



DoD Supply Chain Challenges

Moving Towards A More Integrated Environment

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DoD Exhibits Some Distinct Supply Chain Challenges

Number & Diversity of...

- Weapons Systems
- Supply Chains
- Procurement Actions

**Number of Supply Chains
To Integrate**

Equipment Age & Complexity

- Weapons Systems in the inventory for years
- Obsolescence & supplier issues
- Mission uses change over time
- Tech Data Access
- Repair as a significant supply source

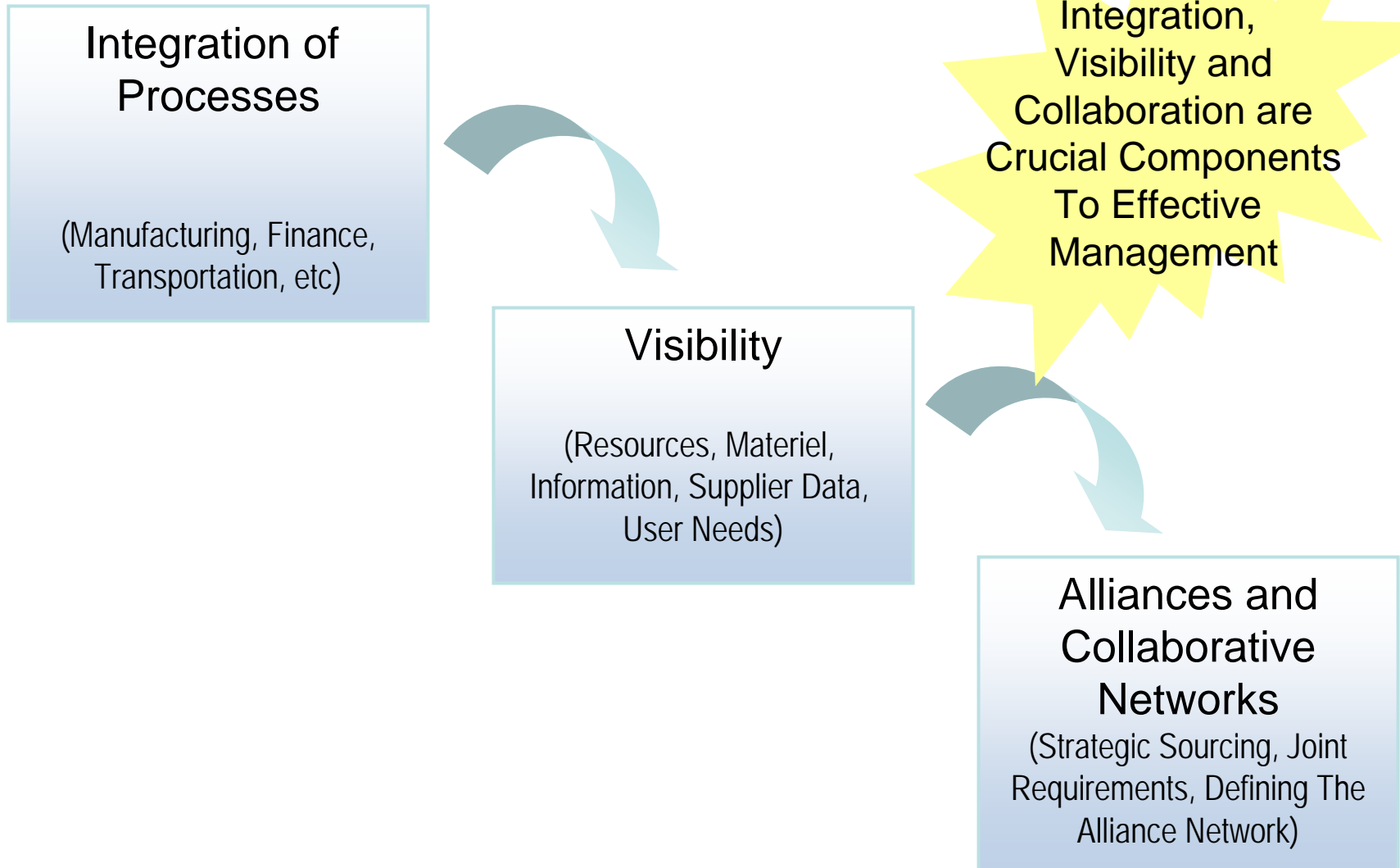
**DoD keeps things
A long time**

Information Flow...

