

CONTROLLING COSTS: THE 6-3-5 METHOD - NAVSEA AND NATO CASE STUDIES

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5/10/2016

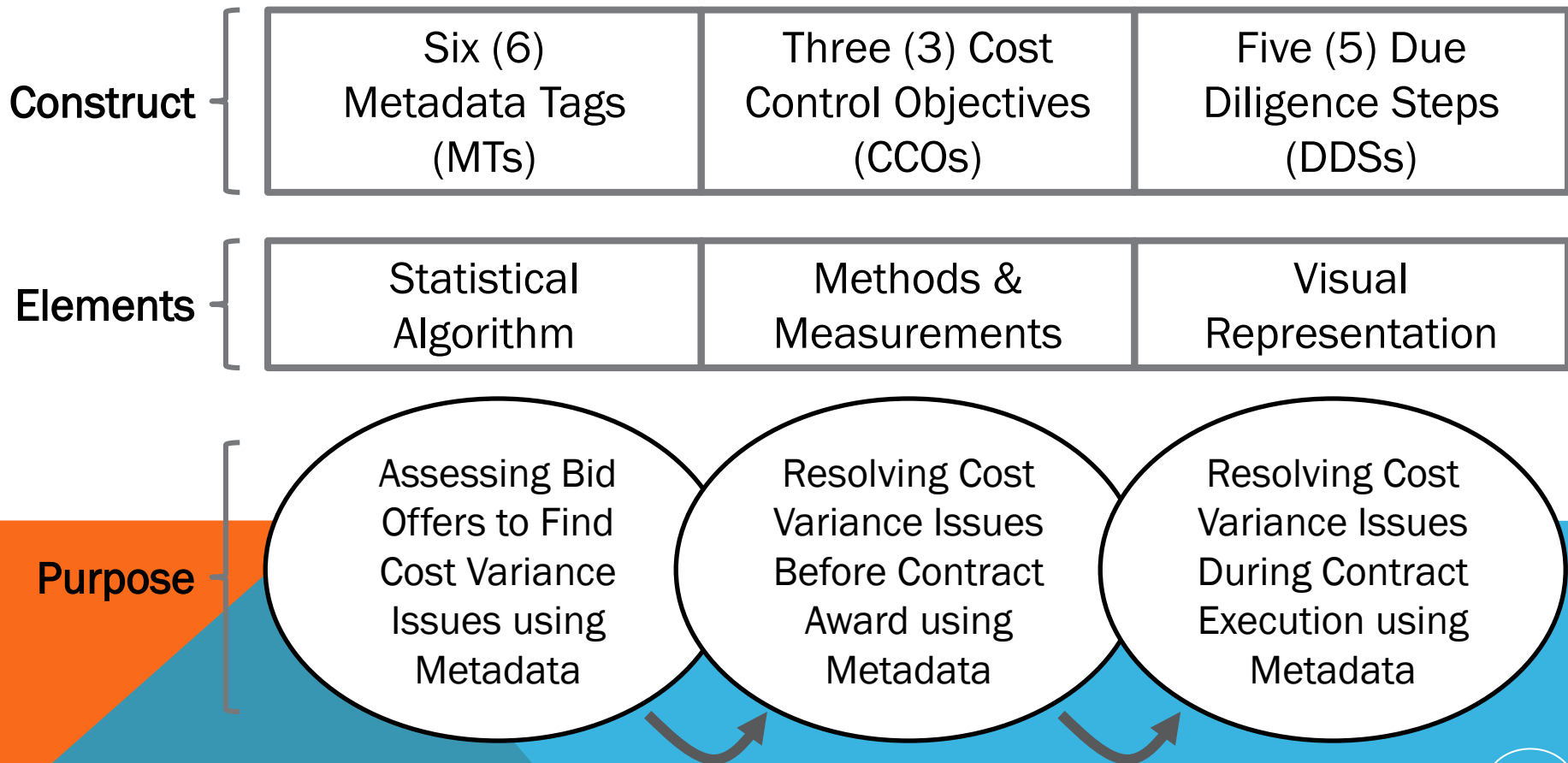
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THE 6-3-5 METHOD: IMPROVING COST CONTROL BY TAGS, OBJECTIVES AND STEPS...



THREE CASE STUDIES DEMONSTRATED...



