



DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
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SECNAVINST 5220.14
DCMO
13 May 2009

SECNAV INSTRUCTION 5220.14

From: Secretary of the Navy

Subj: CONTINUOUS PROCESS IMPROVEMENT (CPI)

Ref: (a) DoD Directive 5010.42 of 15 May 2008
(b) SECNAVINST 5430.7P
(c) SECNAVINST 5220.13
(d) SECNAV M-5210.1

1. Purpose. In accordance with the authority in references (a) and (b), this instruction:

a. Establishes policy to institutionalize Continuous Process Improvement (CPI) as one of the primary enablers to manage the effectiveness and efficiency of Department of the Navy (DON) processes in support of the Department's national defense mission.

b. Authorizes the Deputy Chief Management Officer (DCMO), as the principal advisor to Secretary of the Navy (SECNAV), and the Under Secretary of the Navy (UNSECNAV), in the capacity of Chief Management Officer (CMO), to oversee CPI activity, promulgate guidance, and lead institutionalization of CPI across the Department of the Navy.

2. Background

a. The Department of the Navy must be prepared at all times to fight today's war while positioning our force for an uncertain future. Sustaining combat readiness and support to the warfighters, despite fiscal pressures, requires optimal stewardship of resources entrusted to the Department of the Navy. CPI provides the approach of choice to support optimal stewardship of the resources entrusted to our institution.

b. CPI methodologies and tools, including Lean Six Sigma (LSS), are being used by the Department of the Navy and the Department of Defense to foster improvements to meet organizational goals and objectives. These methodologies provide the foundation for efforts to align, integrate, and

streamline processes required to deliver DON objectives. These concepts have already generated a myriad of improvements at lower levels by increasing the speed of data-driven decisions, transactions and paperwork; improving quality of work-life; reducing overhead costs by decreasing waste and variability in the processes; and improving safety by adherence to standard operating procedures and process alignment. These methodologies and tools are to be implemented throughout all facets of the Department.

c. To support the efforts of the DCMO, two bodies, comprised of representatives across the Department of the Navy, will be officially established to review CPI efforts crossing the full spectrum of the Department. Charters specifying the bodies' purposes, membership, leadership, and authority will be coordinated by the DCMO and approved by UNSECNAV in the role of the CMO. The Transformation Team Leader (TTL) Forum, O-6/YC/A-3 level personnel, will monitor Department-wide CPI efforts to determine levels of support required to enhance the effectiveness of identified and on-going initiatives. The TTL will, in turn, identify issues that require more senior level review and support through the Business Transformation Committee (BTC). The BTC will have organization flag/Senior Executive Service (SES) leads as members to ensure the Department of the Navy is providing adequate resourcing support and guidance to enhance the effectiveness of on-going transformational CPI initiatives and the CPI program at large. The BTC shall also identify initiatives of broad scope that the Department of the Navy should consider pursuing. Until the new charters are approved, these two bodies will continue to operate under the direction of the DCMO.

3. Scope. The provisions of this instruction are applicable throughout the Department of the Navy.

4. Policy. It is DON policy that:

a. The primary purpose of CPI is to enhance warfighting capability and readiness. This is accomplished predominantly by improving the quality of support to the warfighter through improvements to core business operations processes that provide and sustain capability.

b. CPI is an intrinsic way of doing business that assists in the accomplishment of DON objectives and business plans through a focus on process management. To maximize overall benefits, CPI will be integrated with other management practices and transformation initiatives.

c. All members of the DON workforce are participants in the use of CPI methodologies, with emphasis placed on leaders and managers to ensure implementation.

d. Organizations within the Department of the Navy shall develop and sustain an organic manpower capability, including a cadre of trained, experienced personnel to deploy and apply CPI methodologies and tools. A common CPI knowledge baseline shall be developed and sustained. The Department of the Navy shall invest in the workforce by training, educating, and certifying employees on CPI methodologies and tools.

e. CPI not only applies to our internal core business processes but may also include external industry partners, such as the other Military Departments, Department of Defense, Federal agencies and industry, in their execution of support to those processes.

f. Organizations shall identify, prioritize, and execute CPI projects in alignment with DON and organizational goals and objectives. Improvement opportunities should focus on issues of priority and consider return on investment to ensure that leadership is embarking on projects that maximize the use of scarce resources.

g. CPI results shall be documented using the DON Continuous Process Improvement Management System (CPIMS) to measure progress and facilitate replication of process improvements and results. Reference (c) outlines the DON process for documenting CPI progress and the benefits identification framework.

h. Best practices will be communicated throughout the Department and subordinate commands. The appropriate methods as defined in the CPI/LSS communication strategy shall be used to provide transparency and the opportunity for replication of best business practices to achieve mission accomplishment and minimize redundant work.

5. Responsibilities. The Chief of Naval Operations, the Commandant of the Marine Corps, and civilian executive assistants, as delineated in reference (b), shall:

a. Designate a flag/SES level CPI champion and ensure that the BTC senior representative is knowledgeable regarding the aspects of institutionalization of CPI across and within their organization in conformance with this instruction.

b. Oversee strategic management of key business areas of their organizations that effectively implement CPI in conformance with this instruction and in coordination with the DCMO for business operations objective alignment.

c. Ensure benefits achieved through CPI are recorded in accordance with procedures outlined in reference (c).

d. Ensure that participation in process improvement activities is included in the performance objectives of DON service members and members of the SES. Additionally, process improvement achievements of teams and/or individuals shall be recognized in personnel award, compensation and promotion processes, as appropriate.

6. Records Management. Records created as a result of this instruction, regardless of media and format, shall be managed in accordance with reference (d).



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