Professor of Operations Management, Dr. Uday Apte, currently serves as the Associate Dean of Research of the Graduate School of Business and Public Policy at the Naval Postgraduate School (NPS). Formerly, Uday taught at The Wharton School, University of Pennsylvania, Philadelphia, and at the Cox School of Business, Southern Methodist University, Dallas. His education includes a Ph.D. in Decision Sciences from The Wharton School, University of Pennsylvania, Philadelphia, a Master of Business Administration degree from the Asian Institute of Management, Manila, Philippines, and a Bachelor of Technology (B. Tech.) in Chemical Engineering from the Indian Institute of Technology, Bombay.

Prior to his career in academia, Uday worked for over ten years in managing operations and information systems in the financial services and utility industries. The principal area of Uday’s research is managing service operations. Within this broad area, Uday’s recent research focus is on managing operations in information-intensive services. Other areas of his research interest include Supply Chain Management, and Technology Management.

Uday has served as a founder and president and vice president of the College of Service Operations, Production and Operations Management Society (POMS), and as a guest editor of the Production and Operations Management journal. Uday has also published over 50 articles, five of which have won awards from professional societies. These awards include the Nicholson Prize from Operations Research Society of America and four Best Paper Awards. His research articles have been published in prestigious journals including Management Science, Interfaces, Production and Operations Management, Journal of Operations Management, Decision Sciences, IIE Transactions, Interfaces, and MIS Quarterly. He has co-authored two books, Manufacturing Automation and, Managing in the Information Economy. Uday’s selected publications related to his principal foci of research are listed below.

**Managing Operations in Information-Intensive Services: Selected Publications**


Operationalizing the Naval Network Enterprise (NNE): Financing NetOps in the NGEN/CANES Era

The operations of the Naval Network Enterprise (NNE) – a mission area known as Network Operations or “NetOps” – are critically interdependent upon establishing a stable, solvent, manageable and agile Operations and Maintenance (O&M) financing and business management model. Navy and Joint warfighters throughout the world rely upon the NNE to provide assured, secure, scalable, responsive and “always-on” Command and Control (C2) capabilities to ashore, afloat and expeditionary users. Business stability and solvency, including some reasonable flexible capacity for crisis and wartime surge, are foundational requirements for the NNE.

The approach in place today for Planning, Programming, Budgeting and Execution (PPBE) of the NNE O&M portfolio of capabilities and mission services, including the indirect costs associated with operating a complex worldwide NNE architecture, has been stitched together in patchwork fashion over many years from numerous legacy programs, organizations and business management systems. Today, the misalignment and dysfunction of this structure creates substantial operational, technical and business risk for the Navy, and an unusually intense level of internal management workload that threatens to sub-optimize the Navy’s investments in C2 systems. NNE O&M budget baseline trends looking back to FY-2010, and projecting forward to FY-2018, are systemically 30%-40% under-funded based on comparisons of validated requirements with budgeted controls. An extreme reliance on mid-year and end-of-year budget reallocation processes, coupled with the inherent 1-year execution limitations imposed upon mission-funded O&M budgets, causes an untenable degree of management churn, and substantial operating risk for this $300M/year enterprise.

(Cont. on page 4)
Causes of this problem include: 1) poorly estimated, planned and programmed O&M structures within Navy information technology (IT) programs of record, 2) poorly designed and misaligned business taxonomies and systems throughout the IT PPBE process, and 3) lack of precise or standard models for allocating both direct and indirect costs to the overall portfolio of Navy IT services provided by the NNE. These causes aggregate over time, as more mission systems capability is added to the NNE architecture baseline. This problem of program insolvency and misalignment is projected to get substantially worse by FY-2018.

The Hawaii CAPSTONE team explored foundational design aspects of the NNE O&M financing model in use today, and determined there are likely at least two alternative financing and business management structures that would position the Navy on better footing going forward. With the Navy’s plan over the next decade to transition to modern, consolidated and centrally-governed telecommunications and Information Technology (IT) programs like the Next Generation Enterprise Network (NGEN) and the Consolidated Afloat Network Enterprise System (CANES), the opportunity presents itself now to address this set of foundational and structural issues. This window will close, however, as NGEN and CANES deliver, and a locked-in governance, services provisioning and O&M business management model is implemented to support the new architecture. Tactically, even prior o NGEN and CANES full operations, the Navy must address systemic funding shortfalls in this mission-critical NNE/NetOps line-of-operation. Strategically, a long-term policy backdrop, more effective financing model, a streamlined and unified budget management system, vastly more effective direct and indirect cost-capture approach, and a normalized, vertically-integrated business process model must be found.

