

Partnering for Performance

Enhancing Organic PBL

13 November 2007



Performance Based Logistics



Performance Based Logistics (PBL) is the preferred Department of Defense (DoD) product support strategy to improve weapons system readiness by procuring performance, which capitalizes on integrated logistics chains and public / private partnerships. The cornerstone of PBL is the purchase of weapons system sustainment as an affordable, integrated package based on output measures such as weapon system availability, rather than input measures, such as parts and technical services.

*Performance Based Logistics:
A Program Manager's Product
Support Guide*

*Defense Acquisition University,
March 2005*



Recent Developments



- Distribution Process Owner
- Base Re-Alignment and Closure
- DoD depot investment
- Lean/Six Sigma
- Performance management



Achieving World Class Capability



- Long War
- Engineers / Scientists
- DoD Workforce Recruitment / Retention
- DoD Logistics Capability Retention



We need a comprehensive partnership to address these issues!

An Evolving Paradigm



- **Organic Product Support Integrator**
 - Depot
 - Program office
- **DLA in full partnership with Services**
 - Industry participation via PBL/Prime Vendor
- **Industry brings what they do best**
 - Contractual commitments
 - Commercial practices/systems
 - Engineering/upgrades
 - DMSMS/supplier base management
 - Retrograde management

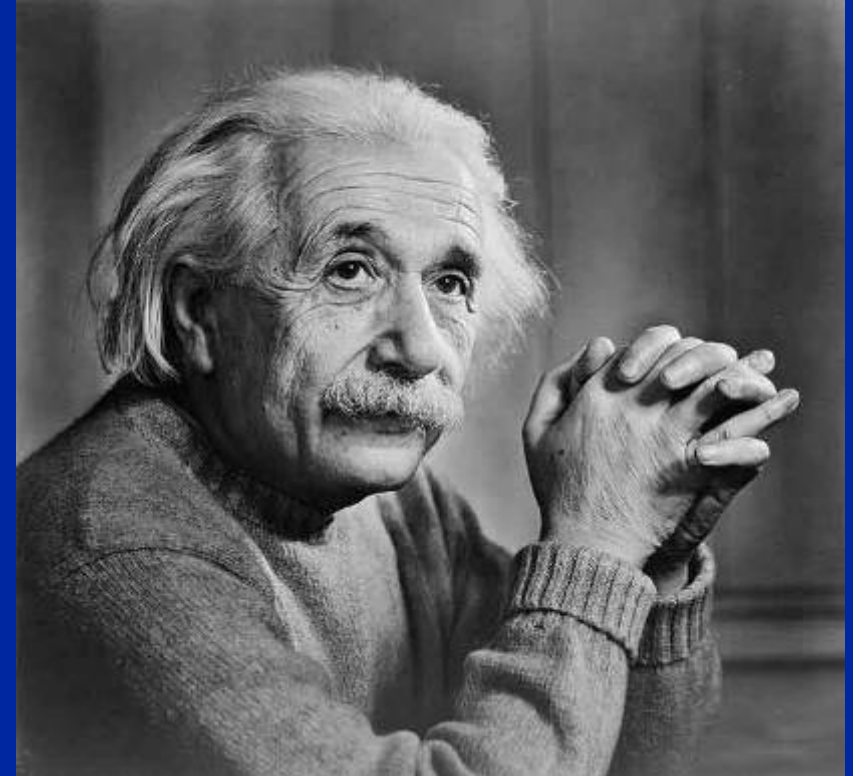


Achieving Assured Readiness via Partnership

Continuing Challenges



- **Cash flow management**
- **Hold harmless**
- **Cultural change**
- **Organic performance incentives**



“You cannot solve problems at the same level of thinking that created them.”

Albert Einstein



- PBL is combat proven
- Organic PSI is combat proven
 - Retains critical government skills



- Government/Industry can address outstanding issues as partners
- Now is the time to evolve the paradigm

Let's get this right during reset/recap