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Office of the Secretary of Defense
Interview with William Navas
January 6, 2009

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Interviewer Note: According to standard procedure the interviewer verified and edited the transcript and sent it to the interviewee, William Navas, for review. The interviewee, William Navas, was invited to make any changes as he saw fit. The interviewee did not edit or approve the transcript.

John Sherwood¹: It is the 6th of January 2009, and I'm interviewing -- can you state your name and title?

William Navas: William A. Navas, Junior, former Assistant Secretary of the Navy for Manpower Reserve Affairs.

John Sherwood: The purpose of this interview is to record your experience with the evolution of NSPS. A transcript of the interview will be preserved as a permanent NSPS record and may be used as source material for a DoD history of NSPS.

My first question is: briefly discuss how your background and management experience helped you with NSPS?

William Navas: Well, I came to the Navy with a new Administration as the Assistant Secretary --

John Sherwood: In 2001.

William Navas: In 2001. I interviewed with Secretary Gordon England, who at that time was Secretary of the Navy, around the March time frame. I was nominated by President Bush

¹ Staff historian with the Naval History & Heritage Command.

on June, and was finally confirmed on July 17th of 2001, and was sworn in as the Assistant Secretary of the Navy. This is July of 2001. We had clear guidance from Secretary England as to what he wanted us to do, and I have the three issues that he mentioned. I think it was leverage technology, you know, basically readiness, and bring down costs.

We had an offsite with the new leadership of the Navy, including the CNO, and the commandant, and the assistant secretaries, and the undersecretary at that time at Camp LaJeune, and we all were supposed to kind of brief the rest of the team. I had asked my staff to give me the number of what percentage of the Navy's total obligation authority was spent on manpower and people. And when you pull it together, including the retirement benefits that we paid retirees, the medical benefits, the civilian personnel under O&M, PCs, training, education, family housing, child care. You add all the dollars that are spent on people or people processes, it came out to be very close to 70 percent of the Navy's budget. So it's not ships. It's not airplanes. It's not up tempo. It was people that was consuming most of that. And we said that perhaps we still had the conscript mentality, that people were cheap and equipment was expensive. And in this day and age of an all volunteer force, with a very professional force, and technology being less expensive every day, it was the opposite.

So from there, I don't know. It was a (indiscernible) process, but we came to the conclusion that we needed to develop a human capital strategy for the Department of the Navy that was in line with the fiscal realities and with the actual human capital management practices that we hadn't applied in the Navy. And we identified that in the Navy, we're running basically five different human capital programs. We had active Navy managed one way, naval research managed one way, Marine Corps active managed one way, Marine Corps reserve, and civilian personnel, and that didn't even include contractors.

So we embarked on a program within the Navy, and we established what we call the Force Management Oversight Council, which I was the chair. The Secretary deputized the Chief of Naval Personnel, Deputy Commandant for M&RA² for the Marine Corps, the Chief Naval Reserve, the Chief Marine Corps Reserve, and, of course, the Assistant Secretary for Civilian Personnel, who used to work for me, but also included the Surgeon General. They were all deputized to make part of this Force Management Oversight Council so that we would look at personnel policies and how to improve that.

One of the key issues at that time was that the legislation of National Security Professional System, yeah, NSPS, had been passed and OSD was getting away from Title V of the Civil

² Manpower & Reserve Affairs.

Service. And we could establish, according to this new law, NSPS that had been passed, a civilian personnel system for the Department of Defense, and, by definition, that would be the Department of the Navy.

So we saw a tremendous opportunity in shaping this new system to meet with our vision of a total force, human capital strategy for the Navy, which said basically that you need to look at the spectrum of human capital in the Navy. And on one end you have the career active duty, which is your most expensive personnel asset. Then comes your non-career first term active duty. Then comes your career reserve. Then comes your non-career reserve. Somewhere in there is the civilian personnel. Then you have some contractors, and then you could have volunteers, auxiliaries, whatever. So that's the human capital spectrum.

On top, what are the human functions that the Navy needs to do? So we said the first thing we need to do is inventory what we're doing and make sure that that's a core competency of the Navy and it's something that we must continue doing and if we don't, let's not do it, outsource it. Then we said if it's something that is not inherently governmental that we could do, we might want to do it with a contractor. If it's inherently governmental, we should look first, can a civilian do it? If it's inherently governmental but cannot be done by a civilian,

can it be done by the reserves if it's military? And if it cannot be done by ourselves, then it has to be done by the active force.

So that was kind of the philosophy, and we established working groups and all that, always looking at leveraging NSPS and the new rules, which was for pay for performance, ease of hiring, ease of transferring people as a national security professional, to be able to do this thing to the point that we even went to Rand Corporation and had a study done for the Navy, which they're implementing today; that said in the flag and SES ranks, which positions must only be filled by an admiral? which positions should only be filled by an SES? and is there a group that could be filled by either/or? And we found that there was about 20-30 percent of those positions that could be filled by either/or. And we said, then we ought to be able to manage that.

And then September 11th came about, and we needed more uniformed individuals to send forward. Then this was very helpful because we now have, both in the Navy, and the Marine Corps, civilians in the Senior Executive Service grades filling positions that before September 11th traditionally were filled by generals and admirals.

John Sherwood: What was your specific title under NSPS?

William Navas: I was still the Assistant Secretary of the Navy for Manpower Reserve Affairs. However, and this might be

an issue here. See, when NSPS was first implemented, the responsibility for NSPS was given to the Undersecretary of Defense for Personnel Readiness, Dr. [David S. C.] Chu. And he had assigned that duty to, at that time, the Deputy Under Secretary of Defense. (Civilian Personnel Policy), which was Ms. Ginger Groeber. Ms. Groeber was under the impression that she could take the law into her own hands with a small group of her people in OSD -- draft the implementing regulations, and issue them to the services, Army, Navy, the Air Force, and the DoD agencies, and that they would be implemented in a very short period of time.

Well, this was a major, major transformation. I mean, it was almost the equivalent of a Goldwater/Nickels Act, which took 20 years in the Department of Defense to implement with very, very heavy commitment from the senior leadership. And this was almost something relegated to the personnel community. And so we had met with Ms. Groeber and at that time the deputy, Dr. Chu, Charlie Abell. At that time, Mike Dominguez, who eventually substituted, Abell was my counterpart in the Air Force, and also we had Mr. Reggie Brown, who was my counterpart in the Army. And Reggie, Mike, and I established a close bond together because we were all appointed around the same time. We had all

been former Army officers.³ Both Reggie and Mike were West Point graduates. They hadn't completed a career in the Army. I was ROTC, but I retired as a major general. And we established a close bond, and we used to have lunch periodically and discuss things. And we all came to the conclusion that the way this was going on was not really progressing.

So I had briefed Secretary England, who was the Secretary of the Navy at that time, on our human capital strategy, how that was going to help the Navy bring the costs down on personnel and be more effective, more efficient. And I had told him that a key to that was two initiatives that we were looking at. One was the restructuring or the zero-based review that we did for the Naval Reserve, and the National Security Personnel System for the civilians. And I remember one time going to him and saying, "Sir, I don't think I can deliver what I promised because the National Security Professional System is not progressing the way it should." And in my opinion, I think that this is not going anywhere, and this is a key element of what we're doing. And he said, "Well, what do you mean?" And he said, "Well, can you give me a little more detailed briefing or information?" So I went back and got some talking points and all that.

³ Charlie Abell was also a former Army officer and a highly decorated Vietnam veteran.

Apparently he went either to Secretary Rumsfeld or Secretary Wolfowitz at that time who was the Deputy Secretary, and we found out later on that he had been told as an additional duty as Secretary of the Navy, you are going to be in charge of the national security personnel system, and you are going to be the senior person.