Strategic positioning of the NNE vis-à-vis the joint IT future expressed in the DoD CIO, CJCS J6 and DISA visions and plans for the Joint Information Environment (JIE) is a key consideration in evaluating future options for the NNE O&M financing and business management model. The DoN CIO has defined objectives for achieving roughly a 25% cost cut across the $8B/year cost-center that is Navy IT. To achieve this, dramatic efficiencies, consolidation and unified, streamlined governance – integrated with the JIE architecture and governance model – will be essential. As the Navy seeks to align and integrate its telecommunications and IT capacity, capabilities and operating authorities with JIE, aligning the NNE business management structure, tools and processes will be imperative. Figure 1 shows the Joint Information Environment (JIE) vision for DoD-wide NetOps and governance.
Research Approach: Through the summer of 2012, the Hawaii CAPSTONE Team conducted in-depth research into the “as-is” dimensions of this complex problem, with an eye toward developing Courses of Action (COAs) and a recommended way-ahead for the Navy, including ideas about follow-on CAPSTONE research areas or other efforts key Navy stakeholder organizations might pursue to design and implement a better NNE O&M model in the NGEN/CANES/JIE era. The Team’s research areas included:

1. A comprehensive scene setter to explore and present the NNE architecture, operational capabilities, C2 structure and future programs baseline.

2. An in-depth assessment of NNE O&M financial documentation and exhibits, with analysis to determine causes for systemic program insolvency, business management dysfunction and execution risk.

3. An exploration of the “So what?” or “Stories from the front…” outlining operational, technical and business risks incurred as a result of misaligned, insolvent and dysfunctional O&M planning and management processes.


5. Benchmarking of commercial IT Financial Management models, tools, data structures and processes.

6. Exploration into the Navy and DoD Enterprise Resource Planning (ERP) systems, the Program Budget Information System (PBIS) and other Defense Business Systems (DBS), to determine how to better design, align and normalize IT business management taxonomies, processes and tools.

7. A review of the law and policy backdrop for this problem – to ensure proposed alternative models are in compliance with DoD and Navy fiscal directives.

Courses of Action: On September 13, 2012, the Hawaii CAPSTONE team presented its report and executive out-brief with the Navy FMB staff, outlining its four top-level Courses of Action (COA), which includes the following figures and brief descriptions.
COA 1: Stay the Course. The COA shown in figure 2 above was assessed as the least dramatic, complex, likely the least disruptive to status quo structures, and probably the least organizationally and politically risky to implement. This COA focuses on the “tactical” problem of an aggregated short-funded O&M program structure for the NNE, and it seeks mainly to apply the discipline and rigor of an end-to-end Activity Based Costing (ABC) analysis to better identify, capture and apply indirect costs, re-validate direct costs, and define a more complete and justifiable O&M requirements baseline that will hopefully fare better in the annual budget build process and the Program Objective Memorandum (POM) process.

COA 2: Redesign, Realign and Normalize. This COA shown in figure 3 is substantially more ambitious and more difficult to implement, but it begins to address the root causes of misalignment and business management dysfunction in the NNE O&M portfolio. This COA requires a thorough assessment of the organizational, missions, functions and tasks taxonomy, a more precise alignment of this taxonomy to real NNE cost centers at the operating level, and a vertically upward and downward alignment of the NNE O&M business management taxonomy, business and financial management systems, data standards and PPBE processes to ensure long-term manageability and solvency into the NGEN/CANES/JIE era. A key aspect of this COA is upward alignment with current DON investments in Navy ERP and PBIS. This COA also requires a thorough review of “orphaned” and unaligned business systems and an aggressive approach to consolidation or “necking down” to just one full-featured, open and transparent system. Depicted in the center of the future, this COA depends upon smart consolidation of a unified IT Financial Management (ITFM) framework, an area the Hawaii CAPSTONE Team benchmarked extensively with the commercial sector.

(Cont. on page 7)
COA 3: Navy IT Operations Working Capital Fund. This COA shown in figure 4 is built upon the CAPSTONE team’s extensive benchmarking of DISA’s Defense Working Capital Fund (DWCF) model for IT services provisioning, pricing, unit-based billing and end-to-end financial management. A substantially more ambitious and challenging COA, this complete revamping of the Navy’s approach to financing and managing IT operations was assessed as the most strategically aligned with the long-term Joint IT vision, strategy, architecture and governance model defined in JIE. This approach, like COA 2, relies upon a redesigned cost-center taxonomy that integrates direct and indirect costs, but it reshapes the provider-customer relationship around a Navy Working Capital Fund (NWCF); if DWCF, then just correct the acronym) structure. An additional benefit of this COA is that it largely removes some of the “tyranny” of 1-year execution rules that go with traditional mission-funded O&M structures. The CAPSTONE team assesses that such a structure would take three years to design and implement, with a recommended first year of operations in FY2016.

