

R 012310Z DEC 98 ZYB PSN 184857J33

FM CNO WASHINGTON DC//N09//

TO RHHMAH/CINCPACFLT PEARL HARBOR HI//N00//
CINCLANTFLT NORFOLK VA//N00//
CINCUSNAVEUR LONDON UK//N00//
COMNAVAIRSYSYSCOM WASHINGTON DC//00//
BUMED WASHINGTON DC//MED-00//
CNET PENSACOLA FL//00//
COMSC WASHINGTON DC//00//
COMNAVSEASYSYSCOM WASHINGTON DC//00//
COMSPAWARESYSYSCOM SAN DIEGO CA//00//
COMNAVSVPSYSYSCOM MECHANICSBURG PA//00//
COMNAVAFACENGCYCOM WASHINGTON DC//00//
COMNAVSECGRU FT GEORGE G MEADE MD//00//
COMNAVRESFOR NEW ORLEANS LA//00//
CNR ARLINGTON VA//00//
ONI WASHINGTON DC//00//
DIRSSP WASHINGTON DC//00//
COMNAVMETOCCOM STENNIS SPACE CENTER MS//00//
COMNAVCOMTELCOM WASHINGTON DC//00//
FLDSUPPACT WASHINGTON DC//00//
UNCLAS//N04860//

MSGID/GENADMIN/CNO N47//

SUBJ/COMPETITIVE SOURCING PROGRAM FOR FY99//

REF/A/MSG/CNO WASHINGTON DC/222050ZJUN98//

AMPN/REF A IS VCNO PERSONAL FOR MAJOR CLAIMANT COMMANDERS ABOUT
RENEWED EMPHASIS ON COMPETITIVE SOURCING//

RMKS/1. IN A PERSONAL MESSAGE FOR COMMANDERS (REF A), OUR RENEWED
FOCUS ON A-76 COMPETITIVE SOURCING WAS STRESSED. RECENT STRONG
EMPHASIS BY OSD THAT SERVICES ADHERE TO THEIR ADVERTISED GOALS HAS
HEIGHTENED NEED FOR THIS FOCUS. THIS MESSAGE ESTABLISHES OUR
IMPLEMENTATION PLAN.

2. RECENTLY, THE NAVY COMMERCIAL ACTIVITIES WORKING GROUP HAS
DRAFTED AN INFRASTRUCTURE REDUCTION BUSINESS PLAN TO ADDRESS OUR
NEED TO COORDINATE ALL OF OUR EFFORTS IN THIS AREA. WHILE THE
BUSINESS PLAN RECOGNIZES THAT A-76 COMPETITIONS ARE ONLY A SINGLE
TOOL IN OUR INFRASTRUCTURE REDUCTION TOOL BOX, THE GROUP
AGREED THAT TO MEET NAVY'S POM AND BUDGET COMMITMENTS WE MUST
CONDUCT SUBSTANTIALLY MORE A-76 COMPETITIONS THAN WE HAVE IN THE
PAST ON OUR COMMERCIAL ACTIVITIES, WHILE STILL MAKING STRIDES IN SUCH
AREAS AS BUSINESS PROCESS REENGINEERING, REGIONALIZATION, ETC.

3. THOUGHTFUL PLANNING WILL BE REQUIRED BY CLAIMANTS TO PACKAGE
VIABLE BUSINESS UNITS FOR COMPETITION. THIS PACKAGING IS CRITICAL TO
ENSURE THE MAXIMUM BENEFIT FROM THE A-76 PROCESS. IN ORDER TO
ACHIEVE THE NAVY'S FY99 GOAL OF 20K POSITIONS TO BE STUDIED, AND TO
MEET THE FINANCIAL TARGETS ALREADY INCLUDED IN THE FY99 BUDGET,
CLAIMANTS SHOULD SUBMIT FY99 PLANS BASED ON APPROXIMATELY 40% OF THE
POSITIONS WHICH WERE CODED AS "R" (SUBJECT TO REVIEW) IN THE FY98

IG/CA INVENTORY RECENTLY SUBMITTED TO OSD. SIMILARLY, THE REMAINING POSITIONS MUST BE PHASED IN FY00 (40%) AND FY01 (20%) TO MEET BUDGET PROJECTIONS.

4. TO SUBMIT OUR FY99 PLAN TO OSD BY 15 JAN 99 AS REQUIRED, CLAIMANTS MUST SUBMIT THEIR FY99 PLANS TO OPNAV N47 BY 22 DEC 98. THESE PLANS SHOULD BE SUBMITTED IN THE FORMAT WHICH IS AVAILABLE ON THE OPNAV N47 PORTION OF THE N4 WEB PAGE (WWW.N4.HQ.NAVY.MIL). THE SUBMISSION IN THIS FORMAT WILL BE PACKAGED INTO STUDIES WHICH ARE APPROPRIATE FOR COMPETITION WITH THE PRIVATE SECTOR.

5. TO ENSURE MUTUAL UNDERSTANDING OF THE CLAIMANTS' STRATEGY AND SPECIFIC STUDIES FOR FY99, THERE WILL BE A BRIEFING FOR CLAIMANTS WITH OPNAV N47 ON 7 AND 8 JANUARY 1999 AT PRESIDENTIAL TOWERS (NC1) IN CRYSTAL CITY. FURTHER ARRANGEMENTS TO FOLLOW.

6. PLANS FOR IMPLEMENTING THE FY00 AND FY01 PHASES OF THE PLAN WILL BE DUE TO N47 BY 3 MAY 99.

7. THIS EFFORT REMAINS ONE OF OUR MOST DIFFICULT AND CONTENTIOUS INITIATIVES. IT IS, HOWEVER, A PROVEN ONE THAT, IN CONJUNCTION WITH YOUR OTHER INITIATIVES, CAN HELP US ACHIEVE THE INFRASTRUCTURE SAVINGS WE NEED TO MODERNIZE AND RECAPITALIZE THE FLEET FOR THE 21ST CENTURY. WITH YOUR PERSONAL COMMITMENT AND LEADERSHIP WE CAN ACHIEVE THESE GOALS.

8. RELEASED BY ADM D. L. PILLING, VCNO.