John Sherwood: The Executive agent.

William Navas: The executive agents for that. When he got that tasking, we met, and the idea was to follow the model of an acquisition program where you have a new system, a new concept, that you're going to bring on board and that you need to have what we called an OIPT, which is a term, it's an acquisition term. It's an overarching integrated product team.

So we brought in Mike Dominguez from the Air Force and his senior civilian personnel, myself and our senior civilian personnel from the Navy, the same thing with the Army, and the Department of Defense, all the agencies were represented. And initially we asked Pete Brown, who was the PEO, I mean, he was the executive director of NAVSEA, had been program executive officer by training, had been designing carriers and all that.

And we started from scratch what is it, milestone zero, what are the KPPs, what are the key performance parameters? What is it that we're trying to accomplish with this? How are we going to develop the program, the prototypes, do it in

spirals, get buy in and all that. And we went, and then that's when Secretary England declared a strategic pause. We regrouped. Ms. Groeber was left to run the day-to-day civilian personnel issues of the Department.

And then we had -- initially we started with these OIPT meetings twice a week. Later on we went to once a week every, mostly afternoons. This was a big additional duty that we all engaged. And then every week in addition to our meetings we briefed Secretary England and Dr. Chu on what we had accomplished. The chair of the OIPT was Mr. Abell, and later on when Mr. Dominguez took over from Abell. We had representatives from OPM. It made for much more open, inclusive decisions. We had serious policy discussions. Research was done. People were assigned to investigate research issues. We were briefed. Then we came up with the right policy decisions.

We were empowered by Secretary England to do certain things. Other things when we did not agree, we needed to go to him. And we at one point approved a structure to do this. We interviewed several people. Mary Lacey, who used to work for NAVSEA, was PEO carriers. She designed aircraft carriers, an engineer, not a personnelist, was in charge of the project. Her deputy was a personnel guy, Brad Bond (phonetic sp.).

And we suggested, recommended a structure to Secretary England, and he went on to Secretary Wolfowitz and Secretary

Rumsfeld. It was approved. And then we started the design of the system, like you would design a weapon system, and then we did it in Spirals. I mean, we piloted, launched it, learned from that Spiral, the next Spiral, incorporated the improvements. And our philosophy was that we were designing a system. Like you would turn a weapon system to the warriors, we would turn a new personnel system to the personnel community.

Now the key here was a change in the culture of how we dealt with human capital in the Department of Defense where it would no longer be the purview of the civilian personnel community that were the keepers of the OPM regulations. We wanted the civilian personnel to be more of a human capital advisor to the line managers, and the line managers were the ones who were responsible for hiring, firing, disciplining, paying, compensating, and rewarding their personnel. And that one of the biggest challenges that we found was getting the civilian managers to do their work and have those conversations with their employees when they're not performing well. And in particular, the military managers, who spent a lot of time with their military people, but were very uncomfortable dealing with the civilians because to them this was a very strange --

John Sherwood: Beast.

William Navas: -- beast. But I think we really were successful in that.

John Sherwood: What was Ms. Groeber's position?

William Navas: Ginger Groeber eventually left, and Pat Bradshaw, Ms. Bradshaw, took over from her. She worked with Dr. Chu. Dr. Chu was the Undersecretary of Defense for Personnel and Readiness. Under Chu, you have military personnel policy, and you have civilian personnel policy. So she was Deputy Undersecretary of Defense, CPP for Civilian Personnel Policy.

John Sherwood: I see. What were the chief deficiencies of the old civil service system as far as DoD was concerned?

William Navas: Well, Title V is a government-wide system. It's been modified and reviewed and revised throughout history. And it's a one size fits all. It's a system that it was more intended and designed originally to prevent political patronage and was very strict on a merit system. But it did not provide a pay for performance system. You basically came in and you had almost automatic step increases. Promotions were expected.

The system was very cumbersome into which, with human nature being what it is, individuals got paid the same amount, so you could be a top performer, another individual in the same grade, doing the same job, would be an individual who is very punctilious, comes in at eight and leaves at four. You can do otherwise. And then they had provided for collective bargaining at different levels to a point where an issue like, for example, drug testing, which is a national security issue, had to be

negotiated with a union. Drug use obviously is not in the best interest of national security. You have to collectively bargain drug testing with about 75 different unions.

John Sherwood: That's crazy.

William Navas: It took us forever to hire, after September 11th, the protective force that we needed. We had National Guard personnel mobilized and brought to Washington, D.C. to guard the Pentagon because we did not have the authority to quickly hire enough civil police, protective services, to guard the Pentagon. When we could have had people in Iraq and Afghanistan, but we had them guarding the Pentagon.

So there were a lot of flaws in the system. It didn't allow agility, or take into the account the nature of our business. But I think that the key was pay for performance, pay banding, so you could move people easily rather than in the lock step GS system. And the fact that you had a lot more flexibility in hiring and separating or firing.

John Sherwood: Disciplining.

William Navas: Disciplining people.

John Sherwood: Were you involved in developing NSPS concepts and legislative proposals that DoD sent to Congress in '03?

William Navas: No. No. That was done very quietly by PNR and by Groeber. And when we got involved was when we were going

to receive a set of regulations and say, here, implement them. And we said, look, this is not well thought out. It's not going to work. That's when I went to England and I said, look, if we're going to do this the way they intend to do it, then we'll talk to them and they're not listening. I need to be relieved of this responsibility. That's when we did what we did.

John Sherwood: How did the Best Practices Task Force influence the NSPS design and the proposed legislation? Is that not something you dealt with?

William Navas: No. We came into this at the implementation. See, this was something that had been done, had been attempted many years ago. I mean, actually it started in the Navy with the demonstration projects, like China Lake, a lot of best practices pilot programs. And I think after September 11, the time was right in the Congress, and that's when I think Secretary Rumsfeld and Secretary Wolfowitz pushed this legislation. And this was done very quickly. I mean, I know that there had been a lot of thought going over the years about this, but putting it all together. And I remember this was submitted in April just before the session was about to end, and there were very few hearings.

But at our level, we never dealt with that. We were brought in for the implementation, not the development, which, again, that's a lesson learned that we should have been brought

in. It's the old saying, if you want me at the crash, meet me at the take off. This thing was done by OSD, PNR, and after the legislation was passed, which we had no input on, we were then supposed to have been given some regulations drafted by OSD for the services to implement, and we found that was going to be very, very difficult.

John Sherwood: Can you tell me how the implementation office was established, organized, and led and the scope of its responsibilities?

William Navas: Well, it came about, when England had this Strategic Pause, we brought this ad hoc group together, and one of them was, like I said, Pete Brown, and you ought to talk to him.

John Sherwood: I have.

William Navas: You have?

John Sherwood: Yes.

John Sherwood: And so basically what we said was, okay, we need to come up with the structure that we're going to use to implement this? And then it was through a lot of discussions and all that we said was with PM, a program manager, with working groups, and with an OIPT, and a senior official, we could do that.

So the first thing was who was going to be the program manager. And we interviewed a group of people, Mary Lacey among

them. There were a couple of other gentlemen and ladies that had extensive personnel or management, and we, the OIPT, it was Mr. Abell, Mr. Dominguez, myself, Mr. Brown, and a fellow that used to work who was a special assistant to the director of OPM, George Nesterchuk. We kind of interviewed these candidates, and I think there were five or six.

And we kind of made a recommendation to Secretary England, who finally settled on Mary. Then we helped her design her team. A deputy, who had extensive personnel knowledge, gave her a congressional liaison because we needed to keep Congress, deal with the unions. Secretary England was great in dealing with the unions. He was fully engaged, also fully engaged with the Hill. If it hadn't been for England's engagement with the Hill and the unions, this thing would not have taken off. And that was the thing that I think was a flaw in the original plan, that Ms. Groeber had no intention or no idea of what the requirements or the importance of keeping the Congress informed, keeping the unions informed, and that balance; plus also our internal.