The rationale behind considering COA 3 is founded on the CAPSTONE team’s extensive research and benchmarking into DISA’s financing and management approach for roughly 70% of its IT services. The Team did extensive exploration into DISA’s Enterprise Services Directorate (ESD), Defense Enterprise Computing Center (DECC) services provisioning model, and a program called Joint Hawaii Information Transfer System (JHITS), which provides most of the telecommunications and IT infrastructure services to the DOD throughout Hawaii. These enterprises are all managed through a robust DWCF structure, and DISA has made substantial investments in the ITFM and associated cost accounting systems and processes, including highly trained financial management staff, necessary to successfully operate this complex but extremely well-run DWCF program.

Figure 5: COA 4 – ITFM/TBM Investment and Consolidation – the “Uber COA”
COA 4: ITFM – The “Uber COA.” The COA shown in figure 5 is suggested in each of the previous COAs – and therefore is referred to by the CAPSTONE team as the “Uber COA.” This COA should be addressed regardless of what financing and management model the Navy might choose going forward in the NGEN/CANES/JIE era. Through substantial benchmarking and research in the commercial sector, the CAPSTONE team determined that a well-planned and smartly-selected ITFM solution would significantly improve the Navy’s management of the IT O&M program portfolio. These advanced frameworks offered by industry, if fully adopted and integrated into the IT enterprise management structure, can create excellent opportunities to do better end-to-end business management through advanced analytics. COA 4 can be paired with COAs 1, 2 or 3, and will achieve much better vertical program alignment, allowing NNE field comptrollers to have full transparency into resource allocation decision at all levels in the PPBE process. Likewise, a well-selected ITFM framework will seamlessly integrate upward into PBIS and NERP. This is the “must-do” COA recommended by the CAPSTONE Team.

Recommendations and Way-Ahead

The Hawaii CAPSTONE Team wrapped up its report and presentation by putting the four COAs in context of larger strategic decision-making, and evaluating various factors associated with COA implementation to determine the best way-ahead for the Navy. The following figures illustrate the criteria used, and the final recommendations provided to the client.

Based on the assessment of COAs shown in figure 6, the Hawaii CAPSTONE team recommended a COA 3/4 pairing as the best way ahead to fully achieve both near-term solvency goals as well as long-term strategic positioning goals in the NGEN/CANES/JIE era. A COA 2/4 pairing is also a solid path, but, going forward, it does not fully address the need for close alignment with DISA and the JIE governance structure. Figure 7 captures the Hawaii CAPSTONE team’s final recommendations to the client.
Research Published in Summer 2012

Financial Management: Peer-Reviewed Articles


Manpower & Economics: Peer-Reviewed Articles


Conference Paper


Technical Reports


Operations & Logistics: Peer-Reviewed Articles


Technical Reports


Operations Management

Peer-Reviewed Book


Technical Reports

Collaborations and Sponsored Programs

Optimization of Port Visits

The office of the deputy chief of staff for logistics (N-4) of U.S. Pacific Fleet (PACFLT) requested the assistance of the Center for Defense Management Research (CDMR) at NPS in determining quantitative methods for evaluating Theatre Security Cooperation (TSC) engagements -- specifically for port visit determinations in the PACFLT Area of Responsibility (AOR). CDMR is conducting this project with faculty researchers and MBA thesis students.

The project is divided into three phases. Phase one of the project, already completed, sought to determine the factors associated with the economic benefits and costs of a USN vessel port visit. This was accomplished through an examination of current fleet procedures and a literature review of related topics, and through the identification of key economic costs and benefits of a port visit. Additionally, the first phase of the project demonstrated how these benefits and costs can be subjected to analysis and used in the determination of a cost-benefit analysis for port visits.

Based on the findings of phase 1, phases 2 and 3 of this project will continue toward development of an optimization model for a port visit. Phase 2 will further identify and delineate the explicit and revealed military, economic and diplomatic factors to be considered in port visit determinations. It will examine diplomatic benefits and costs in greater detail and develop weights for each of the factors involved in an optimization model. Phase 2 will also complete an explication of the economic impacts of money left in the local economy in the PACFLT AOR. Phase 3 will complete the development and testing of an optimization model that will assist planners and commanders in the selection of select port visits.

Phases 2 and 3 will be completed in December 2012 and June 2013, respectively.

