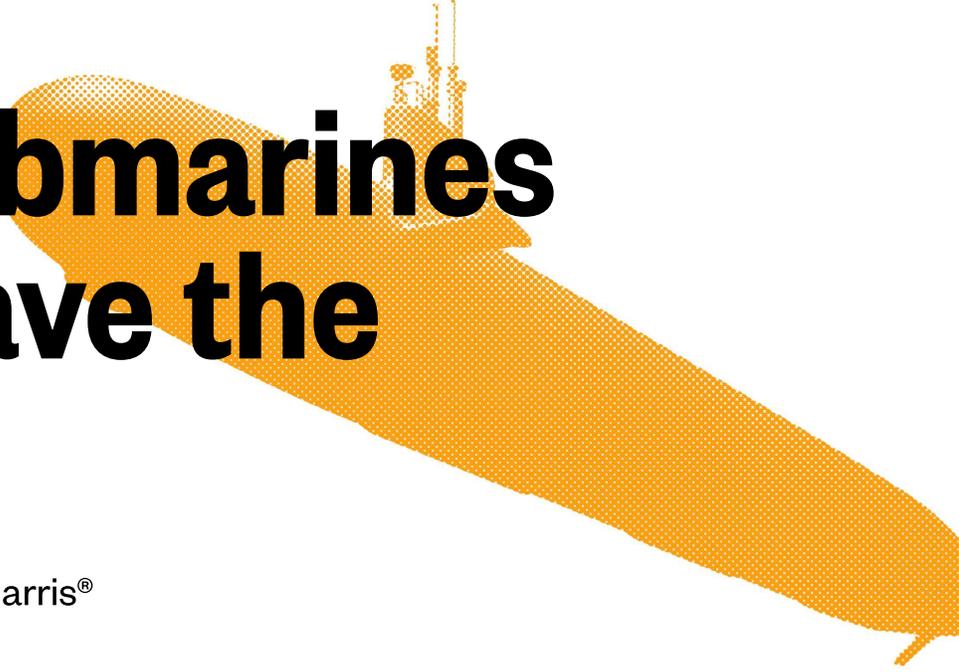


When Submarines Can't Leave the Dock



Maritime Transformation at L3Harris®

THE CRISIS BENEATH THE SURFACE

The fluorescent lights hummed overhead in the L3Harris conference room as Nino di Cosmo stared at the quarterly reports spread across the mahogany table. It was early 2025, and the numbers told a story that would have made any Fortune 500 executive's stomach turn. On-time deliveries were a disaster. Cash flow was hemorrhaging. Talent retention had become a revolving door problem that threatened the very foundation of America's naval superiority.

This wasn't just any struggling business unit. This was L3Harris Technologies' maritime segment—a \$7 billion operation responsible for the periscopes, power systems, and avionics that keep nuclear submarines operational. When their technology fails, submarines don't leave port. When their systems malfunction underwater, submarines don't come home.

Di Cosmo had just inherited what can only be described as an organizational nightmare: fifty-five separate sites scattered across the globe, each producing critical submarine components, each operating like an independent kingdom within the larger L3Harris empire.

Years of aggressive acquisitions had created a collection of brilliant engineering teams that couldn't—or wouldn't—work together.

Sound familiar?

In our twenty-plus years of consulting with Fortune 500 companies, we've witnessed this scenario more times than we care to count. The strategic logic is always impeccable: acquire complementary capabilities, integrate them into a cohesive whole, dominate the market. The execution reality is usually catastrophic: tribal cultures, competing metrics, organizational chaos that destroys value faster than acquisitions can create it.

But di Cosmo's story is different. Because instead of falling into the false choice that traps most leaders—mandate integration or accept dysfunction—he discovered a third way. A systematic approach that transformed fifty-five warring tribes into a unified force that now generates over fifty percent improvement in cash flow, 180 basis points better retention, and twenty-two percent improvement in on-time deliveries.

Here's how he did it.

THE SUBMARINE REVELATION

The breakthrough came three hundred feet beneath the Atlantic Ocean, inside the cramped control room of a Virginia-class attack submarine. Di Cosmo had descended into this underwater world accompanied by his strategy officer—a former submarine captain who understood better than most corporate executives what was really at stake.

"Show me what we do that's on the submarine," di Cosmo asked his guide, gesturing around the vessel's sophisticated control room.

The answer proved both illuminating and terrifying. Here was the power system designed by one L3Harris team. There, the avionics package created by engineers thousands of miles away who had never spoken to the power system specialists. Above, the photonics mast manufactured by a third group that operated in complete isolation from both other teams.

Di Cosmo was looking at a floating collection of L3Harris components, each representing millions of dollars of investment and years of sophisticated engineering work. Yet his organization had been designing and manufacturing these mission-critical systems as if they existed in isolation.

"What happens if we don't do our part?" di Cosmo asked.

The submarine captain's response contained the sort of clarity that most executives spend months trying to achieve: "It doesn't leave the dock. And if something goes wrong while it's out there, it doesn't get back."

In that moment, di Cosmo understood something that most leaders miss: the problem wasn't coordination. The problem wasn't communication. The problem was purpose.