1

PEO Carriers RCOH



Assessing Bid Offers to Find Cost Variance Issues using Metadata

Statistical Algorithm

Methods & Measurements

Resolving Cost Variance Issues Before Contract Award using Metadata

3

NAVSEA Centers



Resolving Cost Variance Issues During Contract Execution using Metadata

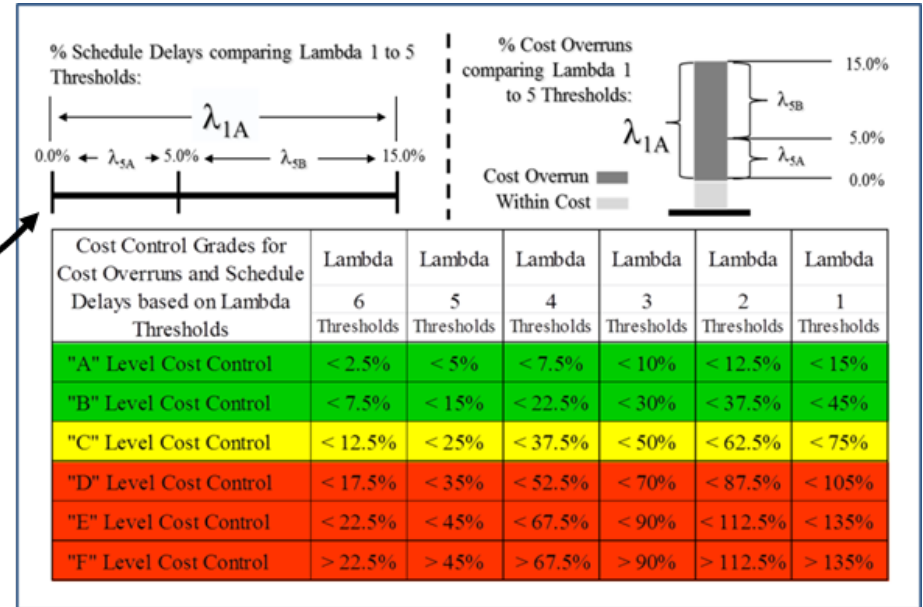
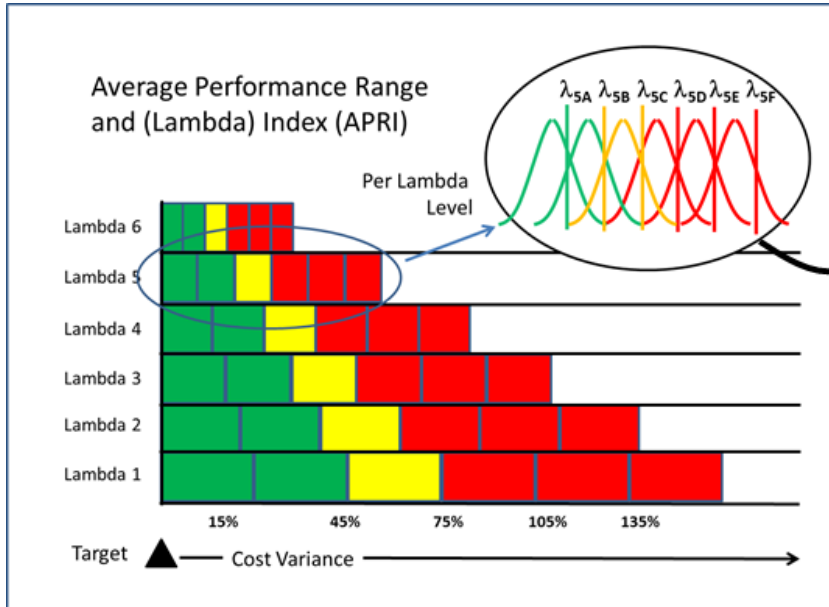
Visual Representation

2

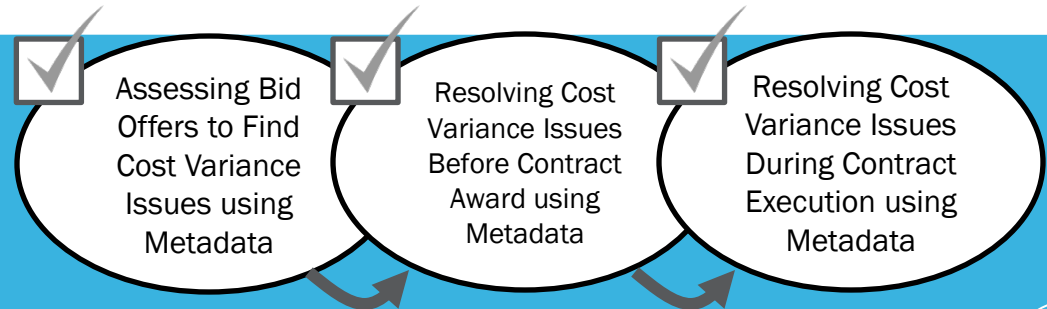
NATO Air Traffic Control Program



AVERAGE PERFORMANCE RANGE AND INDEX (APRI)