Multimodal Information Sharing Team Project

The Program Manager Information Sharing Executive, is sponsoring the NPS Multimodal Information Sharing Team (MIST), a two-part FY12 project. The first part of the project analyzes and summarizes findings from the five MIST public/private sector information sharing workshops held to date in Honolulu, LA/Long Beach, Boston, Delaware Bay, and Puget Sound. The second part consists of conducting a new MIST workshop with key government and commercial stakeholders for the port of Baltimore. The (MIST) project team, which includes Dr. Hocevar; Research Associate of the Center for Defense Management Research School of Business & Public Policy, Anita Salem; Wendy Walsh from the MOVES Institute; and the National Security Institute’s Research Associate, Lyla Englehorn, also presented “Industry and Public Sector Cooperation for Information Sharing” at the Area Maritime Security and Harbor Security conference in Pittsburgh, PA.
Naval Postgraduate School
Graduate School of Business & Public Policy

Sponsored Research Centers

Center for Defense Management Research: Research Areas

• “The History of Defense Management Reform”
• “Personnel Management Reform”
• “Financial Management Reform”
• “Communication and Organizational Change”
• “Performance Measurement and Benchmarking”

Some of the Sponsors that work with the Center for Defense Management Research on research projects are as follow:

• U.S. Office of Personnel Management
• Undersecretary of Defense
• U.S. Navy Office of Budget
• Office of the Chief of Naval Operations, N40, Sea Enterprise Program and N40, Task Force Energy
• Defense Supply Center Richmond
• Deputy Chief of Naval Operations (Material Readiness and Logistics)
• Naval Postgraduate School Acquisition Chair
• Naval Postgraduate School

Manpower, Personnel, Training and Education Program

This program is sponsored by the Office of the Chief of Naval Personnel (N1). Research areas include the following:

• “Navy Econometric Modeling System—Retention, Attrition, Recruiting”
• “An Analysis of the Navy’s Tuition Assistance Program: Analysis of Long—Term Effects and Recent Developments”
• “Divo Training Effectiveness in the Surface Community”
• “The Effect of Deployment Intensity on the Prevalence of Depression and Substance Abuse and Substance Abuse Incidences in the Active Duty Population: 2001-2006”
• “Using Prediction Markets for Navy Total Force Management”
• “Laboratory Analysis of Navy Selective Reenlistment Bonus (SRB) Policies”
The strategic challenges of humanitarian assistance and disaster relief (HADR) have increased many folds in the current era because of increased scale and frequency of all types of disasters—natural and manmade. Three of the most devastating natural disasters (the Asian tsunami, the Haitian earthquake, and the Japanese earthquake) registered in the last 100 years took place during the last decade. The Humanitarian Research Group addresses challenges in such humanitarian operations. The group, founded by Dr. Aruna Apte and Dr. Keenan Yoho from the Department of Operations & Logistics Management at the GSBPP focuses on developing a body of research that will address and improve missions of the U.S. Department of Defense (DoD), first responders, policy makers, and non-governmental organizations (NGOs). Its principal streams of research include the following:

- Disaster preparedness and prepositioning,
- Response supply chain,
- The role of military in humanitarian operations, and
- Interagency collaboration and contingency contracting.

The Humanitarian Research Group’s objectives are as follows:

- Conduct academic and applied research in humanitarian operations,
- Provide a source of education and thought leadership in humanitarian operations and military operations other than war, and
- Align humanitarian research activities with and disseminate findings to U.S. governmental (to include the DoD) and non-governmental entities, as well as other academic institutes.

Principal research studies include scholarly journal articles, conference proceedings, technical reports, and student reports. Reference information for some of these research efforts is listed as follows:


**FY 2012 Acquisition Research Program: New Sponsors**

- Defense Acquisition Career Management (DACM)
- Program Executive Office Integrated Warfare Systems (PEO IWS 7.0)
- Office of Acquisition Resources and Analysis (ARA)

**FY 2012 Acquisition Research Program: New Sponsors**

- Advanced acquisition program 49-11
- Sponsor: Communication Electronics Commands (CECOM)

- Cost of attrition II
- Sponsor: Office of the Secretary of Defense (OSD)

- Civilian executive MBA 807
- Sponsor: Office of the Assistant Secretary of the Navy (OASN)

- Instruction of the financial audit short course Management
- Sponsor: Office of the Assistant Secretary of the Navy (OASN)

- Contract/program DL program
- Sponsor: Various

- Practical comptrollership course
- Sponsor: Office of the Assistant Secretary of the Navy (OASN)
Rear Admiral John C. “Jack” Scorby, Jr.