We started with town hall meetings. I remember initially the civilian employees were very reluctant. I remember my first one was going to Bethesda and talked to the civilian employees of Bummed, and I didn't get tomatoes and rotten eggs because there were many out there, but it was a hostile crowd because we had assumed that they knew what we were doing and that it was

for the best. It was basically we're talking past each other, so we went back and readjusted our script and got it to a more basic explanation of why and all that. And then the last ones were basically very positive. So there was a lot of learning by doing.

And so finally we settled on. The structure was the program manager, and she started bringing people in as was needed. There were obviously, you have to deal with several different areas of expertise, compensation, labor relations, personnel classification, pay. So all these working groups would get together and then they would tee up the issues, the policy issues, to the OIPT, like I said. At the end, we used to meet every Thursday, start the meeting at four o'clock and go until whenever we finished. Sometimes we met Tuesdays and Thursdays and started making decisions so that the program manager office could then start.

And then when we finally got to implementation in Spiral 1.0, we used to call it, that was a very, very intense time of making sure that people were notified and all that, and then we went into the Spiral. We wanted to get enough critical mass that we could use the experience, but not do it in such a large number that it might collapse by its own weight. And then there were different views of the services and how we would do it. Some services wanted to do it kind of vertically, and one

command complete. I think we in the Navy tried to spread horizontally and get a sampling of, a little bit of NAVSEA, NAVAIR, others, so it --

John Sherwood: So you could see who the problem children might be. The initial time line called for the implementation of the first wave of employees by October 1st, 2004, and then all of DoD within two years. Was that too aggressive, rapid, in your opinion?

William Navas: I don't think it was aggressive. I think what really delayed us was the issue with the unions, the injunction that the unions, the legal action, and that we did not have a solid, unanimous support from the Hill. It started eroding as the unions started. And then we had to make the decision that we would implement it on the non-representative, the non-union. I think that's where we are now, and we're going to be for the foreseeable future.

John Sherwood: Can you talk about these three aspects of NSPS or the plans for designing NSPS, human resources, labor management relations, and the employee appeal system?

William Navas: Okay. The employee appeal system, the initial legislation which the Congress and the courts did was that the Department of Defense would establish its own kind of appeals judges. They would be --

John Sherwood: Ombudsmen?

William Navas: Yeah. Yeah. Well, they would be appointed by the Secretary of Defense, but they would be independent, like an IG. That was the concept that we thought, and, of course, the unions didn't buy it. I said, look, it could be somebody appointed for a six-year term. Once they're appointed, it's like a judge. They are not beholden to the Secretary. Actually it was a panel of six, and we said we're going to seek recommendations from the unions and from Congress. But the thing is, we needed to have an appeal system that was more responsive, and quicker. And we needed to get that, and that was a very contentious issue with the unions because they felt that we were violating the employees' rights of not having a third party or whatever.

The issue of collective bargaining or labor relations was that we wanted to do national level bargaining. I mean, you've got AFG. You've got the metal workers. You have the four or five unions that represent government. We wanted to deal with them at the national level, at the Department of Defense level. And whatever agreement with those unions were binding, so we didn't have to go with sub-elements of the American Federation of Government Employees in 600 localities that we have in the Department of Defense, and each dealing with their parking or their hours and all that.

And then, of course, the key element, the primary element, was getting away from the GS system to a pay banding system of three levels within flexibility so that people could move from one job to another. And then it would be a pay for performance where you would be guaranteed a base salary, but based on your evaluation and your performance, you would participate in a pay pool commensurate to your rating. And that way you could reward exceptional performance, compensate adequately according to market, the vast majority. But the poor performers would then get a poorer rating. They would get a base salary, but then it's up to them to either improve or move on. So those were the basic factors.

John Sherwood: Why were the unions so opposed to this?

William Navas: Well, my personal opinion, I think that the unions saw this as an opportunity for them to become relevant again --

John Sherwood: Ah.

William Navas: You see, because --

John Sherwood: They wanted a seat at the table.

William Navas: Yes, and you have those unions that asked, lost and all that. They're getting smaller and smaller. Well, look what's happening with the automobile industry. It's three companies that have heavy unions that are in trouble. There's a whole bunch of other car manufacturers here in the United States.

Toyota builds here; Saturn builds here; others build here. They're not happy. So I think it's an issue. We saw it with Bethlehem Steel; we saw it with the steel industry. The pendulum has swung to where at one point people were saying that General Motors was an HMO that builds cars. A General Motors, Ford, or a Chrysler, I think last time I heard, had about \$1,500 worth of health benefits compared to \$300 for a Toyota or a Saturn. Now granted, being fair, the unions see the compensation of the big executives, and they said, well, wait a minute, we want to have a little of that.

John Sherwood: But DoD doesn't have that.

William Navas: But DoD doesn't have that, you see, or the government doesn't have that problem.

John Sherwood: The SES doesn't make much more --

William Navas: The SES doesn't make much more, exactly. But the unions wanted to make sure, look, I mean, you're going to get your pay increase, and you're going to get this, and your step increase, and your cost of living, and all that. So it became, and people get offended sometimes when I say this, I mean, we wanted to go from a pay for attendance to pay for performance.

John Sherwood: Right. Were you at the meeting with the union representatives?

William Navas: No, I never participated in those. Those were England, and then it was Nesterczuk, and either, Charlie Abell or, later on, Mike Dominguez, but, no, we did not participate in those, thank God.

John Sherwood: Can you talk a bit about the Strategic Pause? Was that helpful?

William Navas: Oh yes. Oh yes. The Strategic Pause was basically, like I said, when we went to England and said, look, this is not working, and he briefed, and I was not privy to what he discussed with Rumsfeld, but I know when he came out of the meeting, you might want to talk to Bob Earl also on England. You probably have.

John Sherwood: Different members of my team.

William Navas: Yeah, okay. So they came back and they said, you're in charge. Well, England said we need to stop the train here. We cannot continue the way we're going because we're going down a flip. So we called it the Strategic Pause. It was just basically let's close for inventory here and assess where we are, what is it that we're trying to do, and come up with a plan that doesn't exist in how to do it. And that we called it a Strategic Pause. It's a euphemism, I guess.

John Sherwood: What about the strategic engagement? How did the strategic engagement work?

William Navas: Well, that was the other piece. According to their original plan, they had gotten the legislation and they were drafting the regulations. So they were going to ram it down our throats, and the strategic engagement was we need to know exactly what we're trying to do, what's our public affairs campaign, how we're going to communicate this to the Hill, the unions, our employees, and our leadership. So you identified this group of stakeholders, if you will, that you need to engage with them because short of that, we were going to have everybody that the leadership needed to be condensed. It was beneficial to them, but they had to commit to certain things that they hadn't done. The employees needed to understand that there were some benefits and some risks. And then the Hill, the Congress, they had given us legislation, but they needed to understand the details, and we'd rather have us communicate with them than have their constituents communicating with them, and then we would be reacting. And the same thing with the unions, trying to engage them and open the dialogue.

John Sherwood: And there were teams.

William Navas: There were different groups that did that. We at the MNRA level, our responsibility was to engage with our leadership and with our employees. In my case, it was easy because England was the head kahuna on this, so it was very easy for me to go to the CNO, to the commandant, to the senior

leadership of the Navy and explain to them because they were coming to us to find out because it was something the boss was saying. In the case of the Army, from what I understood from Secretary Brown, the Secretary of the Army was not too enthused about this, so he kind of had a little buffer.

John Sherwood: It was a tough row to hoe.