6-3-5 Method	Statistical Algorithm
	Methods & Measurements
	Visual Representation





THE 6-3-5 METHOD: 6 MTs

SUPPORTING 3 CCOs AND 5 DDSs

MT-1:
Statistically-
Based Lessons
Learned
Metadata

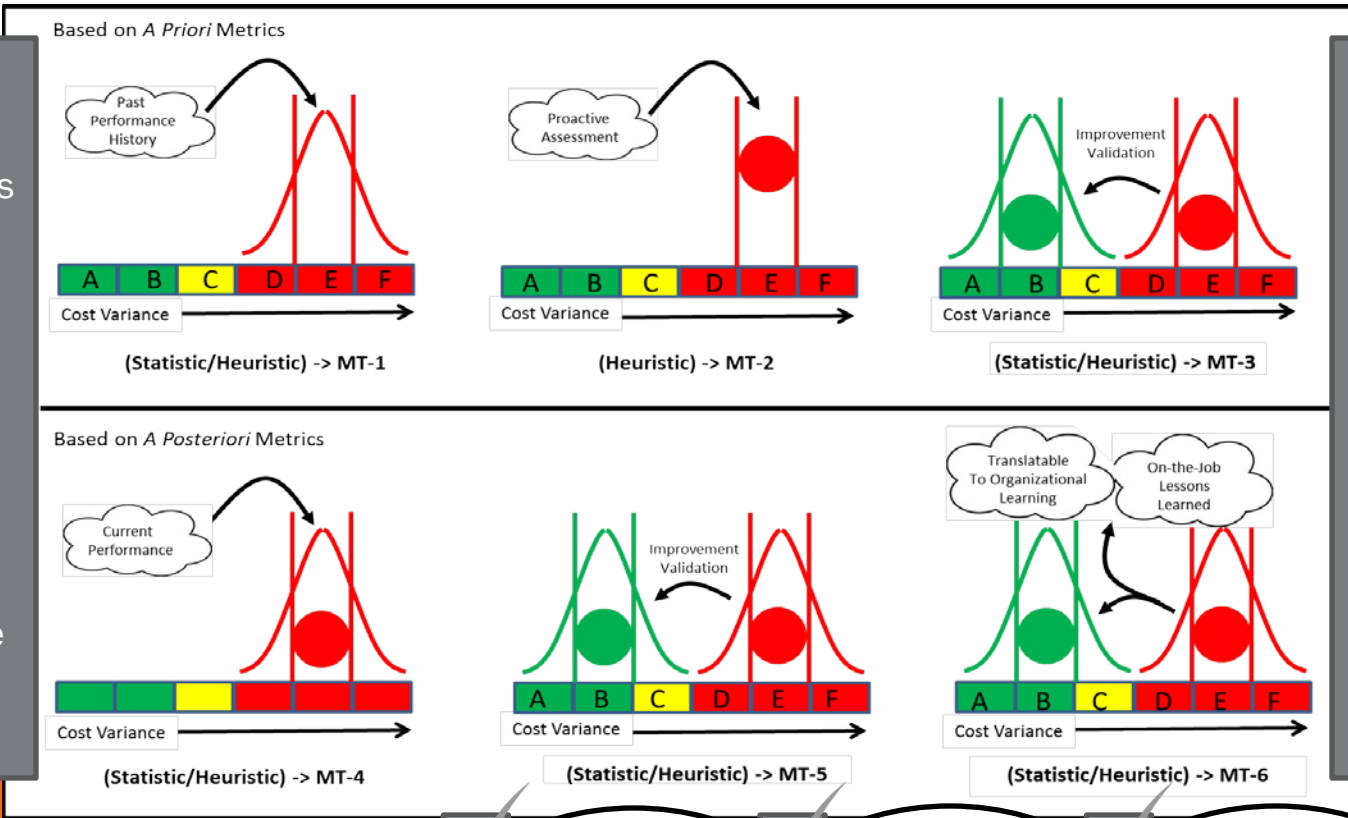
MT-2:
Proactive
Assessment
Metadata

MT-3:
Proactive Due
Diligence
Metadata

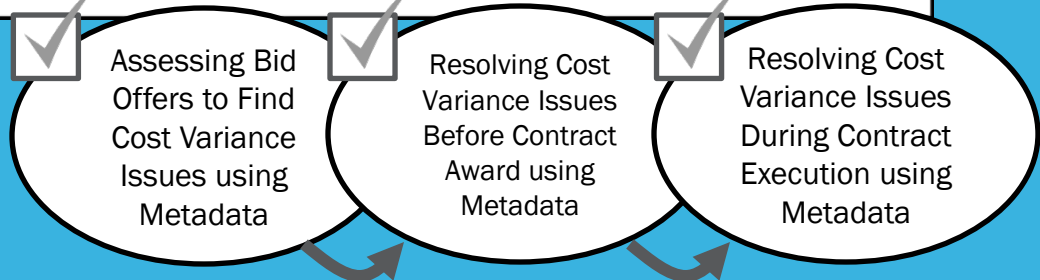
MT-4:
Performance
Tracking