A native of Manlius, N.Y., Rear Adm. Scorby graduated from the State University of New York at Cortland in 1981 with a Bachelor of Arts in Economics. He entered the Navy in November 1982 as an aviation officer candidate, was commissioned an Ensign in March 1983, and designated a Naval Flight Officer in June 1984.

Rear Adm. Scorby’s early operational assignments included Fleet Air Reconnaissance Squadron Two (VQ 2), Patrol Squadron Special Projects Unit One (VPU 1) and subsequently, as the Officer-in-Charge of VPU-1 and Commanding Officer of VQ-2. Rear Adm. Scorby reported to NPS in December 1987 and was awarded a Master’s of Science degree in Management in June 1989. His thesis was titled “The Extension of Technology and the Control of Production Costs in Advanced Satellite Systems.” Rear Adm. Scorby also earned a Master of Arts degree in National Security and Strategic Studies from the College of Command and Staff, U.S. Naval War College where he graduated with distinction; Joint Forces Staff College, and a Master of Arts degree in National Resource Strategy from the Industrial College of the Armed Forces where he graduated with distinction and earned the Commandant’s award for the best Economics paper.

Rear Adm. Scorby’s shore and staff assignments include Bureau of Naval Personnel/PERS-43 where he served as the VQ/Force Support detailer; North American Aerospace Defense Command where he served as a Missile Operations Officer, Chief of the Aerospace Warning Branch and Executive Assistant to the NORAD Director of Operations; Chief of Naval Operations (OPNAV/N13) where he served as the Aviation Officer Community Manager and Deputy, Officer Plans and Policy; Chief of Naval Operations (OPNAV/N88) where he served as the EP-3E Requirements Officer and Executive Assistant to the Director; Naval Air Station Jacksonville where he served as the Commanding Officer; Assistant Secretary of the Navy (Energy, Installations and Environment) where he served as the Executive Assistant. Rear Adm. Scorby is currently serving as the Commander, Navy Region Southeast where he oversees 17 installations in the Southeast from Texas to South Carolina and Guantanamo Bay.

“The Naval Postgraduate School not only gave me the chance to earn a top notch Master’s Degree but it also gave me the opportunity to make some lifelong friends. The Financial Management Program at NPS gave me the critical skills necessary to properly analyze a variety of issues, which allow me to make the best informed decisions. As a Regional Commander overseeing 17 Installations, there are numerous fiscal and management challenges. There is no doubt that the NPS’s Financial Management Program has given me the proper tools to lead our team in a time of declining budgets and economic uncertainty. Thank you, NPS, and please continue with your superb tradition of graduating great service men and women from an outstanding academic institution.”

Rear Admiral John C. Scorby, Jr. U.S. Navy
And the Award Goes to...

2007 Black Engineer of the Year Career Achievement in Government Award

2012 Hall of Fame Inductees

Retired Vice Adm. Anthony Winns, former naval Inspector General who retired in 2011 after 32 years of naval service, is now a defense industry consultant with Lockheed Martin. Throughout his military career, Vice Adm. Winns held a range of positions including director/vice director for operations of the Joint Chiefs of Staff. Between 2003 and 2005, he served as deputy director of the Air Warfare division for the Chief of Naval Operations, and was also commanding officer of the Pacific Patrol/Reconnaissance Task Force, the USS Essex—an amphibious assault carrier—and for a naval aircraft squadron. Vice Adm. Winns earned a Master of Science degree with distinction in Financial Management from NPS, and is a graduate of both the United States Naval Academy and the Kennedy School of Government at Harvard University.

Congratulations to … GSBPP Special Awardee

Congrats to Assistant Professor, Dr. Keenan D. Yoho, who received the Richard W. Hamming Teaching Award for the Academic Year 2012 in recognition of his exceptional teaching. Professor Yoho excelled in all three criteria for the Hamming award: outstanding teaching, excellence in thesis supervision, and strength of contribution to NPS students beyond the classroom.

For the past three years, Dr. Yoho has been awarded the Louis D. Liskin Excellence in Teaching Award annually, an unprecedented accomplishment. In both AY2010 and AY2011, Professor Yoho was recognized as one of the top five percent of the faculty at NPS, and was also a recipient of the Rear Admiral John Jay Schieffelin Award for Teaching Excellence.

Professor Yoho has advised a total of 46 thesis and MBA project students over the last three years: five students were recognized for outstanding theses by GSBPP and one student team was awarded the Surface Navy Association Award for Academic Excellence in Surface Warfare. In addition, Professor Yoho regularly involves students in his funded research and includes them as co-authors on peer-reviewed academic papers and technical reports.
Congratulations to… GSBPP Faculty!