William Navas: A tough row to hoe convincing the senior leadership of the Army that this was something that needed to be done.

John Sherwood: Were three of the management recommendations senior executive program, PEO, over arching product, OIPT, all part of the DoD acquisition model?

William Navas: Yeah. No, I think the PM, yeah, official, yeah, that came about after the Strategic Pause and we agreed on this management model. That did not exist before.

John Sherwood: Why was Pete Brown chosen as the interim PEO, and what did he accomplish?

William Navas: Pete was a known entity to Secretary England, and was a known entity to me. He had a lot of experience in managing large, complex programs. He had, before he came to work for the Navy, had been the project management for, I think it was the Atlanta metro system. So Pete was a very capable program manager, project manager, and he had some experience with one of the demonstration projects that had been

done. At that time he was a NAVSEA, so initially Pete was part of a small group that we put together to brainstorm how to do this, and he kind of emerged as a very knowledgeable individual. And then he did it, but he had retirement plans, so he helped us set this thing up for about three or four months, and then it went to Mary Lacey when we agreed on the structure. But Pete was instrumental early on in getting this kind of, helping us sort out --

John Sherwood: And Mary was chosen because of this defense acquisition model.

William Navas: I think, yeah, yeah.

John Sherwood: She was a carrier person who had --

William Navas: Yeah. Yeah. She knew how to bring all the diverse elements together -- and pieces together and integrate them because you really needed kind of a program manager, a PEO, with the training of the process that that entails, which you don't find in the personnel community.

John Sherwood: Who were the members of the Committee of Principles?

William Navas: I think it was just England.

John Sherwood: Just England.

William Navas: England, and the OIPT was Abell, and it was Deputy Chu. It was co-chaired by Abell and Nesterchuk from OPM because the regulations were supposed to be published in

conjunction with the director of OPM and the Secretary of Defense. And then representing the services were the Assistant Secretaries of Manpower Reserve Affairs. And then I forget who represented the Department, I mean, the defense agencies. And then we always had a representative of the general counsel from the Department of Defense, Helen, I forget her last name. She was a lawyer, senior lawyer, in defense. And then we all brought a back up. I always brought, Pat Adams was my back up, and you might want to interview her if you haven't. Patricia Adams.⁴

John Sherwood: I think she's on the list. What was the role of the Senior Advisory Group?

William Navas: The Senior Advisory Group was put together of personnel, human capital personnel, human resources practitioners, that were an independent advisory group to Mary Lacey and to us to bounce off ideas of them. They were not a decision body. They were not a policy body. They were senior people, both civilian and military, who worked personnel issues that we used them as a sounding board. So does this make sense? What have we missed here?

John Sherwood: Can you talk about the 2004 redesign where Mary Lacey established working groups that met for eight weeks to reconsider the NSPS design?

⁴ Interview conducted on 9 February 2009 by John Sherwood for OSD.

William Navas: Well, yeah. That was part of the Strategic Pause.

John Sherwood: That was part of the Strategic Pause.

William Navas: Yeah. Yeah.

John Sherwood: Okay. So we covered that.

William Navas: Yeah.

John Sherwood: We talked about union opposition.

Implementation. On December 15th, '04, Secretary England announced that Spiral I would begin as early as July '05 and would incorporate 300,000 employees. The first stage of the implementation style, Spiral 1.1, did not begin until April '06. As of May of '08, some 180,000 DoD employees have been converted. What delayed the implementation?

William Navas: We always said that the implementation was going to be event driven, not schedule driven.

John Sherwood: I see.

William Navas: The schedule was basically because you have to have a target, but we said, I think we used the Gallo wines joke. We're not going to --

John Sherwood: Serve our wine until it's time.

William Navas: -- serve our wine until it's time because we said we would be fools if we want to meet a date and not do all the due diligence and make sure. So there were some issues initially. One of them was the fact that when we were going to

do Spiral I, we found out that we had some union members because the way we sorted it out, we said, okay, in some cases we're going to bring in this element, and in some elements they had employees that were represented. So we said, wait a minute, we don't want to go there. So we had to go back and rescope, rearrange who we're going to do. Now there was a lot of also pre work that needed to be done before converting. We had to train people on the new system because the whole system with pay pools, forms, all that. We had some delays in the production of the training materials. We contracted, I forget with whoever, and --

John Sherwood: There was a delay.

William Navas: There was a delay, so there were a series of things that we said, no, this is not schedule driven, this is event driven. When we are ready, we will do it. So I think it was from July to October that we had to delay the first --

John Sherwood: Spiral implementation.

William Navas: -- the Spiral.

John Sherwood: The GAO, General Accounting Office, issued some studies about DoD's new personnel system. Did these studies influence training for or implementation of NSPS?

William Navas: I think we adhered to the recommendations. I thought personally when they did the study that it was premature because all of a sudden you have legislation. This is

a multi year project. You're designing it. You're doing Spirals. You're testing. And all of a sudden, six months later here's GAO coming in to see how well you're doing implementation. We don't know. This is something, the first time we've done it, and that's why we designed the system, we're doing Spirals. We want to learn from our mistakes. So I thought GAO was kind of premature.

John Sherwood: Were you involved at all with the IT aspects of the NSPS, My Biz, some of these other --

William Navas: No, not really, although that was one of issues that delayed, to a certain degree, the implementation because at least for us in the Navy, and you're a Navy --

John Sherwood: Civilian.

William Navas: We had a lot of problems getting some of design --

John Sherwood: My Biz, Navy Marine Corps Intranet (NMCI)?

William Navas: My Biz and all that and NMCI, and I remember it.

John Sherwood: Did that delay implementation?

William Navas: I'm not sure if it delayed, but it cost a lot of energy and to the point that I remember I had to intervene one time, and I called in the Navy CIO, and the guy from NMCI, and the guys from CPMS, the civilian system, Norma Sinclaire and her people. And they were talking past each other,

and I had to sit them in a room and I said, look, goddammit, we need to do this, and it cannot be all one sided, so each of you have to compromise a little. And then, of course, you know IT, everything that was promised was not delivered. Some of the online modules and things were very cumbersome. When we fielded them, they had done a little testing, and the testing, apparently had more people more familiar with it. So we had a lot of feedback that they were not user friendly. So that was not unexpected, but still it was an issue there.

John Sherwood: What about the lawsuits? Were you involved at all in that?

William Navas: No. I mean, we were briefed on them and we followed them closely, and there was kind of a saga there because there was a parallel lawsuit for the Department of Homeland Security, and they fared differently than we did. And in one of them we came out pretty good, and then on appeal it didn't turn out that well. So we wound up adjusting. So right now rather than having the full 800,000 or so civilian employees in the Department of Defense, we're not even dealing with the individuals in the shipyards and the depots and all that, so we're not even dealing with that. And then within the union, non-union, we're just dealing with the senior people and the non-union.

Our hope was, at least while I was there in the Navy, that the system would work well, and the benefits to the individuals who are non-union are such that they're being compensated better, that they feel that they're being recognized and all that, that it would spill over, that at some point some of the union members would say, I want to come in. Whether that happens or not remains to be seen.

John Sherwood: What has been NSPS's strategy in dealing with the Hill? You mentioned --

William Navas: I think it has been basically engagement with Secretary England dealing with the key supporters, Voinovich and Susan Collins. But I don't know what's going to happen now with the new Administration. You would think that the new Administration would be more responsive to the unions than a Republican administration, and this happened under a Republican Administration with a Republican Congress then. The whole thing has changed. I hope, and this is my personal opinion, that the leadership of the new Administration recognizes that this is something that--

[End Part 1 of Audio]

[Start of Part II]

William Navas: -- they probably could not have done, but was needed, and they don't try to undo it.

