Commander's Interview: NEXCON



ear Adm. Steven J. Romano, USN, was named commander and chief executive officer (CEO) of the Navy Exchange Service Command (NEXCOM) on March 11, 2009, and officially assumed the exchange service's helm on Aug. 21. (See E and C News 10/09.) In this role, he is responsible for the oversight of 105 Navy Exchange facilities with 305 stores worldwide, 43 Navy Lodges, Ship's Stores, and the Uniform Program Management Office (UPMO).

In keeping with his belief that it is essential "to listen to your people and visit your facilities often," Romano has made it a point since being appointed NEXCOM commander to get out in the field and tour a number of NEXs and distribution centers, with plans to visit more later this spring.

Impressed by what he has seen thus far, Romano has observed in person the activities that have generated increases in NEXCOM's 2009 Customer Satisfaction Index, and looks ahead to further ways to improve the patrons shopping experiences by implementing fresh "Standards of Service;" his "Commanders Principles" and a full slate of new organizational programs.

'I learned early on that your people enable your entire organization. Computers, processes and regulations don't make things happen — people do.'

— NEXCOM Commander and Chief Executive Officer (CEO) Rear Adm. Steven J. Romano, SC, USN On his management philosophy ...

Throughout my career, I have focused on people and serving in the Fleet. I learned early on that your people enable your entire organization. Computers, processes and regulations don't make things happen — people do. I've always found that your people will always do the right thing, work hard and give you their best advice.

Another key to success is to listen to your people and go out and visit your facilities and spaces often. It is during these visits that you find problems and conditions that may require your attention to fix. I learned quickly in my early career that you must respect and treat people fairly. and this has proven to be an essential leadership attribute. This includes awards, public recognition, pay, living condi-

Regarding my approach to running NEXCOM, I will focus on setting standards and working with our key leaders to deliver a benefit to Sailors and their families.

I've recently read Stephen Covey's book entitled, "First Things First," to assist me in my life and work. Some of the main concepts discussed in the book focus on balancing spiritual, mental, social, and physical needs. Balance is achieved by using personal endowments such as self-awareness, conscience, independent will, and creative imagination to align to "true north principles" (the compass). In his book, Covey provides readers several key management tools to succeed. I highly recommend it.

On Headquarters input ...

Both the Chief of Naval Operations (CNO), Adm. Gary Roughead, USN, and Naval Supply Systems Command (NAVSUP) issue strategic guidance that NEXCOM uses in developing specific initiatives. The CNO's 2010 Guidance for all Navy Commands has three main areas of focus, one of which is to develop and support our Sailors, Navy civilians and their families.

EXCHANGE and COMMISSARY NEWS

Romano

Commander's Interview: NEXCOM-



One key to success, Romano says is "to listen to your people and go out and visit your facilities and spaces often." The NEX-COM commander pauses to chat with Jackie Deguzman, a Navy Pride associate in the NAS North Island, Calif., store.

In the NAS North Island Main store, from left, Shoe Department Sales Associates Norma Cruz and Glenda Lim, and Children's and Shoe Department Manager Sunshine Simpson, gather during a store visit by the Navy Exchange commander. Based on CNO's Guidance, NAVSUP created its own 2010 Guidance. Rear Adm. Michael J. Lyden, USN, SC, commander, NAVSUP and chief of Supply Corps, has five focus areas he will concentrate on in 2010, one of which is Sailor and Family Support.

Since NEXCOM's mission is to support the quality of life for its customers, we are helping both CNO and NAVSUP reach their goals in that target area.

On Romano's three specific areas of focus...

- 1) The continuation of the rollout of the Navy's new working uniforms and assisting the Navy Uniform Board in support of new uniform development;
- 2) Continue identifying and implementing cooperative efforts with the other exchanges, with an emphasis on joint contracting and collaborative merchandise/logistics initiatives; and
- 3) Expanding our partnership with Commander, Navy Installations Command (CNIC); collaborating with Morale, Welfare & Recreation (MWR), particularly on coordinating Wounded Warrior Support initiatives; and promoting motorcycle safety initiatives.

tiatives; and promoting motorcycle safety initiatives.

On Romano's priorities for the first 100 days at NEXCOM ...

In addition to those three focus areas, I established my own first 100-day focus areas when I took command in August.

They are: develop and publish NEXCOM's 2010 Commander's Guidance and strategic plan, prepare operational view of the condition of our facilities, review our internal controls and assessment procedures, refine and publish NEXCOM "Standards of Service," and implement NEXCOM's new Web sites. We've completed most of these initial tasks, which have set the stage for a successful 2010.

THE FOCUS AREAS IN ROMANO'S 2010 COMMANDER'S GUIDANCE ARE:

- Enabling Our Associates;
- Expanding Strategic Partnerships;
- Improving Processes;
- Fostering a Culture of Accountability;
- Embracing Customers; and
- Improving Our Facilities.

On cooperative efforts ...

NEXCOM and the Defense Commissary Agency (DeCA) have successfully conducted many installation-level joint events. Our exchange and commissary managers routinely coordinate joint sales events for base-wide celebrations or during commissary case-lot sales. We've been working with DeCA to look at a variety of other initiatives. With the difference in our funding, appropriated for DeCA and non-appropriated for exchanges, we certainly need to conduct due diligence in our reviews. But the leadership at both DeCA and all the other exchanges are committed to taking a serious look at what is the art of



Wounded Warrior Support

• NMC PORTSMOUTH, VA.