Associate Professor of Economics, Dr. Yu-Chu Shen, was awarded a 4-year National Institute of Health R01 grant for the project "Effect of Emergency Care Availability on Racial Disparities in Access & Outcomes," which will be administered through the National Bureau of Economic Research.

Assistant Professor of Operations Management, Dr. Mike Dixon, received an honorable mention in the Decision Science Institute Elwood Buffa dissertation award for his paper titled “Sequence Effects in Evaluating, Scheduling, and Designing Service Bundles.”

Assistant Professor of Accounting, Dr. Chong Wang, attended the Fifth International Public Procurement Conference (IPPC5) in Seattle, WA, August 17-19. His co-authored paper with Visiting Professor of Accounting, Dr. Joe San Miguel, titled “The Excessive Profits of Defense Contractors: Evidence and Determinants” received the 3rd place in the Best Paper Award selection. The award was presented in front of a large audience of about 900 public procurement professionals and researchers. The paper is also one of the eight top papers (from 158 submissions) chosen by the Scientific Committee of IPPC5 for publication in the Journal of Public Procurement.


Student Awards

Naval Postgraduate School Outstanding Academic Achievement Award for Department of Defense Students: Brian Freeman

Rear Admiral Thomas R. McClellan Award for Academic Excellence in the Graduate School of Business & Public Policy: CDR Christopher Ban

The Louis D. Liskin Award for Excellence in Business & Public Policy: Brian Freeman

Army Acquisition Corps Award for Scholastic Achievement: Brian Freeman
Special Service Awards

For her outstanding contributions to the DON, NPS and the GSBPP, and in recognition of the diversity and significance of her contributions, which met the highest standards of academic performance in instruction, scholarship, and service, the Navy Meritorious Civilian Service award was conferred upon Senior Lecturer, Alice M. Crawford. During her career at GSBPP, Crawford developed and coordinated the very successful Executive MBA capstone project course, advised more than 150 student theses and MBA projects, and conducted relevant and particularly noteworthy research on diversity and women’s retention within the Surface Warfare Officer community, and the aviation community, both very well-received at the highest levels by DON leadership. Professor Crawford has not only served as Associate Dean for Distributed Learning and for Faculty Development, but also on two NPS Dean and one Provost search committees, as an academic associate for two GSBPP programs (LEAD and Army Cost Management), and as a member of numerous other GSBPP and NPS faculty committees. After 38 years of distinguished career in federal service, including 24 years as an employee at NPS, Crawford retired in September 2012.

Dr. Alice Crawford, Senior Lect. of Manpower & Economics

In keeping with the highest traditions of DON, and for his exemplary performance, outstanding achievements and contributions to the DON, NPS, and the GSBPP, the Navy Meritorious Civilian Service award was conferred upon Senior Lecturer, Retired BGEN Raymond (Chip) E. Franck. Throughout his distinguished career and during his tenure at NPS, Dr. Franck maintained a strong instructional record, a heavy load of classes, student theses and MBA project advising, and was a mentor for students, faculty and administrators. His reputation among students across all degree programs was outstanding, and his substantial, diverse, and high-quality productivity in scholarship covered both contributions to practice and to the academic community. Dr. Franck’s noteworthy service included being Chair of the Systems Engineering department and Associate Dean of Academic Operations in the GSBPP and extended to the academic and professional communities, particularly through the Defense Track within the Western Economics Association. After 37 years of service in the United States Air Force, and as an educator and leader for 12 years at NPS, Dr. Franck retired in September 2012.

Dr. Raymond Franck, Senior Lect. of Manpower & Economics

To celebrate his 30 years of government service, Dean of GSBPP, Dr. William Gates, presented Senior Lecturer, Dr. Benjamin Roberts, with the Length of Service award.

Dr. Benjamin Roberts, Senior Lecturer of Manpower & Economics

To celebrate his 30 years of government service, Dean of GSBPP, Dr. William Gates, presented Senior Lecturer, Dr. Benjamin Roberts, with the Length of Service award.
Association Defense Communities 2012 Annual Conference

From August 5-8, GSBPP participated as one of many exhibitors at the Association of Defense Communities 2012 Annual Conference titled “Navigating Change” hosted in Monterey. Arcadis, PG&E, Paul Hastings International Law Firm, Roosevelt Group, TexAmerica Center, and the Navy Federal Credit Union were just a few of the sponsors who contributed to and supported the event. Delivering the keynote addresses were Secretary of Defense, the Honorable Leon Panetta; U.S. Congressman, the Honorable Sam Farr; and Lt. Gen. Michael Ferriter. On Sunday, Dean of GSBPP, Dr. William Gates, participated in a pre-conference workshop titled “Advanced Look at Public-Public Partnerships and Structuring Shared Services Agreements.”