John Sherwood: Some people have said it's too big to fail at this point.

William Navas: Yeah. But I think that whoever we have converted, I think it's working well. And it might come a time for now not a Strategic Pause, but a political pause, if I can use that term, and say, let's consolidate what we have, not to try to expand at this point. Make sure that whatever, whoever are on NSPS like the people who were on the demos, like on Title VIII and that. But they're so content and happy and comfortable with the system, that they would not want to go back, so that if somebody wants to undo that, they're not going to find grass roots support. I think it would be not very wise to try to expand right now because we might find some opposition.

John Sherwood: What are the requirements for evaluating NSPS?

William Navas: I think at the end of the day you need to do some surveys, and you need to find out, make sure that there's customer satisfaction here, that your customer, which is the employee, the employee perceives NSPS as a fair system, that the supervisor sees that it's a tool that he or she has to better manage his portfolio, which includes the workforce, and that our stakeholders, the Congress and the unions, are not getting complaints from either management or the labor force, that they accept it. I think that was the vision at some point.

We have limited our cohort here, but still we need to make sure that the employee and the supervisor are comfortable with the system. If they're not, you're going to be forcing, I mean, I'm pretty sure that the management was not comfortable with Title V. I'm not sure all of the employees were comfortable with Title V when no matter how hard you worked or whatever, you got paid the same as somebody else that might not carry the same load.

John Sherwood: How successful do you think NSPS has been thus far?

William Navas: It's hard to define success. If you look at the faces of any endeavor, you could have an implementation phase, you could have a consolidation institutionalizing phase, and then you have a sustained phase. It depends where we are. I think that in the implementation phase, we have been successful because we have done it. Now did we do everything we set out to do? No. Could we have done it? I don't know, maybe not. I mean, maybe we should have. I mean, hindsight being 20/20, we might have said, okay, let's do the Spirals differently. Let's do it in a way that we're dealing from the top down, from the senior people, non-union, down so that later on it filters down, and people say, well, it's good for them, it might work. Actually when we started, we thought we could do the whole thing by the end of the Administration or by the end

of the next two or three years. Well, that didn't happen for a lot of reasons.

The acid test would be if we hadn't done it, would we be better off, I would say, no, probably not. It's an evolution. And the issue is hopefully to keep working at it and keep adding people to it, and eventually success is going to be when you can implement National Security Personnel System to a union force with the support of the labor unions. Whether that happens or not, I don't know. I don't know. But that would be, in my mind, the ultimate success.

John Sherwood: What problems still need to be resolved, if any?

William Navas: I've been gone for almost a year, so I would not know. When I was there, we were still making sure that any glitches in the mechanics of the system were addressed, that the pay pools were fair or perceived to be fair, that people got a chance to raise any concerns. But right now, I left about, well, about this time last year. My last day at Navy last year was actually the 7th of February 2008, so I'll be in this job for a year tomorrow.

John Sherwood: What is your current job?

William Navas: I work for the White House and for the National Security Council. We're trying to implement the Presidential Executive Order on National Security Professional

Development, which is establishing a cadre of national security professionals among 17 agencies that have a national security mission. It's kind of the aftermath of the Katrina, 9/11, Iraq Reconstruction Report that says that the interagency is not working, and that State doesn't talk to Defense. And so our mission is to establish a cadre. We've identified 20,000 GS-13 to SESs in the 17 agencies that have a national security mission that need to be trained, educated, provided experience to be certified as a national security professional to be able to populate those agencies so that, start working. It's kind of like the Goldwater-Nickels, but for the civilian interagency, like the jointness (phonetic sp.) at the interagency level.

John Sherwood: What were your most significant contributions to NSPS?

William Navas: I think, and I don't want to sound arrogant.

John Sherwood: No.

William Navas: I think I was a canary in the coal mine who was able to give England the message that, look, this thing is going to crash and burn because of the approach, and I don't want to be too critical to Ginger, but I told them in their face, and David, too, and all that. I said, the way that we're approaching it, it would have been dead the moment a new Congress didn't pass that law.

John Sherwood: By focusing on it as a personnel --

William Navas: By focusing on it, not even as a personnel issue. See, they thought they could get a law passed, and that all they needed to do was draft a regulation in isolation and issue it to the services and say implement this.

John Sherwood: And your argument was to bring in more stakeholders.

William Navas: I was arguing it was not going to happen that way. It's not going to happen that way because we would be defeated by the details. We haven't talked to the unions. We haven't talked to the employees. We haven't talked to the stakeholders. We don't have an ownership in the design of the system. We're not part of drafting the legislation. We're not part of drafting the regulations. I mean, how do you expect us to do this when we haven't had any participation?

John Sherwood: What was the high point? What was the low point?

William Navas: The low point was that time when we said this is not going to work. The high point I think was when we converted the first Spiral, and there it was. We had designed the system. We had trained the people. We had briefed them, and now we converted them. And we had the first mock pay period. Things went well. And then we went to Spiral, the second 1.2, I guess it was, where these guys were already on it. And that happened within almost a year and a half, two year period, which

some people say we were delayed; others would say that was a remarkable accomplishment.

John Sherwood: I want to just backtrack and ask you a couple of questions about your background because I think it's very significant in terms of the role you played at NSPS. You come from a proud family of Army officers, of Puerto Rican heritage, sort of a Puerto Rican military aristocracy.

William Navas: I would say aristocracy. See, my grandfather was commissioned in 1917. Puerto Rico had been changed sovereignty after the Spanish-American War, and in 1898 Puerto Rico became a possession of the United States. And there was a regiment of Puerto Rican infantry that was most of the enlisted men were Puerto Ricans. Most of the officers, because they had to be U.S. citizens, were continentals. A lot of individuals right after they graduated from West Point, they were sent to Puerto Rico. It was the old colonial model, similar to India and the Philippines and all that. Just before the start, the entry of the United States in World War I, because the war had started in 1914, the Jones Act in 1917 granted citizenship to all Americans, all residents of Puerto Rico, so it was a blanket. Everybody was a citizen. At that time, the United States thought it was going to enter the war, and they did not feel comfortable that most of the officers of this regiment were continentals. So they picked a group of

young professionals. My grandfather was a young engineer at that time; he was about 26, 27. They had this kind of, we call it OCS today. It was called the officers' encampment, and they were, according to their age, were commissioned either as a captain, a first lieutenant, or a second lieutenant. My grandfather was 26, so I guess he was commissioned either as a second or a first lieutenant. No field grades yet, but my grandfather served in World War I, returned.

John Sherwood: Overseas?

William Navas: Yes. See, he went to, I think the regiment went to Europe, but didn't serve in the front lines because by the time they got there, the war was over. So he returned, I guess, as a captain or a major. He went back to his civilian practice, and then he was recalled to active duty in 1938 as a major of engineers and helped build the defenses of Puerto Rico, and eventually commanded an engineer battalion in North Africa, and wound up at the end of the war as a colonel.

John Sherwood: This is your grandfather?

William Navas: My grandfather, yeah. My paternal grandfather.

John Sherwood: He saw combat in North Africa.

William Navas: In North Africa. And then his last --

John Sherwood: With Patton?

William Navas: No. He commanded the one, the 27th engineer battalion, which was not part of the 3rd Army. It was early in the War. And then his last assignment, when the war ended he was chief of staff of U.S. forces in Brazil.

John Sherwood: Brazil became a U.S. ally.

William Navas: Yeah, Brazil was a U.S. ally very early.

John Sherwood: Very early. It was the first of the Latin American countries.

William Navas: Yeah. Yeah. Yeah. Yeah. Then Dad was commissioned in 1940 when he graduated from college as a civil engineer and was supposed to serve for one year as a reserve officer. And then the war started, so he was in the for the duration, so he served. And then I was commissioned --

John Sherwood: Your dad served in combat?