- Magnitude of supply chain "signals"
- Number of systems processing supply chain information
- User locations, functions are dynamic

**Information Integration –
Colossal Task**

This makes Supply Chain Synchronization Difficult



So, how are the DoD elements addressing these issues....?

Putting the Foundational elements in place

- Standard Processes
 - E2E Visibility
 - IT Modernization & Streamlining
 - Supplier Mgt

	USAF	USA	USMC	USN	DLA
Integration Of Processes	<ul style="list-style-type: none"> • Elog21 • ECSS • SCOR 	<ul style="list-style-type: none"> • SALE -- GCSS-A -- LMP • SCOR 	<ul style="list-style-type: none"> • Log Mod • LOGCOM Transformation • SCOR 	<ul style="list-style-type: none"> • Navy Enterprise Alignment • Navy ERP 	<ul style="list-style-type: none"> • EBS • BRAC SS&D • SCOR
Visibility	<ul style="list-style-type: none"> • ECSS • AIT 	<ul style="list-style-type: none"> • SALE • AIT 	<ul style="list-style-type: none"> • GCSS-MC • AIT 	<ul style="list-style-type: none"> • Navy ERP • AIT • Distance Support 	<ul style="list-style-type: none"> • EBS • BRAC SS&D • AIT
Alliances & Networks	<ul style="list-style-type: none"> • Purchasing Supply Mgt • PBL • BRAC 	<ul style="list-style-type: none"> • Purchasing Supply Mgt • PBL • BRAC 	<ul style="list-style-type: none"> • PBL • BRAC 	<ul style="list-style-type: none"> • PBL • BRAC 	<ul style="list-style-type: none"> • BRAC SS&D • Supply Councils/PBL

BRAC SS&D implementation cuts across all agencies – Focus of these initiatives consistent with J4 Logistics Visibility definition “... access to logistics processes, resources, & requirements to Provide the knowledge necessary to make effective decisions.”

Different Elements have different Roles in Supply Chain Management...

Original Equipment Manufacturers (OEMs)

- Product Sourcing
 - Collaboration
- Technical Data/Information

Suppliers

- Product Sourcing
- Materiel Supply

Users/Maintainers

- Demand Signals
- User Feedback
- Key information/data to suppliers

Consultants

- Expertise to assist in process improvement and analysis
 - Alignment, Change Management
 - Thought Leadership
 - Best Practices

Analysis,
Change Mgt,
Holistic View

USA: Assisted Army in Defining & Clarifying Roles & Responsibilities associated with Army Materiel Command assuming process ownership for RESET

- Policy Guidance
- Resource(s)
 - Programming & Execution Monitoring
 - Allocation & Prioritization
 - Requirements Validation & Prioritization

**Commodity/
Weapon System/
Fleet Focus**

Life Cycle Management Commands



- National Supply Chain Management/ Support
- Weapon System Fielding, Technical Support & Quality Assurance
- Maintenance Workloading & Standards of Repair at Depots; Installation DOLs; FLRCs; NG Sites; & Contract Maint.

**Overall Mission
Synch &
Optimization**

HQ AMC



- Advocate for Command
- Current and Future Operations Vision
- Enterprise Planning & Corporate Information Repository

**Unit
Mission
Centric**

Army
Sustainment
Command



- AMC's Face to the Customer
- Global "Reach Back" to AMC –Direct Customer Feedback
- Logistics Synchronizer for ARFORGEN
- Tactical CONUS Materiel Management
- Integrates APS, AFSBs, LSEs, BLSTs, LBE, TE Sets, Contingency Contracting & LOGCAP.