To see the Pentagon’s video report on the Secretary’s speech on the Pentagon Channel’s Around the Services go to: http://www.defensecommunities.org/conferences-events/2012-annual-conference/welcome/

To view the transcript of Secretary of Defense Panetta’s speech click here: http://www.defense.gov/speeches/speech.aspx?speechid=1716

Conferences

Associate Professor of Economics, Dr. Jeremy Arkes, presented a lecture titled “Decomposing Racial Disparities in Prison and Drug Treatment Commitments among Criminal Offenders in California” at the Western Economics Association Conference.

Associate Professor of Acquisition Management, Dr. Rene Rendon, presented his team’s research titled “Management of Service Projects in the United States Air Force: An Empirical Study of Current Practices” at the Project Management Institute’s Research and Education Conference at the University of Limerick in Limerick, Ireland.

Dr. Rene Rendon (left), Associate Professor of Acquisition Management

Lecturer Janie Maddox, Fellow, CPCM participated at the National Contract Management Association’s World Congress 2012 in Boston where she presented her paper “Making Better Best Value Trade-off Decisions.”

Lecturer Janie Maddox, Acquisition Management

Associate Professor of Operations Management, Dr. Geraldo Ferrer, presented his research paper titled “Facility Location for Inventory Reduction: A Practical Update on P-Median Heuristics” at the 17th International Symposium on Inventories in Budapest, Hungary.
Rear Adm. Althea Coetzee at NPS

Rear Adm. Althea Coetzee, Executive Director, Deputy Assistant Secretary of the Navy for Acquisition and Procurement, visited GSBPP in August, for discussions with acquisition and contracting faculty and students in the 815 curriculum, and a review of current and future research within the contracting field.

Principal Deputy Assistant Secretary of the Navy Visits GSBPP

In a session sponsored in August by the Center for Defense Management Research, Principal Deputy Assistant Secretary of the Navy (Financial Management & Comptroller), Mr. Charles E. Cook, visited NPS to meet with members of the accounting, auditing and budgeting faculty, and via telephone, with DOD Deputy Chief Financial Officer, Mr. Mark Easton, and Deputy Assistant Secretary of the Navy (Financial Operations), Mr. Dennis Taitano, to discuss the potential for establishing a Center of Excellence in Financial Information. The meeting included a discussion of Cook’s concept paper for a research program to help make financial information associated with annual financial statements more valuable and useful to policymakers and managers.

Many Congratulations to GSBPP Lecturer Juanita Rendon

Lecturer of Accounting, Dr. Juanita M. Rendon, received her Doctor of Business Administration with a concentration in accounting from Argosy University’s Orange County campus. Her dissertation, “Internal Controls: An Empirical Analysis of Differences in Perceptions Within the Government Purchase Card Program,” was based on empirical data obtained from the DOD government purchase card program.

GSBPP Extends a Warm Welcome to Its New Faculty Members:

- Thomas Albright, Professor of Accounting
- Robert Eager, Associate Professor of Accounting
- Wilhemina Pizzini, Associate Professor of Accounting
- Commander James Neuman, Lecturer of Acquisition Management; Military Faculty
- Raymond Jones, Senior Lecturer of Acquisition
In July, the Naval Postgraduate School mourned the loss of Dean of Students and Executive Director of Programs, Captain Alan Poindexter, who passed away due to a tragic accident during a family vacation in Florida.

“Dex was a man of impeccable character and a true leader and mentor in every way imaginable. As Dean of Students, he was sincerely committed to the success of our students with a persistent and passionate desire to support and guide their efforts...he will be missed, but my guess is that he will not be easily forgotten.”

NPS President Daniel T. Oliver
Upcoming

Conferences

Expanding Your Horizon Career Fair for Young Women

On Saturday, October 27, 2012, NPS will host the second annual STEM event, “Expanding Your Horizons Conference and Career Fair for Young Women,” for young girls seeking future careers in the fields of science, technology, engineering and mathematics.

Decision Science Institute Annual Meeting

The 2012 Decision Science Institute (DSI) Annual Meeting will be held November 17-20 in San Francisco. DSI, a professional organization of academicians and practitioners interested in the application of quantitative and behavioral methods to the problems of society, provides an international forum for presenting and sharing research in the study of decision processes across disciplines.