William Navas: No. Dad spent most of his time in Panama, and in the United States, at different training camps. And they were about to be shipped to the Pacific when the war ended. And then I was commissioned in 1965, also an engineer, so I'm a third generation engineer officer.

John Sherwood: You attended college at --

William Navas: At the University of Puerto Rico (indiscernible), the School of Engineering. I'm a civil engineer.

John Sherwood: And you joined the ROTC --

William Navas: ROTC, yeah.

John Sherwood: -- out of tradition?

William Navas: Yeah. Somebody asked me one time, and I don't know if you saw the thing there. They interviewed me when I was promoted to brigadier general, and they said, when did you realize you were going to be a soldier, and I said, can I answer that tomorrow? And the guy said, why? I said, well, you'll see. And the next day I found, I think I have a copy here. I don't want to take up too much of your time. [shows Sherwood a picture of himself as a youth in a military uniform] Yeah, that's it. I think I was four years old.

John Sherwood: The Puerto Rican Herald.

William Navas: Yeah. My dad and my grandfather had their uniforms made at a tailor there in Puerto Rico, and whatever was left of the khaki fabric, they made a uniform. So here I am a -
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John Sherwood: Pretty smart.

William Navas: -- lieutenant of engineers, so I said that's when I thought I would be a soldier. So I stayed in the Army. Left the Army for a while, then came back.

John Sherwood: You were commissioned in December of --

William Navas: '65.

John Sherwood: -- '65. That was the beginning of the Vietnam War.

William Navas: Yes.

John Sherwood: And I noticed in your record that you served as a commander of the 168th Engineer Battalion in the Republic of Vietnam.

William Navas: A Company, yeah.

John Sherwood: And that you received a Bronze Star.

William Navas: Yeah.

John Sherwood: Can you tell me about that experience?

William Navas: Well, I had spent the whole year as a company commander, commandant of an engineer company commander.

John Sherwood: Where were you located?

William Navas: Initially we were at SEAON (phonetic sp.).

John Sherwood: Which is what corps?

William Navas: It was 2nd Field Force. It was 20th Engineer Brigade. It was 2nd Corps.

John Sherwood: II Corps.

William Navas: Two Field Force. And then we moved to Lai Khe co-located with the 1st Infantry Division, and we did an operation, that's when I got the Bronze Star. We did an operation. There was an area called the Parrot's Beak and the Angel's Wing.

John Sherwood: Goes into Cambodia.

William Navas: Yeah, it goes into Cambodia in the Mekong Delta. And there were a lot of Vietcong were infiltrating

themselves through the canals, and 25th Infantry Division established an operation called Navajo War Horse to interdict that. And so my company was asked to do the booby trapping, so what we did was we would get these 55-gallon drums, and we would weld a very thick steel plate so that it would sink in the mud. And we would fill that 55-gallon drum with gelled gas and put a block of C-4 explosive --

John Sherwood: Basically napalm type of --

William Navas: Well, it was kind of, yeah, napalm. But then what we'd do is we would put rows and rows of barbed wire around, so what we were building was a 55-gallon grenade. And then we would put them on the shoreline and stabilize them with a big, thick plate, and then run a trip wire just below the water level. So when at night, the Vietcong would try to infiltrate using sampans, you see, they would detonate this thing. It was kind of an ambush. We put the trip wire in the center ones and then there would be three or four back and forth. So when they were two or three sampans within the kill zone, they'd detonate, they'd all go off.

John Sherwood: Did you coordinate your activities with the Navy?

William Navas: No. That was the other piece. We were doing it with the 25th Infantry Division, and so we did that. And then the Navy wanted to patrol the area later on. So we

devised a system of explosives put at high tide to blow them up so that we could clear in the canal, and that's when I got the Bronze Star because we had some security from local Vietnamese militia.

John Sherwood: What was the date of the action?

William Navas: Oh god. I think it was --

John Sherwood: You were there May '68 to May '69.

William Navas: '69. That was after, it must have been, I forget, but it must've been fairly early '69. So anyway, the issue was that we had some security. Security had left because they were all locals, so we had to hurry up this thing. We were 26 years old. My executive officer and I stayed behind to kind of get the ring main done, and then we had a helicopter on call. The helicopter landed. We pulled the plug, ran to the helicopter, got up, and somebody thought that that was a neat thing, and they put me in for the Bronze Star.

John Sherwood: You were based in the same town the entire time?

William Navas: No. We were in (indiscernible) first, and then we went to, our base camp was in Pleiku. We were TDY. We were gone all over the place.

John Sherwood: All over II Corps.

William Navas: Yeah, because --

John Sherwood: Making these contraptions.

William Navas: Yeah. Yeah. Yeah. We were a brigade. Twentieth Engineer Brigade had the responsibility of providing all the elements of the two field forces, so sometimes we worked with the 1st Infantry Division. In this particular case, Navajo War Horse was with the 25th Infantry Division. So we went to Cu Chi, and from Cu Chi we went to the border. So it was all over the place.

John Sherwood: After Vietnam, you were in the Guard.

William Navas: Well, I was assigned. That's when the Army screwed up because I had served in Germany for almost two and a half years, went directly to Vietnam from Germany.

John Sherwood: As the commander of the Wertheim am Main.

William Navas: Yes.

John Sherwood: It's an engineering division?

John Sherwood: Yeah. What happened here was there were 66 lieutenants at Fort Belvoir, Officer Basic. Two of us were regular Army officers; we were committed for a longer period. Sixty-four were reserve for two years. All of the 64 went to Vietnam as second lieutenants. This other fellow and I went to Germany, and I was assigned as a post engineer.⁵ That was when they were building Vietnam. So I got there, and I took over as post engineer, I mean, the sub district commander's job, which

⁵ In the Cold War context, Vietnam was actually considered a less prestigious duty assignment than Germany, which would have been the central front in the event of war with the Soviet Union.

was a major's billet. The post engineer was a captain's billet. And the family housing officer was a first lieutenant's billet, and I was assigned to the three billets as a second lieutenant working for a colonel as a second lieutenant, which --

John Sherwood: Three hats.

William Navas: Yeah, three hats. And then as soon as I got promoted to captain, I was shipped to Vietnam.

John Sherwood: And then from June of --

William Navas: Then I was the advisor to the Puerto Rico Guard, and at that time the war in Vietnam was coming to an end. The Army was plagued with drugs and all that.

John Sherwood: Even in Puerto Rico?

William Navas: No. I mean, no, not there, but I knew what was going on. So my assignment, I was promoted to captain very early, so I said I'm going to be a captain forever. I'm going to go back to the States, do basically. And then most of my friends that had already gotten out of the Army had, construction was booming in Puerto Rico, and I was making \$600 as a captain in the Army, and I got an offer to work as an engineer in the construction business for \$2,000 a month.

John Sherwood: Wow. And that was in your family business?

William Navas: Yeah. And so I resigned my regular commission, took a Guard commission, stayed in the --

John Sherwood: Because you still wanted to have --

William Navas: Oh yeah, and I did my Masters on my own because my contemporaries, and I went to the advanced course, to Leavenworth, and to Senior Service College. And then after finishing Senior Service College, the Army came up with this new program, AGR Program, and it was right at the height of the Cold War, and there was a lot of tension with Cuba and the Caribbean and all that. So they offered me this colonel's position in the Puerto Rico Guard to run a series of exchange programs with the Dominican Republic, Barbados, Jamaica.

John Sherwood: That was what year?

William Navas: That was between '70 and '80. We did that for almost -- no, that was '81 to '87. It was about six years that I was there, and we did some work in Panama. The first engineer exercise that they're still doing it now (indiscernible) and all that, I commanded the first task force that did that. And that's where I got the visibility, and I met Secretary Marsh, who was Secretary of the Army. He came down to visit Panama, the operation there.