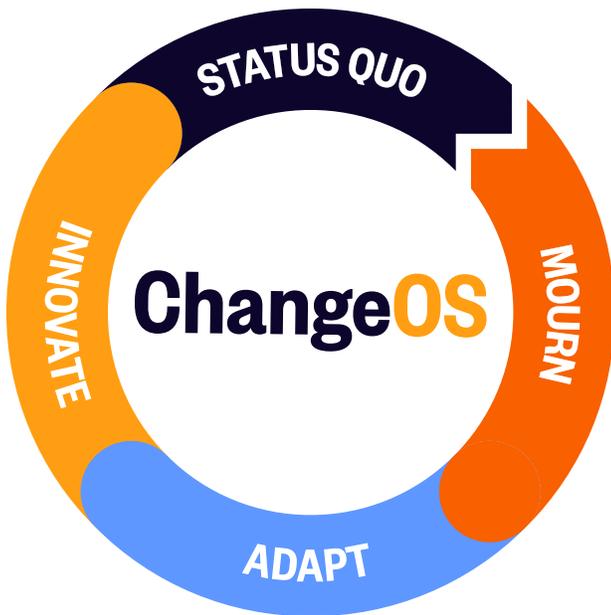
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His fifty-five sites didn't understand why they needed to be one organization. They had been acquired for their technical capabilities, not their collaborative potential. Each group had learned to define success in local terms: engineering excellence, production efficiency, individual site metrics.

But submarines don't care about individual site metrics. Submarines care about integrated systems that work flawlessly under life-and-death pressure.

The ChangeOS Solution

What di Cosmo did next demonstrates the power of what we call ChangeOS—the systematic approach to leading teams through the complete journey of organizational transformation. Instead of imposing integration through executive mandate, he followed the three-phase framework that consistently produces breakthrough results: Mourn, Adapt, Innovate.



Phase 01 – Mourn

VALIDATING THE LOSS

Most executives make a critical error when attempting post-acquisition integration: they assume people should be excited about becoming part of something bigger. Di Cosmo understood that successful change begins with acknowledging what people are losing.

His fifty-five sites had, over years of independent operation, developed what organizational psychologists call tribal identities. Each location had its own culture, its own problem-solving methods, its own definition of excellence. Ask engineers to surrender that autonomy, and you trigger loss aversion—the powerful human tendency to resist giving up something valuable.

Instead of fighting this natural response, di Cosmo chose to work with it. He acknowledged what his teams were sacrificing: the comfort of familiar processes, the clarity of local metrics, the satisfying autonomy of solving complex problems without interference.

"There's power in being one group," he told his scattered teams. "There's power in additional resources, additional opportunities, because we can do different things and come together and make one solution."

But he also validated their feelings about what they were losing. This wasn't weakness. This was sophisticated change management that addresses the emotional reality of organizational transformation.

Phase 02 – Adapt

BUILDING NEW REALITIES

Having addressed the human side of integration, di Cosmo turned to the systematic work of building new operational realities. This required what we call Information Seeking Behavior—the deliberate effort to understand what was actually happening rather than what executives assumed was happening.

The data proved sobering. The maritime segment had inherited "bad projects" from years past—contracts won through optimistic bidding and delivered through increasingly desperate improvisation. Cash flow had become unpredictable. On-time deliveries had deteriorated to levels that threatened customer relationships and contract renewals.

Di Cosmo's response demonstrated the Adjust the Plan principle in action. Instead of trying to fix everything simultaneously, he focused on building new routines systematically: new processes for managing cash, new systems for tracking orders, new methods for coordinating deliveries across fifty-five globally distributed sites.

This was the mundane, essential work of organizational maintenance: teaching engineers in different time zones to share information, creating metrics that encouraged collaboration rather than competition, building systems that could detect problems before they became crises.

Phase 03 – Innovate

MOVING THE FINISH LINE

With operational stability established, di Cosmo could begin what we call Experimental Thinking—the systematic exploration of new ways to create value. The maritime segment began pursuing contracts not based on individual technologies but on integrated solutions.

Rather than selling periscopes and power systems and avionics as separate products, they could offer the Navy something more valuable: the seamless coordination of all these systems into unified capabilities.

This shift from component supplier to systems integrator represented what we call Moving the Finish Line—setting goals that extend beyond simply returning to previous performance levels.

And the results? Over fifty percent improvement in free cash flow. One hundred eighty basis points improvement in retention over less than twelve months. Twenty-two percent improvement in on-time deliveries.

+50%

Improvement in free cash flow

180

Basis points improvement in retention over less than 12 months

22%

Improvement in on-time deliveries

The Two-Word Framework

From this systematic transformation process emerged something remarkable: a two-word phrase that crystallized everything di Cosmo's teams had learned about their shared purpose.

Maritime matters.

Not "L3Harris Technologies matters" or "Defense contracting excellence" or "Submarine systems integration." Maritime matters. Because when national security depends on the seamless integration of complex systems, organizational dysfunction becomes not just inefficient but potentially catastrophic.

Those two words answered the fundamental question that had plagued the maritime segment since its creation: Why do fifty-five separate sites, scattered across the globe, need to function as a single organization?

Because submarines can't leave the dock or return safely home unless they do.

Your team IS chaotic until you create systems that generate clarity, alignment, and movement. Di Cosmo's transformation demonstrates how the ChangeOS framework converts organizational chaos into competitive advantage through systematic application of proven change management principles.



LONE ROCK LEADERSHIP is a leadership training company, specializing in leadership strategy. Its training program, Adapt in 30, is a cohort-centered learning experience that transforms every manager into a leader in just 30 days.