

DCMA

Defense Contract Management Agency



# Performance-Based Logistics: Is it working and is it worth it?— Defense Contract Management Agency Perspective

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- **Objective is to Improve Weapon System Readiness**
  - Integrating the logistics chain
  - Partnering with Industry
- **Metrics**
  - Operational availability
  - Operational reliability
  - Cost per unit usage
  - Logistics footprint
  - Logistics response time

- ***Becoming more responsive and flexible***
  - ***Strengthening the Industrial Base***

- **Mission**

- We provide Contract Administration Services to the Department of Defense Acquisition Enterprise and its partners to ensure delivery of quality products and services to the warfighters, on time and on cost

- **Vision**

- DoD's leading experts in Quality Assurance; Cost, Schedule, and Supply Chain Predictability; and Contract Administration, enabling our partners to achieve contract objectives

***Transforming to a Customer-Focused, Performance-Based Agency***

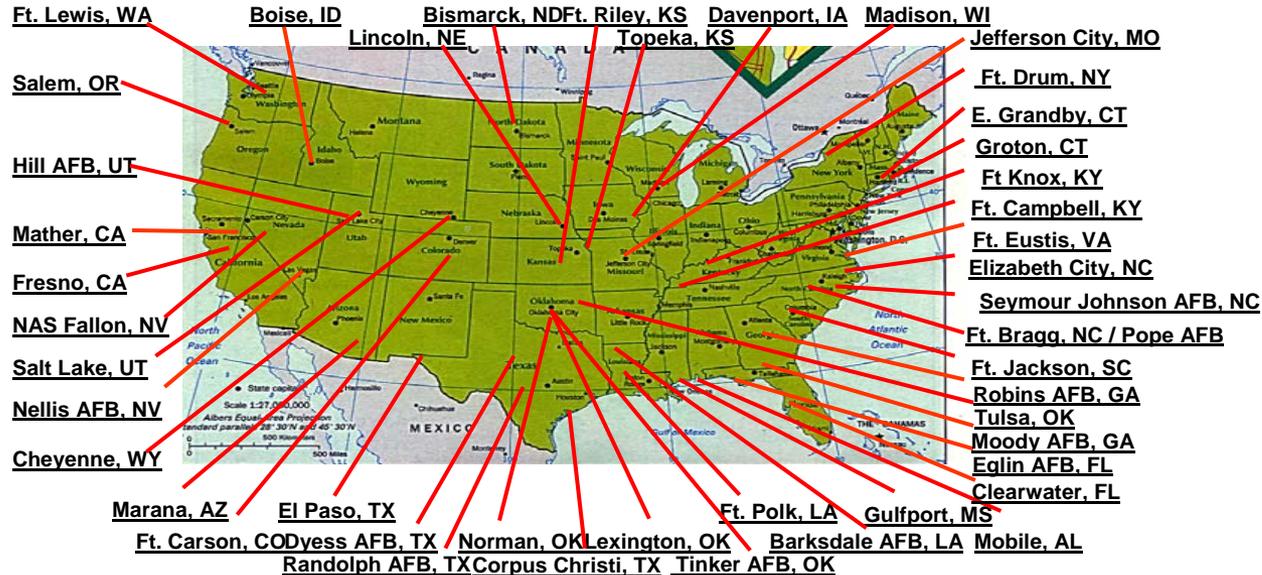
- **In addition, DCMA is transitioning to Lead Commander roles where one Contract Management Office (CMO) serves as the single face to the customer(s)**
- **At DCMA Ohio River Valley (formerly DCMA Dayton), we are lead for three major programs: Contractor Field Team, Simulators, and Landing Gear Sustainment**
- **The Contractor Field Team and Simulator programs are transitioning to PBL**



# Contractor Field Team (CFT)

- Weapon Systems and Equipment
  - Afghanistan, Iraq, "Reset," and Left Behind
  - 14,000 contractor personnel, 200 locations worldwide
- Customers: Army, Air Force, Navy, Marines, Coast Guard

- New Contract – 10/01/08
  - L-3 Communications (Vertex)
  - Defense Support Services (DS2)
  - DynCorp International
  - Lear Siegler Services
  - AECOM Government Services
  - Computer Support Services
  - Northrop Grumman
  - Kay and Associates
  - M1 Support Services
  - MacAulay Brown
  - CSE Corporation



# Simulators

- Single Point of contact for Air Force Training System operations, support, and upgrade and oversight of Field Contractor Operations
- Consistent translation of policy and procedures to all 32 contractors and all 145 service sites (15 OCONUS) and 28 platforms
- Increasing workload / resource requirements, e.g., gaining F-22 and AFSAC (FMS) simulator support
- AF will increase Simulator training by 25% over coming year resulting in cost savings and reduced fuel requirement

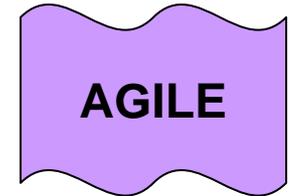




# Responsive, Flexible DCMA Support

- **CFT Administration**

- \$10.5 Billion, 151 Active Task Orders, 225 report sites
- 12 people (2 ACOs, 3 CAs, 2PTs, 2 QARs, 1 GFR, 2 GGFRs)
- Customer agreed metrics
- Payments; Cap/CAS, TDY, and Overtime approval; Letters of Identification (LOI)
- PO/QAR delegations, Surveillance Plan development and status reporting at every site
- Corrective Actions and Site Support visits



- **Simulators Administration**

- \$6.2 Billion, 121 Active Contracts
- 11 people (3 ACOs, 2 CAs, 1 IS, 5 QARs)
- Customer agreed metrics
- Payments; CPAR and Award Fee determination input
- PO/QAR delegations, Surveillance Plan development, and status reporting at every site
- Corrective Actions and Site Support visits
- AFI Phase 1 and Phase 2 Training



***DCMA facilitates achieving positive outcomes for our Customers and their Industry partners***



# Is PBL working and is it worth the effort?

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- **CFT and OLR / RESET**
  - Previous program, Specialized Technical Inspection and Repair (STIR) {post Desert Storm}, required 128 day process time now reduced to 84 days per aircraft
  - Yes—improved logistics response time
- **Simulators**
  - Pilots enter theater fully “checked out” and ready to conduct missions
  - Yes—if you think outside the box: improved operational availability / readiness and reduced cost per unit usage



# Significant Challenges

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- **Customer Manpower**
  - Getting agreed Project Officer / Quality Assurance staffing in the planning / development phase for support during the Sustainment Phase
  - Oversight requirements vary by Service / Agency
- **Security**
  - Access of contractor personnel to sites
  - Access to web-based technical documentation
- **Getting all Service contracts performance-based**
- **Establishing performance commitments and metrics that measure both contractor performance and DCMA performance—keep it simple, yet effective!**

# Summary

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- **PBL works**
- **Aligning our DCMA performance-based management vision to meet our Customers' requirements to facilitate their partnerships with Industry; ultimately to ensure delivery of quality products and services to the warfighters, on time and on cost**
- **As leaders, our role must be to make it easy to implement and execute PBL sustainment strategies—KISS!**