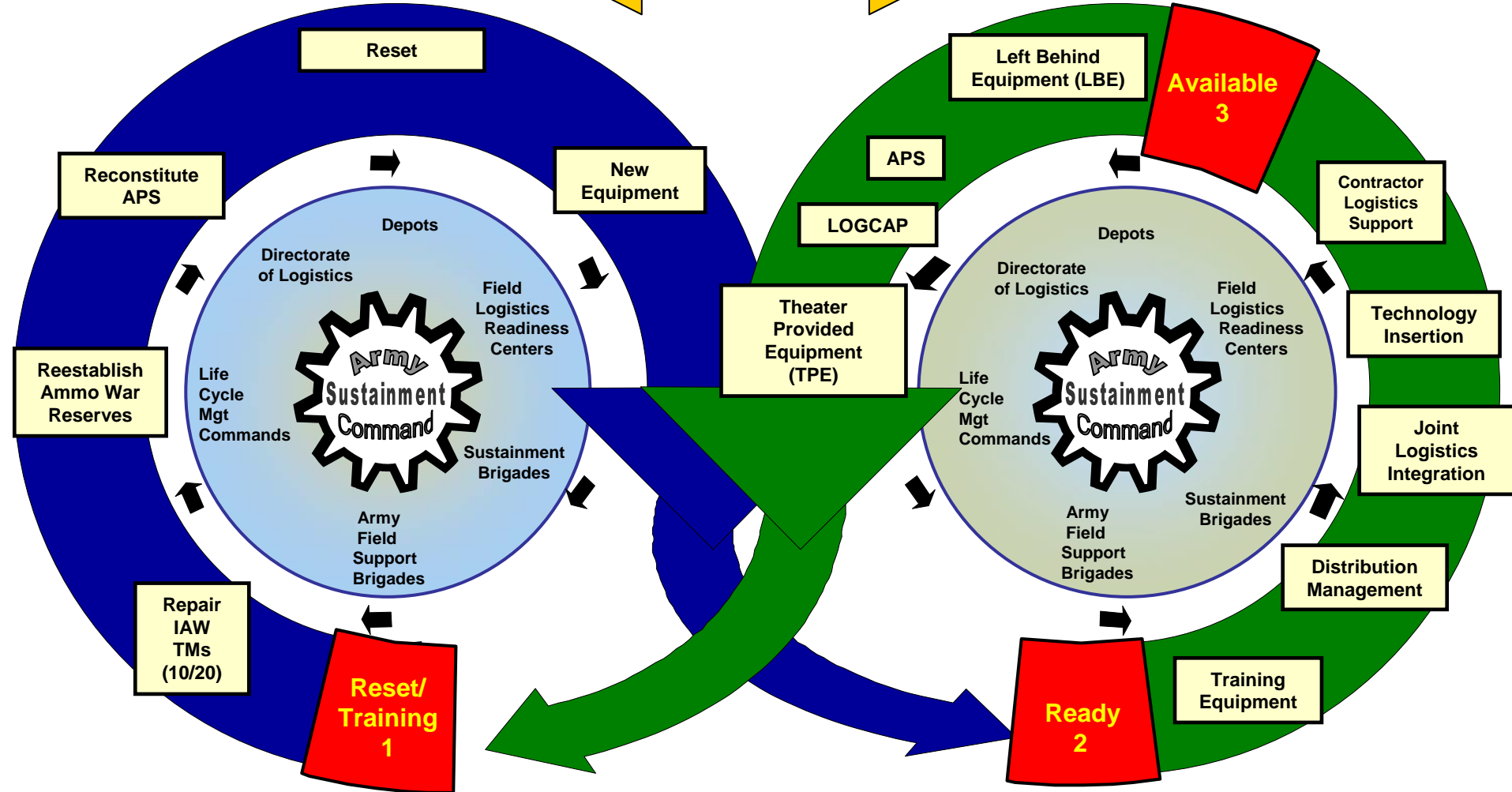
AMC LOGFORGEN Supports ARFORGEN

as of: 10 May 07

Resetting the Force

LOGFORGEN

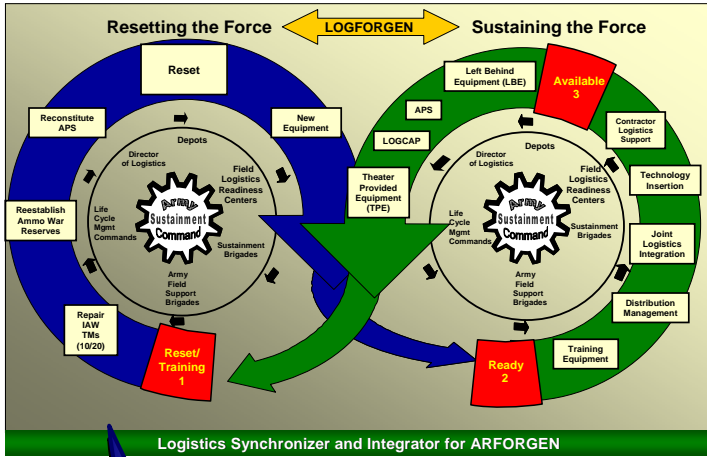
Sustaining the Force



Logistics Synchronizer and Integrator for ARFORGEN



Army Maintenance in Support of ARFORGEN



LEFT BEHIND EQUIPMENT

AMC Management

Equipment

- **Repair Requirements**
 - National
 - Local
 - Unit
- **Resource Allocation**
- **Workload Allocation / Balancing**
- **Enforcer of:**
 - Common and Consistent Standards of Repair

