

Planning is imperative for a digital transformation that achieves decision advantage

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Last year, Chief of Naval Operations Adm. Michael Gilday released his **Navigation Plan (NAVPLAN)**. The NAVPLAN asserts that generating decision advantage by accelerating decision cycles with secure, survivable, cyber-resilient networks, accurate data and artificial intelligence is imperative to America's success in achieving its national security objectives. Securing decision advantage requires continual, ongoing digital transformation of the Navy – both in operations to support the warfighter, and in the business of the business.

The breadth of all that digital transformation encompasses can be daunting. To achieve the level of decision advantage that Gilday commands requires transformation beyond the deck plate, a singular business process or set of data tables. Digital transformation needs to touch every aspect of the Navy's business, likely in ways not yet anticipated.

Digital transformation is not new, however. Although the Department of the Navy (DON) has been digitally transforming for decades, digital transformation is now a widely recognized paradigm shift in how business is conducted. An unprecedented rate and breadth of technological change is required to harness the power of technological advancements and the amount of data generated daily. Consequently, a new way of doing business – a transformation – is required.

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Paul Landauer, Associate Deputy Assistant Secretary of the Navy (DASN)

Embracing the rapid pace of transformation and the ultimate successes that result from it is well worth it – if the transformation is well planned. Digital transformation, done correctly, is not simply replacing manual labor with technology or doing things faster. Digital transformation is reengineering one's business across its many facets in a prioritized, logical and coordinated fashion. As a result, the Navy will better understand its business, optimize the impact of its mission programs, make more informed decisions, empower its people and use its budgets more wisely. Success depends on good planning.

Following are the steps that one Navy organization is currently taking to plan their transformation so that the gains they envisioned through better decision-making, transparency and flexibility provided by standard enterprise data and analytics will be achieved.

The Impetus for the Plan

“Leadership recognized that to be best positioned in the twenty-first century, we needed to transform how we worked, and how we used our data,” said Paul Landauer, Associate Deputy Assistant Secretary of the Navy (DASN), Data and Digital Transformation, Financial Management Systems, Financial Management and Comptroller, ASN (FM&C). “It began with a memo issued from a senior government official to implement a new program to explore opportunities to analyze data differently and to see if it could change our business for the better.”

Two years later, the Navy's program – Financial Management Data and Digital Transformation (FMDDT) – is composed of a matrixed team of domain knowledge experts, data analysts, data scientists, automation practitioners, agile professionals, policy wonks, and communications and training specialists who have produced 40 applications that are inspiring analysts across the Department to accomplish their daily work differently.

After nearly two years of rapid growth, the leadership team knew that it needed to get a better sight picture for how it was going to achieve the level of transformative policy Navy leadership had set. “What the team has achieved in two

years is phenomenal,” Landauer said, “but we had reached an inflection point. There was a common recognition that the memo establishing the program and the implementation of agile practices alone wasn’t going to accomplish the scale of transformation that the Department’s leadership wanted. The true intention was revolutionary, and to get to where leadership wanted to go, we needed a plan.”

An Approach to Planning for Scalable Transformation

FMDDT leadership undertook the following crucial steps over a three-month period to create a transformation plan.

First, FMDDT determined the time horizon for which it wanted to plan. This step is fluid; depending on where an organization is within the transformation journey, the planning period will be different. An organization just starting out will have a shorter planning window than an organization that is further along the transformation journey. Longer term planning allows an organization to consider funding and organizational impacts.

Next, FMDDT assessed where it was and where it wanted to go. Transformation is accelerated when everyone is headed in the same direction. Assessing team members’ perceptions of where the team was within the journey was critical to understanding the way forward. To determine this, FMDDT leadership surveyed the staff of the entire program – both government employees and supporting contractors – from the analyst level to the most senior leader. The survey served as an important tool to discern how aligned the team was, and to better understand just how much transformation was needed to get where the team wanted to go. It also provided leadership with the information they needed to develop an informed target operating model and roadmap that everyone in the program could buy into.

FMDDT leadership then sketched out the desired goals and operating model(s) of the program. To start, FMDDT leadership first identified certain elements – such as statute, regulation, and certain policies and strategic priorities – that established guiderails for the planned transformation. FMDDT then needed to envision an operating model that would have scalability built-in so that the program could meet the demand for continued digital transformation. Critical to this was building in optionality. Given the complexity associated with this step, the leadership team took a focused day to roll up their sleeves and participate in a series of facilitated exercises that teased out the fundamental aspects of a future-state FMDDT operating model.

Then, FMDDT leadership developed a plan to drive towards its transformational operating model. The plan—or in this case, the roadmap—consists of the people, processes and technology that lay the groundwork for achieving the desired operating model(s). FMDDT broke its roadmap out into several lanes of activity. This included a lane for programmatic strategy, needed technological developments, business process transformation, and people and culture. “We looked at everything, brainstorming the actions needed, categorizing them so we could make sense of them, and then began plotting them against a timeline recognizing dependencies across the many actions that needed to be taken,” Landauer explained. “We also recognized that things could change

along the way, but knowing where we wanted to get to and having a roadmap to get there narrowed down the variables and mental logistics we had to consider. We had clarity to identify what changes were likely to occur, noted them and understood we needed to formulate contingency plans so we could alter course when needed, without losing sight of the ultimate goal.”

Critical to FMDDT’s ability to help the Navy transform its use of enterprise data was engaging with partners and stakeholders, both inside and outside of the Navy.

Transformation can’t be done alone. Critical to its success is involving partners and stakeholders early and often. To become better informed about the stakeholders impacted by FMDDT, the program identified the entities, organizations and divisions that could be impacted – or inspired by – FMDDT’s work. However, the team didn’t stop there; they also looked at the types of roles impacted. By developing customer personas, the program was able to inform a dynamic communications and engagement plan. It also developed a strategy to more closely work with those across the organization that could help accelerate the Navy’s enterprise data transformation.

Working toward Decision Advantage

Tracking progress against the transformation plan is critical to achieving decision advantage. FMDDT leadership decided to set time aside monthly to assess progress made against the plan. Specifically, leadership determines if the team remains on track, if the team has veered off course, or if the plan needs to change to account for developments outside of the program. “We are looking at our roadmap monthly during our daylong strategy sessions,” said Carrie Meza, FMDDT Strategy and Operations Portfolio Owner. “Carving out time to intentionally take a look at where we are and how we’re tracking is crucial to ensuring that we achieve our endgame.”

Armed with a sound plan, FMDDT is well on its way to supporting the CNO’s objective of decision advantage.

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Kristin Simons has over 17 years of industry experience and advises clients on how to digitally transform their businesses by designing practical yet creative ways to achieve program and operational success. She is a Director at KPMG LLP and supports the Navy’s FMDDT program.