Metadata

MT-5:
Reactive Due
Diligence
Metadata

MT-6:
On-the-Job
Lessons
Learned
Metadata



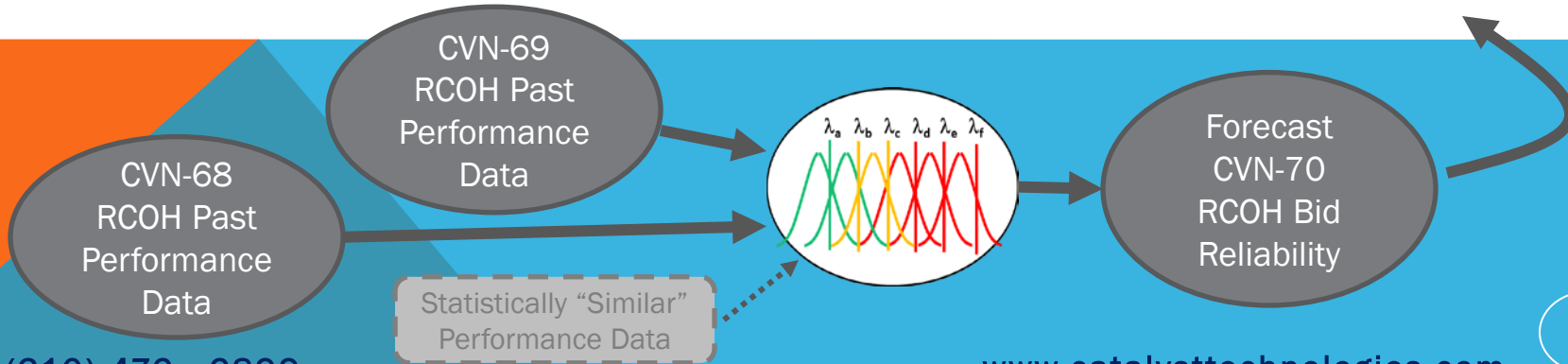
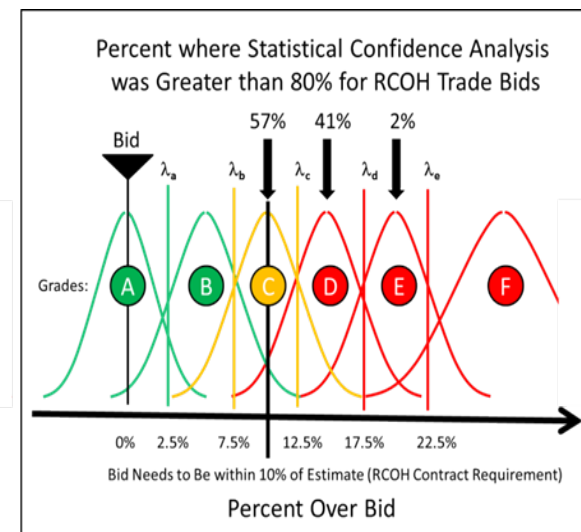
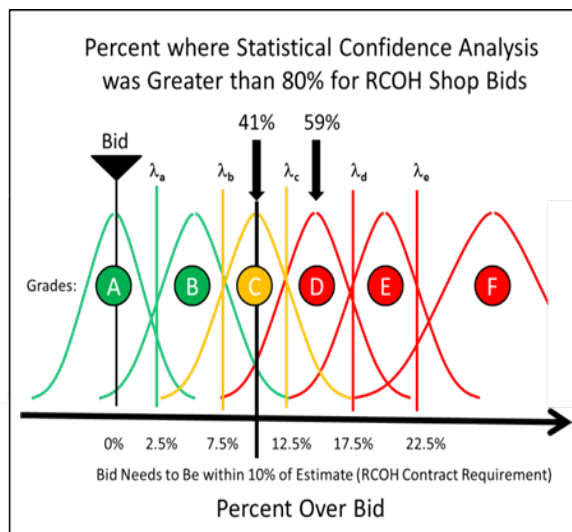
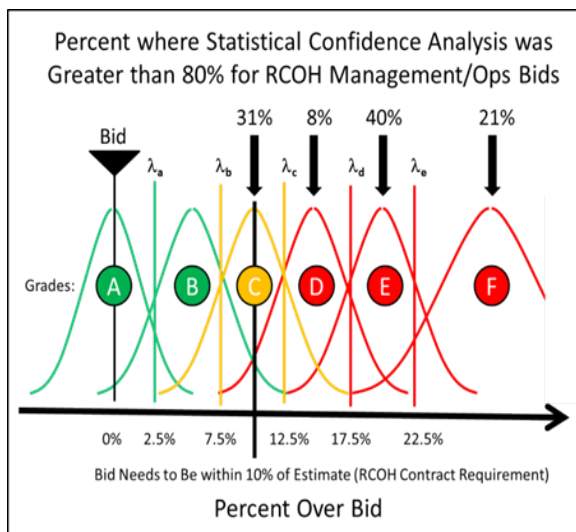
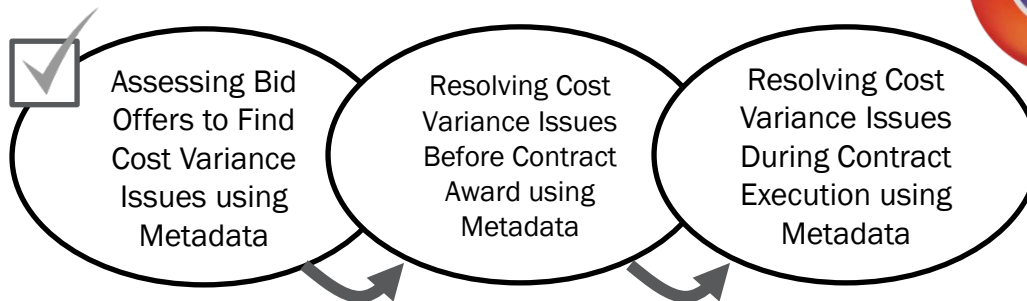
6-3-5 Method	Statistical Algorithm
	Methods & Measurements
	Visual Representation