UNIT EQUIPMENT FROM IRAQ / AFGHANISTAN / EUROPE / KOREA

Program Manager

- OEM
- RESET
- Configuration Management
- Procurement

Depots / Nat Maint Contractors Repair

- RECAP
- Automatic Return Items
- Major Overhaul

DOL Repair

- Below Depot Repair
- Repair and Return
- Special Repair Authority

FLRC Repair

- Augments DOL's
- Flexible Size and Mission

MATES / UTES Repair

- Primarily Org / DS Level
- Reimbursable

Unit Repair

- Common Standards
- Generally Funded through OPTEMPO

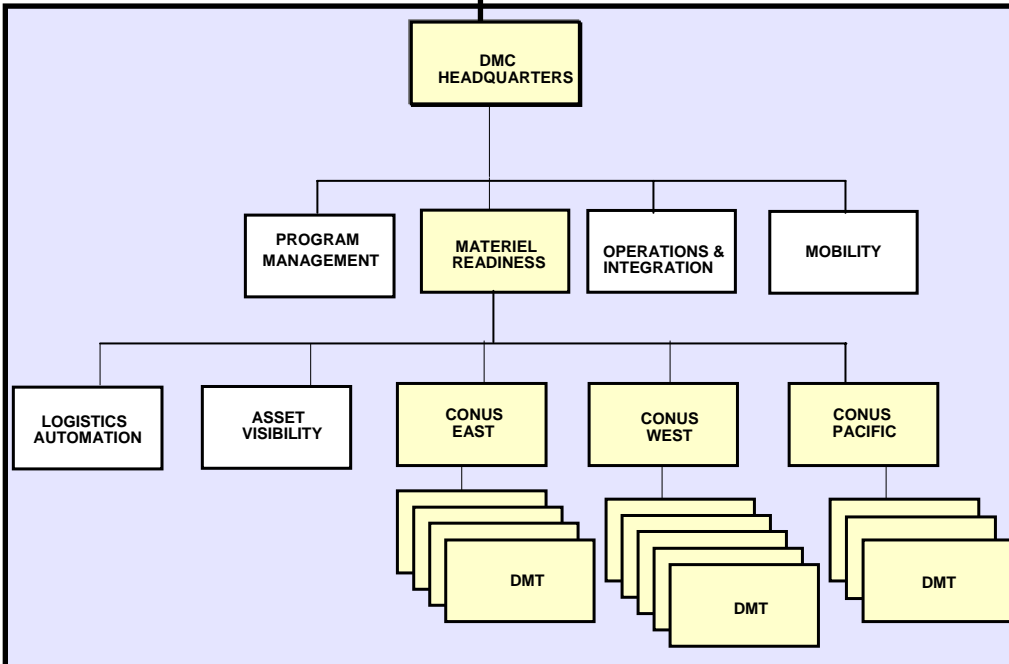
Rebuilt Brigade

TRADOC Training Fleet

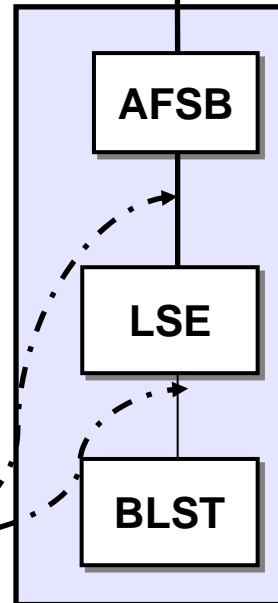
Distribution Management Teams

ASC

- Priority of effort to support AFSB/LSE ARFORGEN mission
- AFSB/LSE Cdr directs daily tasks
- DMC may direct shift to support higher priority missions

