



THE SECRETARY OF THE NAVY
WASHINGTON DC 20350-1000

July 14, 2015

MEMORANDUM FOR DEPUTY UNDER SECRETARY OF THE NAVY
(MANAGEMENT)

SUBJECT: Innovation Incentives

Creating an effective incentive system is essential for cultivating and recognizing innovation within the Department of the Navy (DON). We must ensure every Sailor, Marine, and civilian understands that we value their innovative ideas and encourage them to contribute to every aspect of improving our mission.

For DON wide innovation incentives, the Deputy Under Secretary of the Navy (Management), with other key stakeholders, shall:

- Modernize the Military Cash Awards Program and Beneficial Suggestion Program.
- Create DON Innovation Awards starting in Calendar Year 2015 and annually thereafter.
- Explore non-traditional incentives to encourage innovation across the DON.

Commanders at all levels of the DON are encouraged to develop local incentives that recognize the innovative contributions of their workforce.

Implementation will begin within 60 days of this memo.

A handwritten signature in black ink, appearing to read "Ray Habers", is positioned below the implementation statement.

cc:
USN
ASNs
DUSN(P)
JAG
NAVIG
DNS
AUDGEN

SUBJECT: Innovation Incentives

cc: (cont'd)

NCIS

DMCS

DON/AA

DONCIO

DON SAPRO

OIG

OLA

CNR

OSBP

CHINFO