John Sherwood: That was John O. Marsh, Jr.?

William Navas: John O. Marsh, Jr. And he came down to visit. I remember that we were at dinner at the commanding general's house, and his aide came over and said, when they start saying goodbyes he said, Colonel, I want you to stand by the car because the Secretary wants to talk to you. I said,

fine. So I go there, and Mr. Marsh says, Colonel, I've been very impressed with what you're doing here. I have a favor to ask from you. Sir, you're the Secretary of the Army, what do you need? He says, I have a son who just graduated from VMI. He's a second lieutenant of engineers, and I think it would be a tremendous experience for him if I could send him down here and spend a couple of months with you --

John Sherwood: In Panama.

William Navas: -- in Panama. And he said, but I don't want any special treatment for him.

John Sherwood: And this is what year?

William Navas: '84.

John Sherwood: '84. When you're a commander (indiscernible). William Navas: Yeah. So I tell my S-3, I said, I'm going to assign you a brand new second lieutenant by the name of Scott Marsh. I said, nobody needs to know who his father is, and I don't want you to give him any special treatment, but I don't want that kid writing to his dad saying this is the most screwed up outfit he's ever seen. Good guy. He said, I got it, sir. So Scott came in, spent almost three months with us. I still see him every now and then. He did a great job. So I go back to Puerto Rico, and then I am recommended and selected to be the deputy director of the Army Guard, promoted to Brigadier General.

John Sherwood: And that was this strange bit of luck?

William Navas: Marsh was Secretary of the Army. Also another thing, it's just luck and fate and hard work, too.

John Sherwood: Where in Panama were you based?

William Navas: We were in, well, actually this is a different story. See, the exercise was supposed to be conducted in Costa Rica, and it was when we had Honduras. Nicaragua was having a lot of problems with the Contras. And we were going to do a farm to market road in Costa Rica, in southern and northern Costa Rica, southern area in Nicaragua. It was kind of having a U.S. presence. Of course, Costa Rica, by constitution, doesn't have an army, so they would not accept any active duty. But they said, well, what about citizen soldiers from Puerto Rico, and it was a task force that we put together with some people from Florida, some people from Louisiana, engineers, Puerto Rico. And we were planning that. At the end, the Costa Ricans did not let us to deploy with weapons, and the general counsel of the Army and all that said, no, these guys need to be able to protect themselves. So the thing fell through. Gorman was the commander of the CINCSOUTH (phonetic sp.), and this was, I guess it was Christmas of '83 because we did the exercise in '84. And I went to see General Gorman. I said, sir, I'm packing up, this is it. He said, not so fast. You've got this task force that's already cut. We've got transportation, all that. Can you do

something here in Panama? And I said, well, we can do 15 kilometers of road and upgrade an airfield. Give me a helicopter and I'll fly around the country and see if, and we found in the Esverla (phonetic sp.) Peninsula, down in two towns about 15-20 kilometers apart, down in the [SPANISH LANGUAGE SPOKEN], who had a small trail.

John Sherwood: Is that on the Pacific side?

William Navas: It's on the Pacific side. It had a little, there during the monsoon season it was impassable. So I came back and I said, I think I found the place, but I'd like to do a survey, so we got a couple of jeeps and sea rations. Two good NCOs went down and spent a couple of days there. Drove almost, could not even get the jeep through the whole thing. Did some sketches and some things, and came back, said, I think we can do it. He says, fine, we'll do it here. So we did the exercise there. Now it's important at that time we were very close to Noriega, and the ambassador, and the CINC.

And General Warner, who later became a four star and was CINC, he was a historian. So he wanted to call the exercise Minutemen I in honor of the tradition minutemen. So, fine, we called the exercise Minutemen I. Well, the Soviet press claimed that we're building minuteman silos and started spreading this rumor. So we had to bring down General Noriega, all the accredited press to Panama. And, of course, I briefed them in

Spanish, and I'm telling them that this is a (indiscernible) road, and we don't have any weapons here. So that kind of went.

So I get reports from the ambassador and CINC and all that. We handled those things. And then we pulled something that was very tough. When we're supposed to redeploy, I think it was lack of planning on the part of senior people who didn't think through this. They were having some elections in Panama, so they said there's no way we're going to have military convoys with military equipment through the streets of Panama coming from the south to the north in the middle of an election because people are going to think this is a coup. So we had to evacuate the equipment, and the people using landing craft by water. So that was a great training opportunity, but me and my staff, we had to redo the whole redeployment, and we pulled it. So they were very impressed.

So I get nominated to be the deputy director. I get selected for Brigadier General. I'm 41 years old and I come to Washington. And, of course, Marsh is Secretary. I knew that I had impressed him because I was still a colonel; I hadn't pinned on my star. And that coincides with my first days that I reported, I think it was May or June of '87, with General Wickham,⁶ the chief of staff was retiring, and General Vuono⁷ was taking over. So they're having this dinner at Fort Myer, and

⁶ General John A. Wickham, Jr.

⁷ General Carl E. Vuono.

I'm in the receiving line. Of course I go shake hands with Wickham and he doesn't know me from Adam and Mrs. Wickham. And when I get to Mr. Marsh, he almost stops the line, and in a higher voice, because he was doing it, he says to his wife, he says, Glenn Ann, do you remember William Navas? He was Scot's commander in Panama, and he did a great job there, and he's just been selected for brigadier general, and he's going to be the new deputy director of the Army Guard. And, Billy, we're glad you're here. Yes, sir. Good seeing you again, and all that, and Mrs. Marsh. He said, yeah, because she had been at this dinner. So Vuono, hey, Billy, like I was his long lost son. He didn't know me from Adam, and all of a sudden it's, Billy, how are you, welcome. So everybody else there was saying, who the hell is this colonel who is with the chief and the Secretary? So I had no problems. So I served in various positions until --

John Sherwood: You weren't tapped because of your special knowledge of Panama for Just Cause?

William Navas: No. No. Just Cause was --

John Sherwood: You moved up and out.

William Navas: Yeah. Yeah, yeah, yeah. No, this was before, yeah. So anyway, then I spent the next 11 years here, and then I went to work for Mr. Marsh again when he became, he stepped down from the Secretary of the Army and he became the

chairman of the Reserve Forces Policy Board. He asked me to come and be his military exec, so I worked for him. Yeah.

John Sherwood: That was what year?

William Navas: That was '90, '91, '92. I was the military executive of the Reserve Forces Policy Board, and Mr. Marsh was the chairman. So I worked directly for him, and that's where we kind of cemented our relationship. And then I retired in '98. He came to my retirement ceremony, and he spoke at my retirement ceremony. I kept in contact with him. And I had been retired for three years when the Bush Administration came and he called me and said, I'm working with Rumsfeld with the transition team.

John Sherwood: Secretary Marsh.

William Navas: Yes, Secretary Marsh, because, you see, Marsh had been White House counsel to President Ford when Rumsfeld had been chief of staff for Ford and Cheney had been deputy chief of staff.

John Sherwood: And Rumsfeld served for a short period as SECDEF during the Ford Administration.

William Navas: Yeah, exactly, during Nixon/Ford. And so they were friends, and Marty Hoffman, who had been Secretary of the Army before Marsh, was also working with Rumsfeld to build his team. So Marsh basically said, I've got a guy that would, so he calls me, and he says, Billy, would you like to come back? And I said, sir, I'd love to. He said, well, send me your stuff.

