



Department of the Navy

*Office of the Assistant Secretary of the Navy
(Financial Management and Comptroller)*

Achieving Business Transformation

The Road to a “Clean Financial” Opinion

The Department of the Navy Approach

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Today's Systems Environment

- ◆ Too many systems
 - Redundant, stove-piped
 - Poor integration, interoperability
 - No standard data structures
- ◆ Limited visibility in budget
 - Discrete elements of spending lacking
- ◆ Difficult to support technologically
- ◆ Difficult to audit



Framework for DON Business Transformation

- ◆ DoD Business Enterprise Architecture... **Blueprint**
 - Standardize business processes & provide data standards
 - Requires systems portfolio management
- ◆ Navy ERP... **Cornerstone**
 - Implement a modern, integrated COTS software product
 - Reengineer business processes
- ◆ Functional Area Manager Process... **Transition Tool**
 - Rationalize FM and Business systems... portfolio management
 - Standardize business processes
- ◆ DoD Financial Improvement Initiative... **Integrating Plan**
 - Considers/integrates elements of Systems, Processes and Human Capital
 - Documents Business Processes for Audit

Successful Business Transformation Will Support Auditable Financial Statements



DoD Business Enterprise Layer

Data Standards, Common Capabilities,
Transformation "Catalysts"

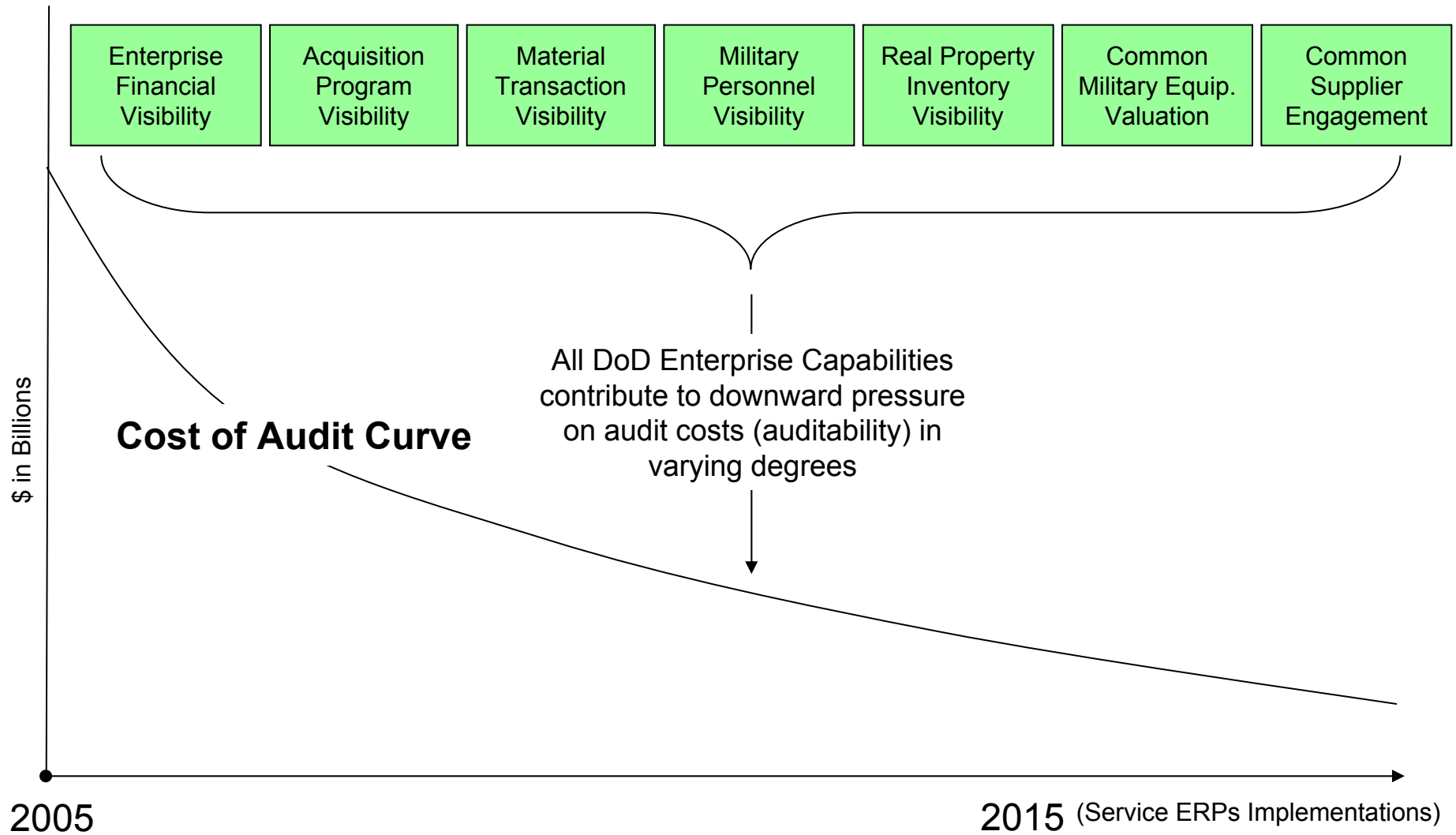


- DDRS
- DCD/DCW
- SFIS
- IGTS
- DCAS
- PB Framework
- Global Edit Table
- Funds Control
- Commitment Acctg
- Cost Acctg Methodology

Critical Enabling Initiatives/Programs (preliminary view)