PEO CARRIERS CASE STUDY DEMONSTRATED...



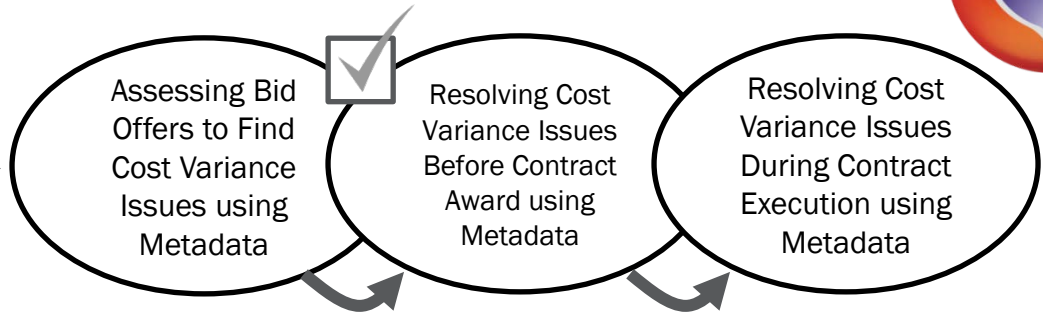
6-3-5 Method	Statistical Algorithm
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PEO CARRIERS CASE STUDY DEMONSTRATED...