Association for Business Communication 77th Annual International Convention

The 2012 Association for Business Communication 77th Annual International Convention will be held October 24-27 in Honolulu, Hawaii. Chair and Professor of Management and Associate Dean for Distance Learning, Dr. Jim Suchan, will present his paper titled “Computer Tablets’ Impact on Information Comprehension and Retention.”

American Accounting Association

The American Accounting Association’s 2013 Management Accounting Section Research and Case Conference and IMA Doctoral Colloquium will be held January 9-12, 2013 in New Orleans, Louisiana.

Pre-Graduation Awards

The fall quarter 2012 awards ceremony will take place on December 4 at 3:00 p.m. in the Barbara McNitt Ballroom at Naval Postgraduate School.

Graduation

On December 14, 2012, faculty, students, and their families will gather at 10:00 in King Hall Auditorium to celebrate the graduating class of Fall 2012.
The GSBPP was formally established in early 2001 as part of an academic reorganization at NPS and its stature within the university and the DOD has grown steadily since that time. Today’s GSBPP was formed from the Systems Management Department which, in turn, had evolved from the department of Administrative Sciences. But the origins of the Navy’s graduate programs in business and public policy are clouded and unclear due to an absence of archival records. This article tackles the basic question, “What preceded GSBPP?” The answer is surprising, even if it is incomplete.

Al Rilling’s doctoral dissertation, “The First Fifty Years of Graduate Education in the United States Navy, 1909-1959,” sheds light on the start of business education at NPS: “As early as 1929 the Bureau of Supplies and Accounts had sent as many as four officers to the Harvard Business School for courses in business administration.”1 Rilling further noted: “In September, 1934, the Naval Finance and Supply School was opened at the Philadelphia Navy Yard. An average of 40 line officers attended the course each year. The School was part of the Naval Postgraduate School for administrative purposes; in effect, a branch of the School.”2

At that time, NPS was co-located with the Naval Academy in Annapolis. The head of the school reported directly to the Academy Superintendent and the United States Naval Academy (USNA) Board of Visitors reviewed NPS programs for its annual reports to the Secretary of the Navy. Despite the tightening grip of economic depression, the board recommended expansion of NPS in its 1934 report. Was the subsequent establishment of the finance and supply school a coincidence or a correlation? Whatever the case, the program continued for several years. In 1937, it was augmented by a business administration program at Babson College and expanded further with a business administration program at Harvard University in 1940.

All of these programs vanished with the advent of World War II and the Naval Postgraduate School reverted back to a science and engineering focus. After the war, NPS established agreements with Harvard for programs in advanced management and business administration; with Stanford University for business administration; with Ohio State, Northwestern and Stanford for personnel administration; and with Rensselaer Polytechnic Institute in management and industrial engineering.

After the war, the Navy purchased Hotel Del Monte to provide for renewed expansion of NPS programs.

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Once it was settled into its new Monterey campus, NPS earned accreditation from the Western College Association, predecessor of the Western Association of Schools and Colleges, in 1955.

The WCA committee was composed solely of physicists, chemists and engineers with California Institute of Technology physics professor E. C. Watson, who was also dean of the Cal Tech faculty, serving as the committee chairman.

The committee’s final report, which recommended accreditation of NPS as a specialized institution, also stated: “The Committee recommends that consideration be given to the desirability of offering more instruction in business economics and management, since the students are in a better position to profit by such instruction than are those in the usual engineering school and moreover will almost without exception be required in the future not only to handle men, but to administer Bureaus, supervise economic planning, specify manufacturing procedures and practices and make decisions involving the expenditure of large sums of money.”

Rear Admiral Frederick Moosbrugger, NPS superintendent, responded to this recommendation in a letter to the chief of naval personnel in November 1955. “The recommendation…was put into effect during the past summer. One group of forty officer students took a six-week course in the area of Business and Management, and a second group of seventy-eight had an eight-week course. It is intended to make this a permanent summer program for the various curricula concerned.”

This summer program was revised the following year and, in June 1956, named the Navy Management School. It offered a five-month certificate program “designed to provide a common basis of knowledge with emphasis upon the guiding principles and procedures characterizing successfully managed organizations.”

The management school was organized in four departments: applied management, financial management, materiel management, and industrial management. A Navy captain was assigned as the director with a staff of four naval officers and five civilians. Within five years, the management school would offer master’s degree programs.

Four decades later - following a series of mergers, reorganizations and renaming - it would become the Graduate School of Business & Public Policy.

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Rilling p. 171
2 ibid
3 Report to the Western College Association, p. 11
4 Correspondence
5 Rilling p. 230
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