So a couple of days later, I get a call from Hoffman, Marty Hoffman, and he says, hey, Bill, I think you know me, but I'm working with Rumsfeld. I said, sir, I know who you are. When I was a second lieutenant, I had to memorize your name. You might not know who I am, but I definitely. He says, well, can you come over for some interviews and things? And then Marsh calls me and he says, I think you're going to the Navy. I said, sir, (indiscernible). He said, well. So finally I interviewed with Secretary England. He picks me up. I get confirmed and all that. So when I get sworn in, I invited Mr. Marsh to my swearing in, and he sticks a piece of paper in my coat jacket and I forgot, so when I go home at night home, I get.

John Sherwood: That's very good.

William Navas: Port is left, starboard is right.

John Sherwood: So you were tapped, though, because you had excellent management skills.

William Navas: I guess.

John Sherwood: And you understood the military.

William Navas: Well, I spent 11 years in the building in the Army.

John Sherwood: Did you have any cultural problems with the Navy initially?

William Navas: Let me tell you, no, and it was, again, everything is circumstantial. Under normal circumstances, a guy

from the Army, a national guardsman, coming to the Navy would kind of be seen, but my predecessor, immediate predecessor, in the Navy was a lady who was very much concerned about putting females in submarines, a lot of what we call social engineering.

John Sherwood: Social change.

William Navas: And when I came in, when I reported to duty, and they do --

John Sherwood: This was your predecessor.

William Navas: Yeah, she was my predecessor. So when I come in, I meet with the Chief of Naval Personnel, which was Norv (phonetic sp.) Brian at that time, and Gary Parks was a three star Marine, and I told them, I said, "Look, gentlemen," very candidly, "I've been in uniform for the last 33 years. And I have been appointed here because a mentor, Jack Marsh, I'm a Republican by conviction, by values, but I'm not political or an activist or anything. And if the President of the United States walks in that door, he probably would recognize you two before he does me. So I am here with two missions. One is to take care of sailors and Marines and their families. I've been taking care of soldiers for 33 years, so I think I can do the same thing for sailors and Marines and their families. And second, to ensure civilian control of the military because now I'm a civilian, and the Constitution says, and that's my job now. So I think in the first one, we don't have any problems because

that's our job, readiness and taking care of sailors and Marines. And I think that on the second we shouldn't have any problems. But that's the only time when, if it comes to that, you and I are going to have a big difference because to me that's non-negotiable. Other than that, I'm part of you." And we never had a problem, and I went through three N1s. After Norv Brian came, Jerry Owing (phonetic sp.), and after Jerry Owing came John Harvey, and every time things got better. And I spent enough time in the Navy, almost seven years, as the Assistant Secretary to build a rapport. So I knew I had to learn a new language.

John Sherwood: As the Assistant Secretary, what were your major initiatives? What were your --

William Navas: Well, human capital strategy, the implementation of NSPS, the Navy, the redesign of the Navy Reserve. We did a zero base review we redesigned completely. We established a lot of policies that were not working well. We increased diversity in the Navy, Hispanics, blacks, females. The last class of the Naval Academy, when I left there were 25 percent minorities. We established some processes in the Navy that still are now being adopted by the N1. Now the N1 is a total force.

John Sherwood: What were the processes?

William Navas: The Force Management Oversight Council, which brought, like I said, we said if it runs on, if it breathes oxygen and runs on blood, we run it. We got it. So we said, "Look, our job at the Secretariat is dealing with policy, and there were three things we did with policy. If a policy is needed, we develop it. If a policy is obsolete, we get rid of it, or if it needs some modification, we do it. This forum here, if it's in our authority, because I had some statutory authorities, we are going to do it, but we're going to do it in consensus. If it's not within my authority, then we'll elevate to the Secretary of the Navy. Now if I'm going to elevate something to the Secretary of the Navy, I want to make sure that you two guys deliver the Commandant of the Marine Corps and the CNO. I don't want to go to the Secretary and suggest something and have the Commandant or the CNO come and say, you know, no. So we need to make sure that we clear those differences."

Now if I am going to advise that to the Secretary, I want to be able to say I have the concurrence of the CNO or not and for these reasons, and you might want to talk to him, Mr. Secretary, because the CNO doesn't agree with it. I think he's wrong. And then if it's not within the Secretary's purview, then we go up and take it either to OSD or to the Congress. So that had never done before, so there was a lot of tension.

We structured the Secretariat. When I took over, M&RA⁸ was a weak sister among the staff elements. It didn't have an analytical capability. I established a little mini, not PNE, but analysis and assessment. I hired Dr. Russ Bealin, who was an economist and an analyst from the Congressional Budget Office. And he, with a little group of operations research analysts, gave me analytical underpinnings of what we were trying to do. You can't win your battles in the Pentagon based on emotion and anecdotal evidence. You have to have analysis, and there was no analysis there. Also we needed to transform, so I created a deputy assistant position for transformation.

The other thing we did was we consolidated all the Navy boards, like the Board for Correction of Military Records, Board for Parole and Clemency Board, the Physical Disability Boards, and all that under one board. And we started taking care of the wounded sailors and Marines, even before Walter Reed and the scandal. When the Army got into trouble, we were already doing some stuff there that was adopted.

So I think we did a lot of good things there during the seven years. I hope the next Administration, whoever becomes the Assistant Secretary continues that. I think most of them have been institutionalized in the Navy and the Marine Corps

⁸ Manpower & Reserve Affairs.

that it's going to be hard. They'll have to make a conscious decision to reverse some of these things.

John Sherwood: You were on the bow wave of some major change with regard to diversity, especially with regard to the Navy's focus on Hispanics, which is now a major part of the human capital program in the Navy. Can you comment on that?

William Navas: Well, we realized and convinced, I mean, I think we have realized it's convincing that if we are going to exercise self power. One of the examples that we gave is, look, we are the most powerful Navy in the world. When a destroyer or a frigate of ours goes to a foreign port, I mean, it's awesome. You see it. Beautiful ship. Well maintained. World class, state of the art. It's awesome. It reassures our allies.

But what it's not seeing, and we need to demonstrate, is that when people look close there, they see a crew that it's made of males and females, blacks, Hispanics, and Asians, Muslims, Catholics, Protestants, Jews. And they all work together, and they wear an American flag. I said, that's a powerful message, so we need to ensure that our Navy looks like that so that we project that power. And then whoever is seeing us is saying, I can see myself there, because we're a microcosm of the whole world. And I said we need to work on that; that doesn't just happen. And then you start, on the civilian side

and the military side you start, and then luckily I had guys like Jerry Owing, who truly believed this. And then --

John Sherwood: Jerry Owing is?

William Navas: He was the three star Chief of Naval Personnel. He's retired now. But he was on the cover of Diversity Magazine as the champion for diversity in the Navy. And he's a white Anglo naval three star; it's not an Hispanic Assistant Secretary that's pushing this. So I think you just convince. And, of course, guys like Vern Clark and Mike Mullen, which were the two CNOs that I worked with, were true believers in this. So it was easy.

John Sherwood: It's not a Democratic or a Republican issue. It's an American issue.

William Navas: Yeah. No, it's an American issue. It's a readiness issue. 2020, I used to think that was way out there. 2020. I mean, Hispanics are going to be 25 percent of the workforce. Blacks are going to be 15-20 percent of the workforce. Females. So if we don't --

John Sherwood: Take advantage of that.

William Navas: -- develop them, we're going to limit our workforce.

John Sherwood: And we're going to be a weaker nation.

William Navas: Weaker nation. So it's a readiness issue. I used to tell people, I said, look, diversity, when it started

was a touchy-feely, nice thing to do. Then it was
(indiscernible). Now it's readiness. It's survival.

Okay. Well, I've taken a lot of your time.

John Sherwood: I've taken a lot of your time.

William Navas: No, no, this is --

John Sherwood: Let me stop the tape here.

END OF SESSION.