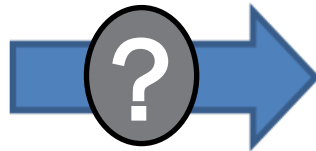


6-3-5 Method	Statistical Algorithm
	Methods & Measurements
	Visual Representation

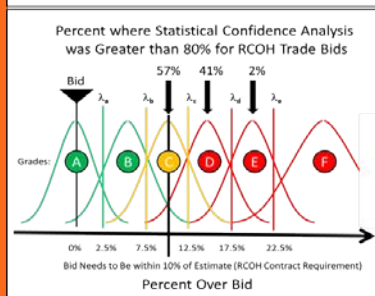
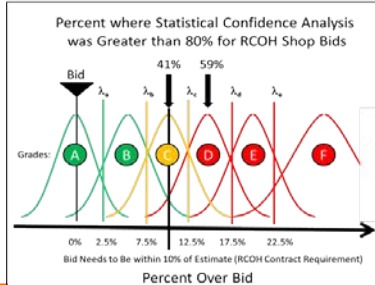
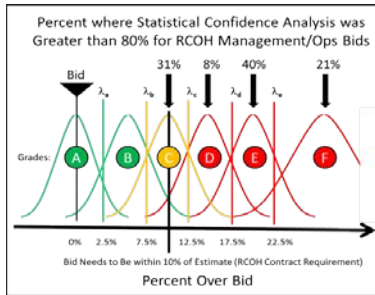
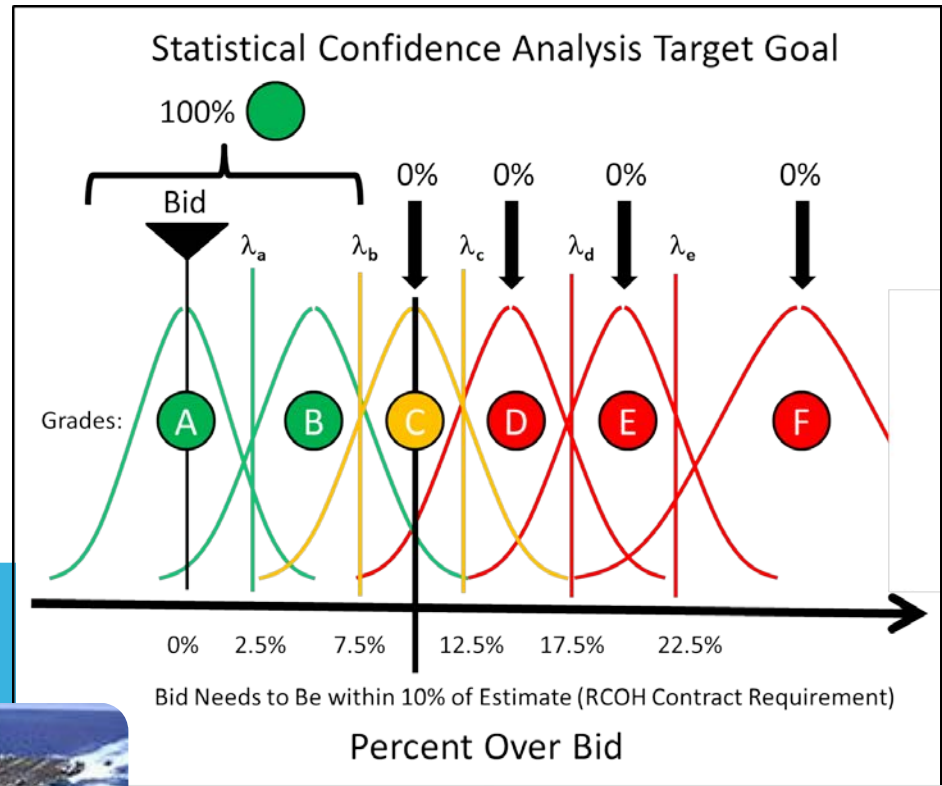


Example...

