such that we can put them out in all the fleet concentration areas, so that by the time we get these distributed we won’t have to, transport sailors back to training areas, so we’ll be able to do it there at the waterfront. They’ll be able to come back and do refresher training even while they’re on operational or sea-going tours, and things of that nature. We’ve got a lot of that in place already.

We’ve got a couple of trainers that are in place now where they’re, training in those virtual worlds to the point where they’re qualified on their watch station, they’re qualified to main their gear 100 percent when they leave the trainer because of the fidelity of the virtual world is that good. And that’s our goal. When we’re done with this in 2022. All of our sailors arrive at their ships or their aviation squadrons or wherever they’re going. They’re full up around. They’re ready to be part of the team. They don’t have to go through three, six, nine months of qualification on their specific ship or airplane. They’re immediately part of the production team working. That’s better for the sailors because they’re
immediately part of the team. It’s better for the crews, because they don’t have to carry them while they’re relearning on the specific equipment because it looks different than what they trained on. So we’re very excited about that, and that’s coming along.

Then in the career readiness pillar. Lots of moving parts there, but one aspect of this is just a lot of stuff about life/work balance, and then getting at the obstacles that negatively influence a sailor’s decision to say Navy when they’re looking to start or raise a family.

We lengthened maternity leave to 12 weeks last year. This year we’ll make significant changes to paternity leave for fathers, and adoption leave for both parents.

We changed our dual military colocation policy to be more accommodating for folks, to make sure they get stationed in the same area within minimal amounts of time.

We expanded what we call the career intermission program, which is essentially up to a three-year sabbatical for sailors to take a time out. It’s designed to start a family, but we have sailors using it for other things like educational programs. And then they come back in and then they reset with a new peer group so that they’re not affected in terms of promotion and career opportunities, and then they just continue on. That’s working well for us, as well.

We’re doing other things in terms of strengthening our resilience programs. Things that make sailors tougher over a career. How we cope with stress, suicide prevention, sexual assault, things of that nature. Health and fitness programs, diet, nutritional programs. Child development center hours and capacities.

Then even the way we’re doing our leader development. A lot of emphasis on this idea of character, which kind of gets back to that fitness reporting, evaluation discussion. Kind of recognizing the fact that our immersion in developing character at boot camp and at the Naval Academy or NROTC isn’t enough. We need to periodically go back and refresh that just like we do with our technical and tactical skills.

Then another area of emphasis for us is, treating our Navy civilian team members just like we do our sailors. They’re part of the team as well. So we’re refocusing training for our
military leaders on treating our Navy civilian team members the same. And we’re also working to improve the Navy civilian team members’ career paths, giving them the educational opportunities and the career progression just like our military members do. So lots of stuff going there.

There’s a lot of stuff on the horizon as well. This year we’ll roll out a completely new pay and personnel system that will finally bring us into the 21st century. A lot of our pay and personnel stuff is very manual today, but we’ll really go to a cloud-based, hand-held environment with a call center for most of our services for pay and personnel. We will go to a, what we call a detailing marketplace which is sort of a LinkedIn for sailors to negotiate job assignments. We’ve completed four pilots on that. Then we’re going to be shifting our advancement exams that will also be tailored to individuals and the qualifications that they have instead of this sort of one size fits all for ratings that we have today. So lots of exciting stuff on the horizon for our sailors.

[Break]

On DoD: A few more minutes with Vice Admiral Robert Burke, the Chief of Naval Personnel. He’s with us this hour to talk about the transformation of the Navy personnel system that officials are calling Sailor 2025, and talk about where we are with each of those.

Admiral, in our last few minutes, let’s actually stick with that IT modernization piece because we haven’t talked a lot about it yet, and I think it’s really key.

I know you’re getting some help from the new Digital Warfare Office and others in terms of just trying to start integrating all the different silos and warehouses of personnel data that do exist throughout the Navy and correlating it and bringing it together and applying big data science to it to make better personnel decisions, but talk a little bit about some of that ongoing work and what you think it might enable once you get to a better place in terms of better using the information you have about people.

VADM Burke: I will tell you that today with all these Sailor 2025 initiatives, we’re sort of brute forcing our way through them. We’re keeping them alive through sheer willpower and the extra hours that folks are working to maintain those programs while we have all of our other legacy stuff going on.
So we recognize that we really needed to not just transform our IT systems, but everything about the way we conduct business in the Navy’s personnel world.

So we started working to streamline and optimize every line of every process within our business. So we took a look at just absolutely everything we do, every piece of paper we route, to the process from taking a civilian from the street, turning them into a sailor, all the way to getting them to their first ship, all the way to retirement. Getting ready. Necessary steps, optimizing the lines of accountability, trying to get those as efficient as possible before we bring some modern information technology to bear on this sort of stuff.