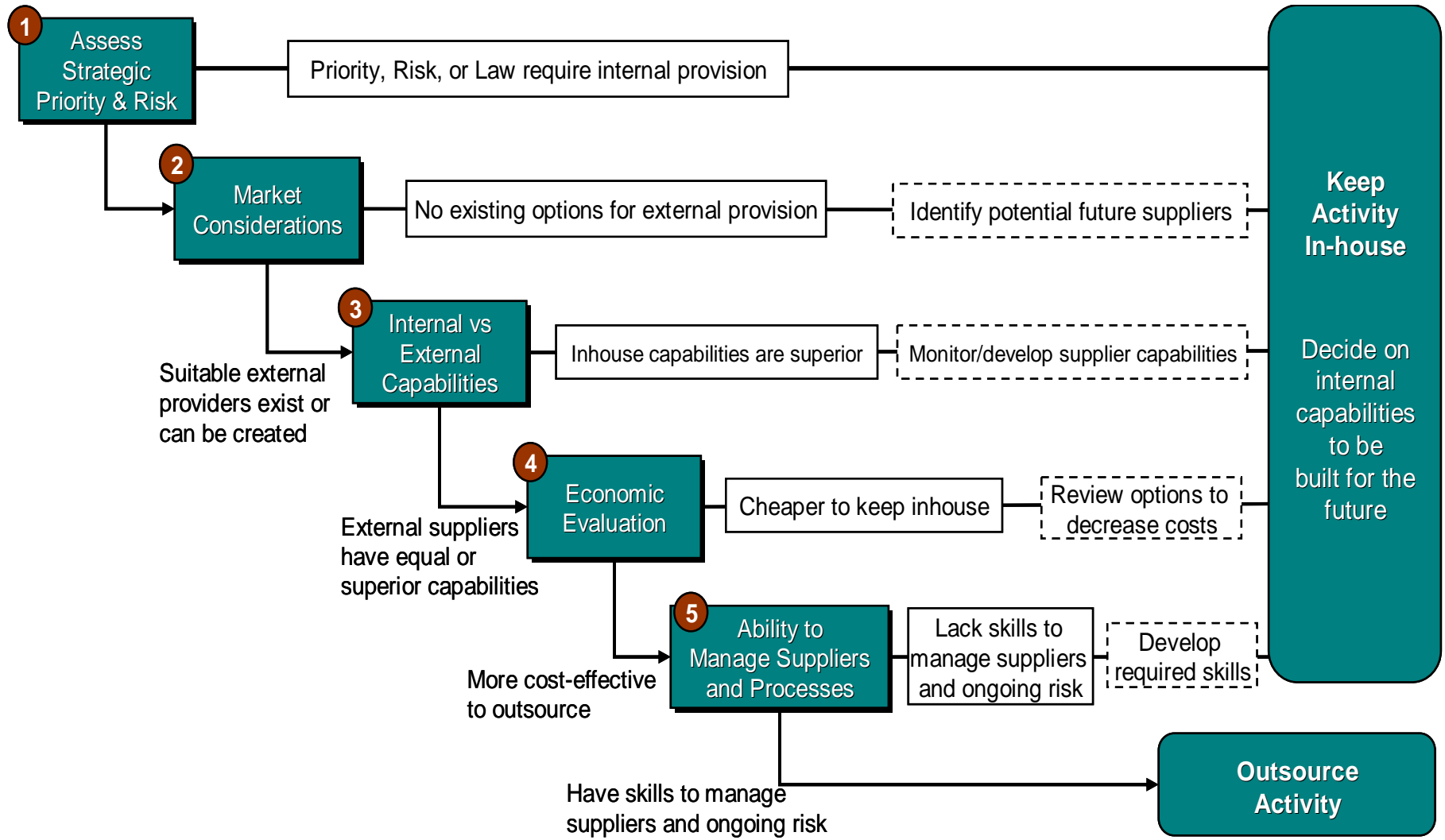


- Supports AFSB/LSE Cdr with LBE, PDTE, NET and RESET
- Performs SARSS-2A Mgt functions and Customer Service functions
- Provides Asset Visibility
- Provides direct customer interface for DMC
- Coordinates reach back with DMC for materiel and readiness management assistance
- Provides limited CSSAMO support



“DMT is assigned to the DMC, in direct support of customers of the AFSB / LSE / AFSBn commander”.

USAF: Developed methodology to assist decision makers to determine critical processes/skill sets the Air Force should retain organically



Concluding Thoughts

- DoD has several unique attributes
 - Number and diversity of weapons systems/supply chains
 - Equipment age and complexity
 - Dependency on maintenance as a source of supply
 - Magnitude of information flow requiring integration/synchronization
- All organizations are implementing initiatives that will enhance process improvements, integration, lean processes, supplier collaboration ... these will mature at different times
- Booz Allen is assisting clients with alignment of supply and maintenance processes to enhance mission and supply chain operations
 - USA – Mission alignment and synchronization
 - USA - Establishment and implementation of the Distribution Management Center (DMC)
 - USAF – Process Sourcing Decision Model provides objective approach to identify what critical processes/skill sets should be retained organically throughout the Weapon System lifecycle