Problem Solving
Collaboration
Approach



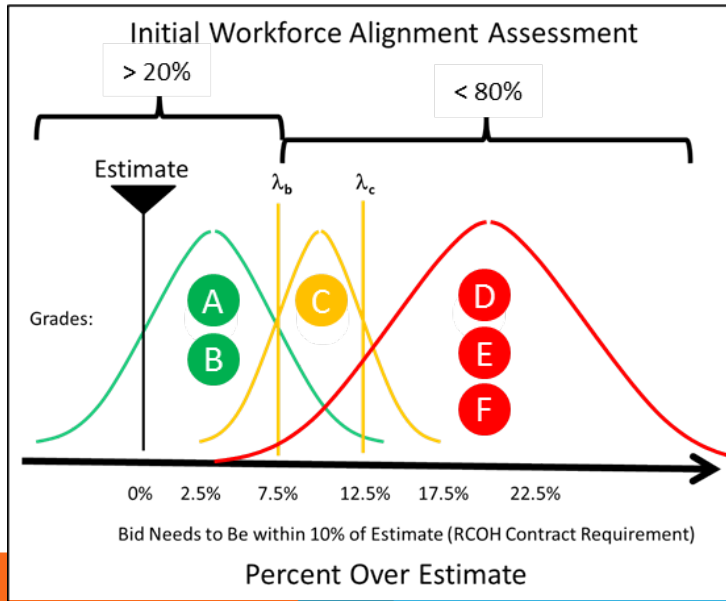
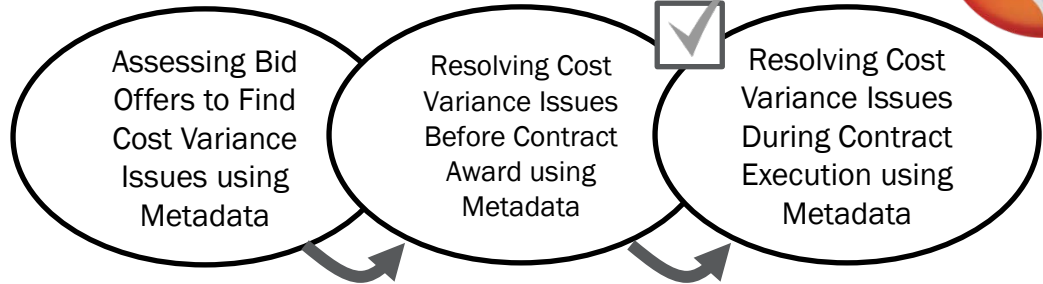
Promoting
Acquisition Team
Due Diligence



NATO PROGRAM CASE STUDY DEMONSTRATED...



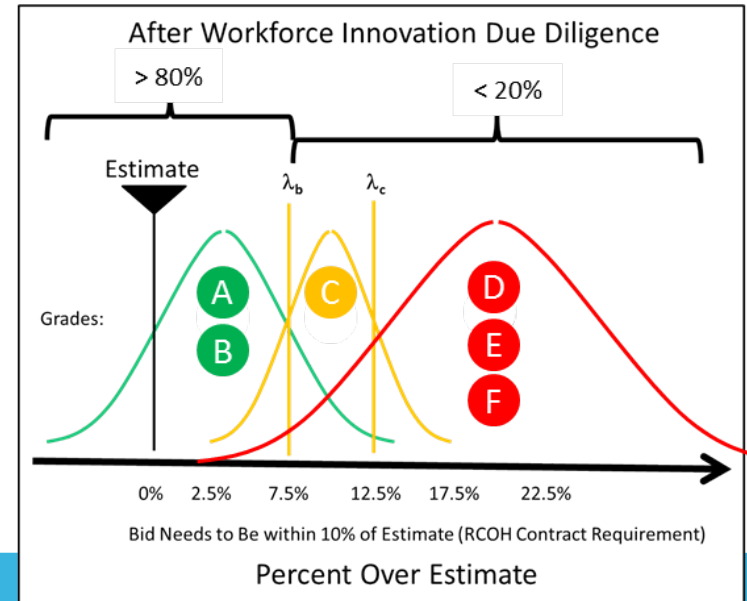
6-3-5 Method	Statistical Algorithm
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	Visual Representation