As an example, we have 62 personnel support detachments worldwide that support pay and personnel, and one of the things they do is they liquidate claims for people when they move. And we were having some trouble with that. We had a pretty high error rate, and they were taking too long.

So we consolidated the processing of all those claims under one roof and took 25 people and said make this process as good as you can. No new IT systems yet, but just streamlining the processing of it. And today, those 25 people are doing more than half of all the Navy’s processing and they’ve brought the error rate down to zero and the processing time in half. In a few months they’ll be doing all the Navy’s processing with that same error rate and that same time, even before the new IT comes on line.

So that’s the approach we’re taking. We’re bringing things in an intelligent fashion, consolidating them, getting faster, smarter, better. And then we’ll bring the IT on line.

On DoD: That all makes sense, because you don’t necessarily want to plug a bad process into a new IT system.

VADM Burke: That’s exactly right. We don’t want the clunky processes to go faster, we want to make them smarter and simpler going forward.

This summer, though, we’ll bring our first element of what we’ll call an integrated pay and personnel IT system on line, and we’ll do a large-scale field test up at Recruit Training Command in Great Lakes, and we’ll run about four classes, from the time they enter the Navy, are recruited, all the way through the
reporting to their first ship or aircraft squadron, whatever their first assignment is. And we’ll run that in parallel with our old system to make sure there’s no errors.

Once we validate that, if those records are good, they will stay in the new system, and that system will officially be the system of record for those people.

Then as more and more of those capabilities, that system are validated, we’ll just begin to turn off the old parts of the system. Then we’ll bring the rest of the Navy in as fast as we can migrate the older records. And that’s a little bit more time-consuming, to migrate people’s records who are already in the Navy into this new system. That will be a little bit more time-consuming, but we estimate by the middle of 2019 we’ll have the bulk of the Navy into this new system.

The nice thing about this new system is we’ve gotten approval to be one of the first Department of Defense entities to put our system in the Cloud, which gives us a lot more flexibility than other government attempts to do things like this. So we will be able to go to a handheld device type of access. It will give us a lot more capability in terms of being able to do low bandwidth applications, to make them a lot more user friendly, to be able to deal with the shipboard applications which is very important to us as ships go into and out of operational conditions where they may or may not be able to communicate.

So all that’s in the works, and we think this is just going to get nothing but easier and simpler for our sailors to operate.

Ultimately, though, besides just the obvious and dramatic improvements in the customer support to our sailors and their families, as we’re able to start getting reliable and large amounts of data, we’re going to be able to do a lot better job of predictive analytics. Today we, as an organization we spend a lot of time fighting about even what happened in the past, let alone doing meaningful predictive analytics. So being able to do better predictive analytics is going to let me do things like do a better job of improving sailor fit -- getting the right sailor with exactly the right skills and the right job. We’ll be able to do a better job at talent matching. We’re already doing some exciting stuff in terms of not just matching aptitude, but matching what a sailor likes, desires, and aptitude. There’s a balancing point that will keep a sailor happy and in the Navy longer. We’re getting better at that, and this will help us get even better at that.
It will help us improve retention and target those retention incentives and doing things like tailored compensation.

And then I think the call centers will be a big piece of this. Large banking institutions or insurance companies do this really, really well, and that’s the model we’re looking at. So whether it’s negotiating for your next assignment or changing your pay and allowances because you just got married or you had a child, you shouldn’t need to walk into a building to do that. You ought to be able to, take a picture of it with your Smartphone, just like you do when you deposit a check today, and upload it and be done with it. And if there’s anything complicated at all, you call the really capable 24x7 customer service center and it gets done right, right there. That’s what we’re aiming for, and we’ve got some experts that set up some of the world’s best service centers, helping us work with that.

And then ultimately, we’re going to be able to do this with a lot less cost because we’re not going to own these systems going forward. We’re going to do this in sort of a fee for service model which will save the taxpayers literally hundreds of millions of dollars a year when we convert over to this.

It will also improve our auditability. We’ll be able to account for every single portion of people’s pay, of the things that we’re spending money on, and make sure that there’s no waste, fraud or abuse over anything.

So there’s a lot of potential here. It’s real. The technology’s out there. And we’re on a very solid implementation plan, and our sailors are going to start seeing this late this summer.

On DoD: Vice Admiral Robert Burke is the Chief of Naval Personnel. He joined us by phone from his office to talk about what’s happening with Sailor 2025, more than 40 initiatives to reform or as he says, transform the Navy’s personnel system.

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