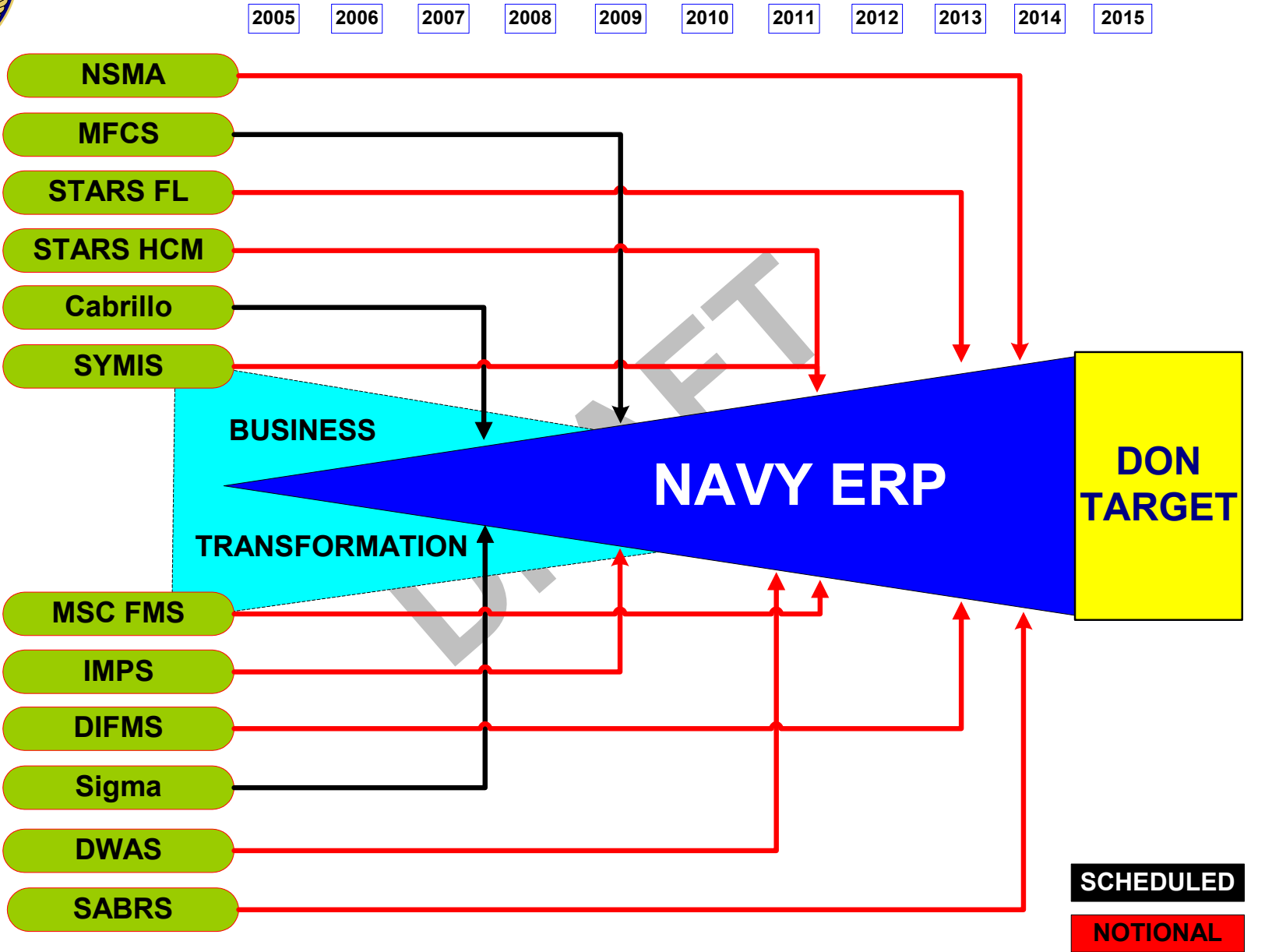


Enterprise Priorities – Auditability Impact





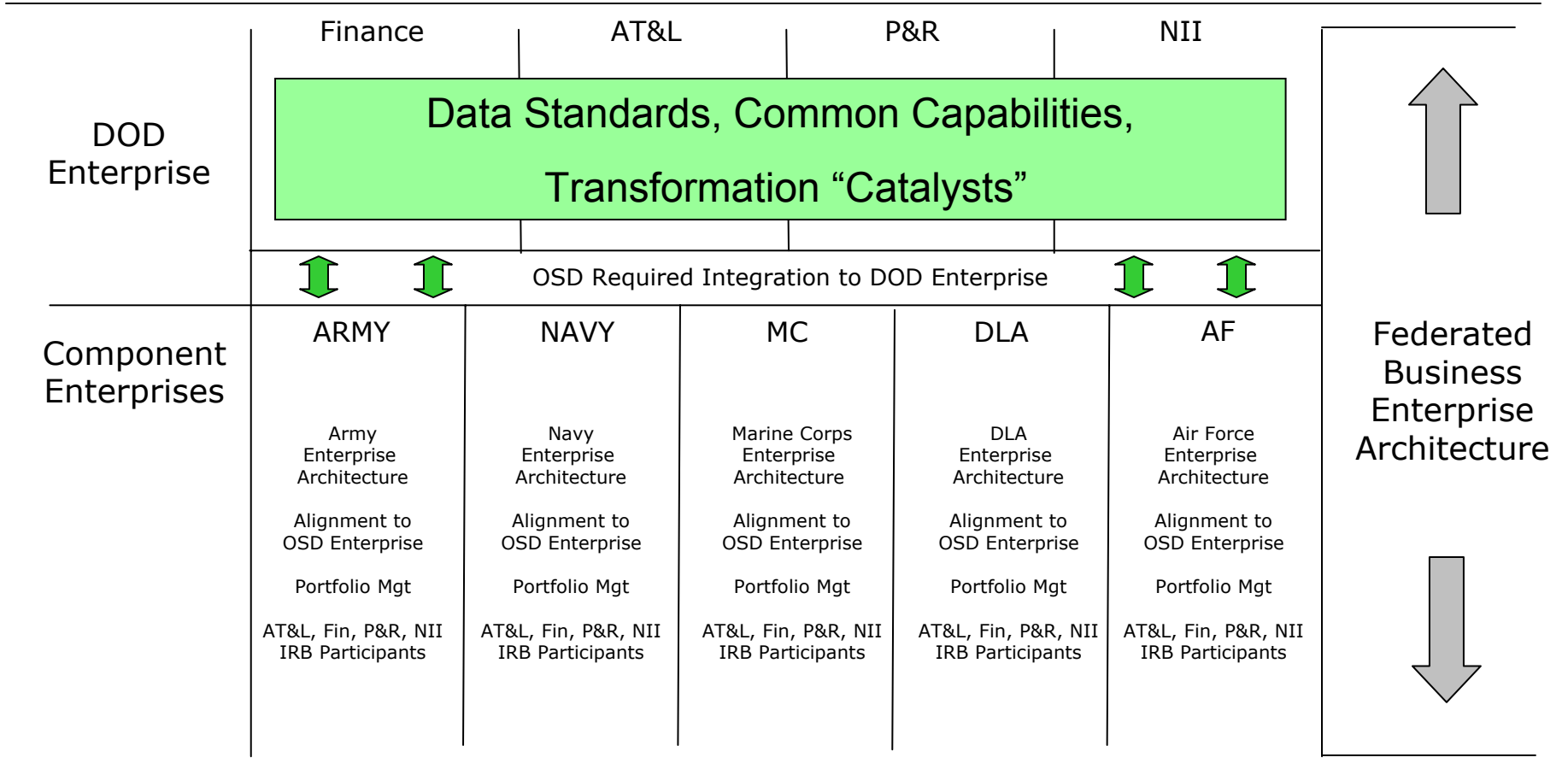
Navy Systems Transition Summary

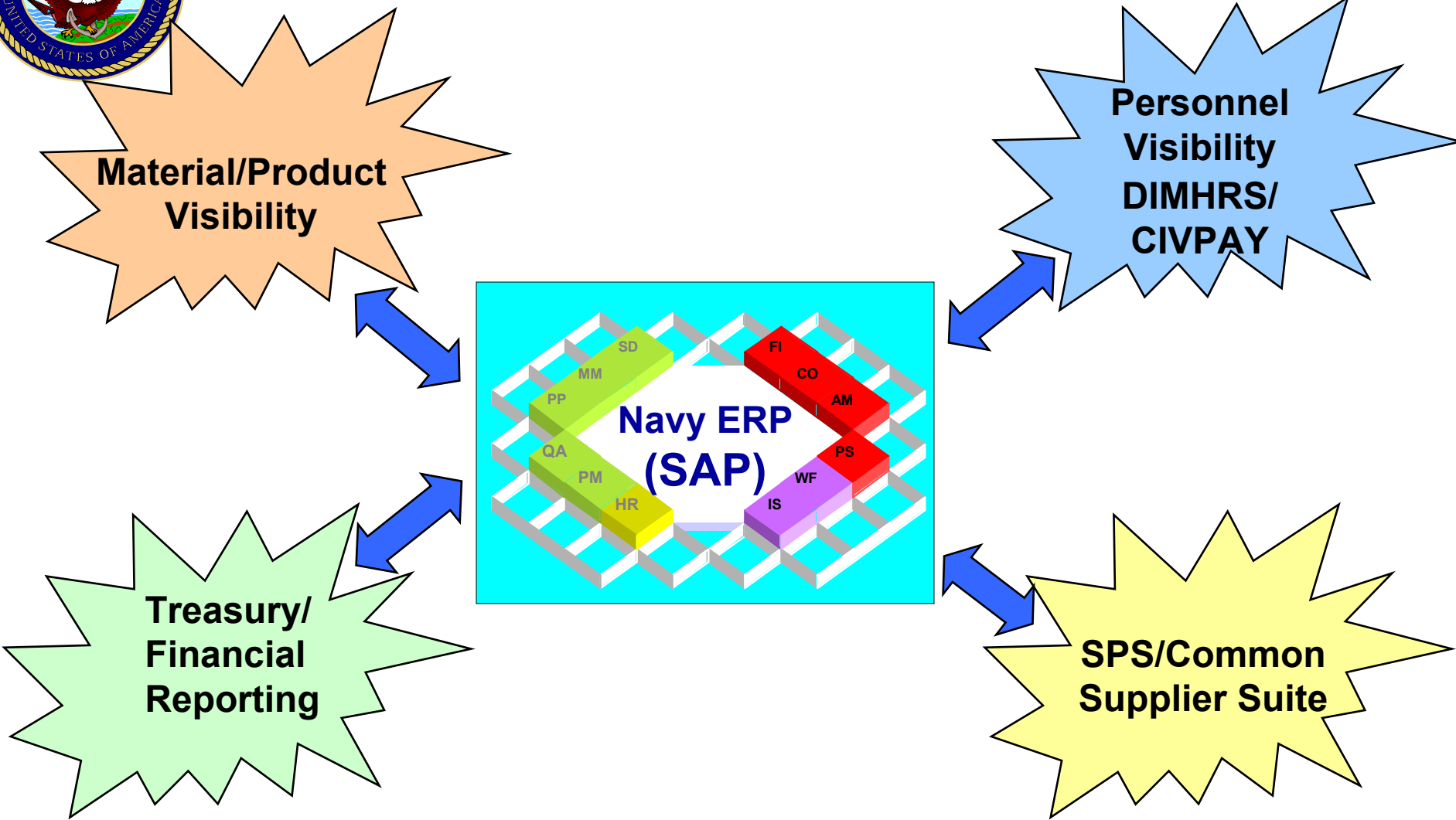
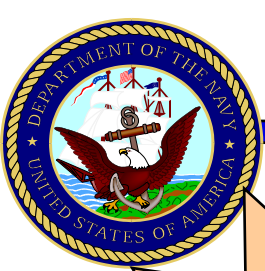


SCHEDULED
NOTIONAL



Defining the DoD Business Enterprise





Future Environment Supported by Net-Centric Principles



- ◆ Understanding/Applying BMMP Principles
- ◆ Instituting clear DON Leadership over business process transformation
- ◆ Change Management and Communication
- ◆ Coordination/Cooperation between Technical (CIOs) – Business Managers (COOs) – Resource Managers (CFOs)

DoD Organization and Culture Make These Even More Challenging