Rear Adm. Stephen J. Romano, SC, USN, commander, NEXCOM, donates Wii care kits to Rear Adm. William R. Kiser, commander, NMC Portsmouth, Va., on behalf of Nintendo. Once again this year, Nintendo donated 20 Wii care kits to Navy medical facilities around the world to be used to support the recovery of, and recreation for, Wounded Warriors.

On his own NEXCOM shopping experiences ...

the possible.

During my career, the NEX provided my family and me a tremendous benefit. We have relied on the NEX, Navy Lodge, Army & Air Force Exchange Service (AAFES), DeCA and the Marine Corps Exchanges (MCX) to provide for our needs. While serving in three overseas assignments in Germany and Japan, these retail

FINE TO WIN













Fersonal Care

Commander's Interview: NEXCOM-



From left, NEXCOM Western District Manager Roland Santos, NB San Diego, Calif., GM Donald Wild and Romano pause to talk with a store associate in the housewares department.

organizations gave me the peace of mind, while deployed, that my family could purchase quality food, merchandise and services. I am grateful to NEX, AAF-ES, MCX and DeCA for taking care of my family.

On his family's use of the benefit NEXCOM provides ...

My family is a frequent shopper of the NEX, typically purchasing a wide range of merchandise and gasoline as well as staying in Navy Lodges. My family likes to shop at the NEX because they know the profits go toward the Morale, Welfare and Recreation (MWR) program.

On his overall impression of NEXCOM ...

I've been very fortunate to have been able to visit a number of NEXs, distribution centers and Navy Lodges since I arrived in August. During my in-brief, before I took command. I toured locations both in the Northeast/Capital and Tidewater Vir-

ginia districts. Since taking command, I have been able to visit some additional facilities in Jacksonville and Mayport, Fla., and San Diego. I continue to be amazed by our associates and the significant contributions they make to our customers. The 14,000 associates who make up the Navy Exchange System are the backbone of this organization. We could not provide our customers with this important non-pay benefit if it were not for them. I am truly thankful to work with such a group of dedicated and highly motivated individuals.

On NEXCOM's highest average savings among exchange systems ...

The NEX is focused on providing our customers quality goods at a savings each and every day. In order to balance savings to our customers and still provide funds to MWR, we strive to provide an average savings of around 20 percent. During these difficult economic times, our buyers have done an excellent job working with our vendor partners to obtain the lowest prices possible to pass on to our customers. Our Sailors, both active and retiree, have earned the

benefit to shop in our stores, and making sure we take care of them is extremely important to us.

Our most recent Customer Satisfaction Index (CSI) scores in the area of pricing reflect a threepoint increase over 2008 scores. This increase is substantial and tells us that our customers believe they are getting the best price by shopping at their NEX.

What will we do for an encore? It's truly what we strive to do every day, and that is to offer our customers the Best Brands/Best Buys only at their NEX.

On store visits ...

I'm looking forward to visiting as many NEX facilities and meeting as many associates as I can during my tour here at NEXCOM. In spring, I am planning on visiting our facilities in Washington state, then heading over to Pearl Harbor, Hawaii; Guam and Japan.

CUSTOMER SATISFACTION INDEX (CSI)* NEXCOM

	2009	2008
CONUS	83	81
OCONUS	76	75
Worldwide	82	80

CSI Highlights	2009 vs 2008	
Pricing	Up 3 points	
Checkout	Up 3 points	
Problem Resolution	Up 7 points	

^{*} Other available data for recent years shows NEXCOM CSI scores of 79 in 2006 and 76 in 2003

From left, department managers Elizabeth Avila, and Christine Baker-Wilson, and Branch Exchange Manager North Island Locations Jennifer McComas, accompany Romano; Command Master Chief Loretta Glenn, CMDCM, USN, (behind Romano) and **SVP CONUS Operations** Gary King during a visit to the NAS North Island, Calif., Touch & Go Mini-Mart.



Romano's message to NEXCOM executives and associates ...

Keep leaning forward and doing what you're doing for our customers. Since arriving in August, I have been so impressed by what I've seen. Our associates truly go above and beyond to ensure our customers feel well taken care of and appreciated.

We just received our 2009 Customer Satisfaction Index (CSI) survey results and I'm happy to say that our worldwide score rose two points to 82, a remarkable achievement! CONUS CSI is up two points, to a score of 83 while our OCONUS CSI is up one point to a score of 76.

Though both OCONUS and CONUS improved slightly in many areas, CONUS shows some noteworthy improvements in pricing, up three points; checkout, up three points; and problem resolution, up seven points.

This continued increase in our score shows that our focus on our customers, and the service we provide to them, is working. I appreciate all the hard work our associates did throughout the year to show our customers we are here for them, no matter where they are stationed around the world. Keep up the great work!

As part of that, I've instituted "Standards of Service" guidelines that I expect each of our retail stores to follow. It is important that our stores stress the importance of these core service standards in its daily operations. These "Standards of Service" start at the beginning of the shopping experience by saying "hello" to each customer as he or she walks into the store, and end when the satisfied customer has left the building. Our NEXs must ensure that all our customers receive premiere customer service each and every time they shop our stores.

In addition to my 2010 Guidance, I also have Commander's Principles that I want each NEX facility to embrace. They are:

- We are a team of dedicated professionals.
- We are driven to embrace our customers and deliver extraordinary customer satisfaction.
- We believe in a culture of continuous process improvement, creating a diverse workforce and fostering respect.

• We must maintain the highest standards of financial responsibility and reduce fraud.

By utilizing these principles, I know the NEX will become our customers' choice when shopping, and we'll be able to deliver to them the products and service they deserve in a world-class atmosphere.