Problem Solving
Collaboration
Approach



Promoting
Workforce-Driven
Innovation Due
Diligence



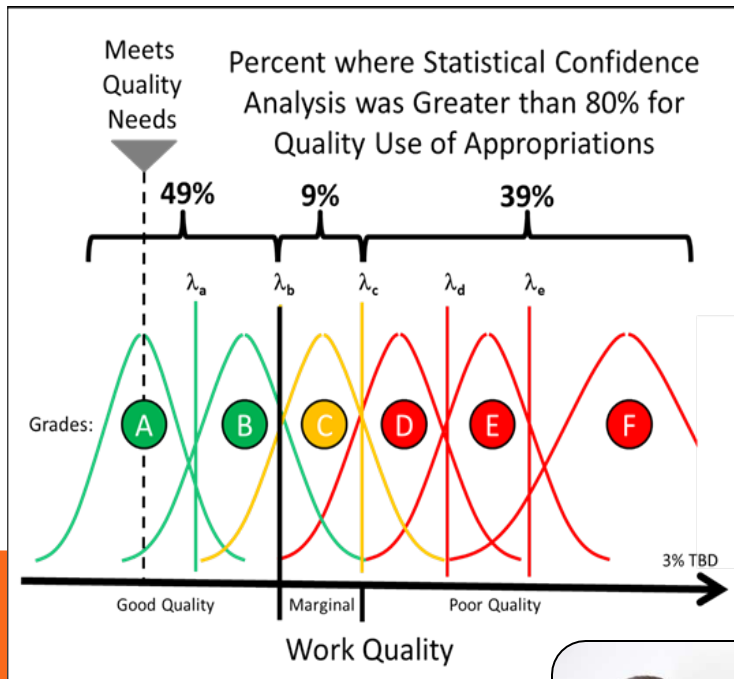
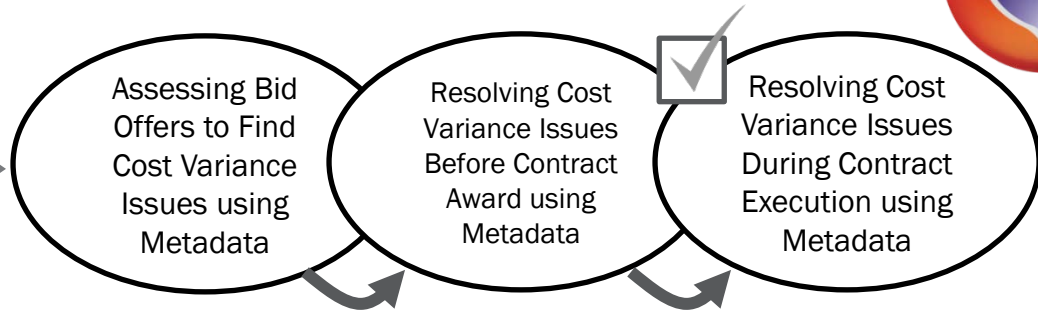
Air Traffic Control System (HW & SW)



NAVSEA CENTERS CASE STUDY DEMONSTRATED...



6-3-5 Method	Statistical Algorithm
	Methods & Measurements
	Visual Representation



Problem Solving
Collaboration
Approach



Promoting
Workforce-Driven
Innovation Due
Diligence



Multiple Branches



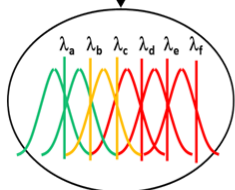
Two Centers

THE 6-3-5 METHOD IN SUPPORT OF DON POM SUBMISSION PROCESS



Provides "A Priori" Support of DON POM Submission Process

Statistically Same or Similar Performance Data



6-3-5 Method

Results



Visual Addition to Table

Statistical Confidence of 80% or greater in Estimate

- Within 7.5%
- Within 7.5% to 12.5%
- Greater Than 12.5%

Fixed Wing	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FYDP
F-35B (STOVL JSF)	6	6	6	9	14	20	55
F-35C (CV JSF)	4	4	6	9	14	20	53
F/A-18E/F	26	-	-	-	-	-	-
CA-18G	12	21	-	-	-	-	21
E-2D AHE	5	5	5	6	8	8	32
P-8A (MMA)	13	16	16	16	14	10	72
C-40A	-	-	-	-	-	1	1
KC-130J (USMC)	-	2	1	1	1	2	7
Other Support Aircraft	-	1	-	-	-	-	1

FYDP for Fixed Wing Aircraft

Fixed Wing	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FYDP
F-35B (STOVL JSF)	6 ●	6 ●	6 ●	9 ●	14 ●	20 ●	55 ●
F-35C (CV JSF)	4 ●	4 ●	6 ●	9 ●	14 ●	20 ●	53 ●
F/A-18E/F	26 ●	- ●	- ●	- ●	- ●	- ●	- ●
CA-18G	12 ●	21 ●	- ●	- ●	- ●	- ●	21 ●
E-2D AHE	5 ●	5 ●	5 ●	6 ●	8 ●	8 ●	32 ●
P-8A (MMA)	13 ●	16 ●	16 ●	16 ●	14 ●	10 ●	72 ●
C-40A	- ●	- ●	- ●	- ●	- ●	1 ●	1 ●
KC-130J (USMC)	- ●	2 ●	1 ●	1 ●	1 ●	2 ●	7 ●
Other Support Aircraft	- ●	1 ●	- ●	- ●	- ●	- ●	1 ●

Reliability of FYDP and Visibility of Risks

Statistical Algorithm

Methods & Measurements

Visual Representation

