2009 DoD Weapon System Product Support Assessment

Breakout Session | Next Generation Life Cycle Product Support Strategies

DoD Maintenance Symposium
Phoenix, Arizona
October 27, 2009
“...we must reform how and what we buy, meaning a fundamental overhaul of our approach to procurement, acquisition, and contracting...”

Secretary of Defense Gates
Defense Budget Statement
April 6, 2009
Panel Introductions

- **J8/Warfighter Requirements** – Col Mark LaViolette
  Capabilities and Acquisition Division, Joint Staff J-8

- **Services** – Mr. Larry Hill,
  Director, Logistics Policy,
  Office of the Assistant Secretary of the Army (ALT)

- **Industry** – Mr. Lou Kratz
  Vice President, Logistics and Sustainment
  Lockheed Martin Corporation

- **Product Support Consultant** – RADM (Ret.) Mike Finley
  Director, PRTM

- **Moderator** – Mr. Randy Fowler,
  Assistant Deputy Under Secretary Of Defense
  (Materiel Readiness)
# Product Support Journey

## Concept

- **Section 912, 1998 NDAA:** DoD to report to Congress on Product Support Reengineering
- **Product Support Reengineering Report to Congress:**
  - F-117, APU PBLs

## Policy

- **DoD QDR mandates “PBL” – First official Use of Term:**
  - Program Managers Guidebook published
- **DoD 5000 policy updated:** PBL is “preferred” Support Strategy
- **ACAT 1 & 2 to use PBL or justify non-use:**
- **DAU PBL Course Launched:**
- **Contractors PBL Course Launched:**

## Adoption

- **OSD PBL Policy memos: BCA’s used to evaluate transition to PBL:**
- **Over 200 current or planned PBL Programs:**
- **Revised DoDI 5000.2 Issued:**
- **Product Support Assessment Team Launched:**

## NextGen

- **DoD Weapon System Product Support Assessment Report:**
- **DoD WSPSA Implementation**

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<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tr>
<td>1999</td>
<td>Product Support Reengineering Report to Congress</td>
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<tr>
<td>2001</td>
<td>DoD QDR mandates “PBL” – First official Use of Term</td>
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<td>2003</td>
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DoD Product Support Assessment
Team (PSAT) Review & Report

1999

DoD Weapon System Product Support Assessment
Shaping Next Generation Life Cycle Sustainment

2009
DoD Weapon System Product Support Assessment Purpose

- Recommends to senior leadership improvement of existing weapon system sustainment strategy
- Encompasses operational, acquisition, and sustainment communities
- Complements the Weapon System Acquisition Reform Act initiatives with perspectives attentive to life cycle management and sustainment
- Provides recommendations to improve weapon system readiness and control product life cycle cost
  - Current status of product support implementation
  - Areas for improvement to policies, procedures and practices
  - Way forward for performance based life cycle product support
DoD WSPSA Recommendations

**Product Support Business Model:**
Provide Program Managers a model template for a weapon system support strategy that drives cost-effective performance and capability for the Warfighter across the weapon system life cycle and enables most advantageous use of an integrated defense industrial base

**Industrial Integration Strategy:**
Align and expand the collaboration between Government & Industry that produces best value partnering practices

**Supply Chain Operational Strategy:**
Connect platform product support strategies to enterprise supply chain approaches that produces best value across the DoD components

**Governance:**
Strengthen and develop organization and mgmt processes to deliver the right sustainment information to decision-makers

**Analytical Tools:**
Build a toolbox of analytical approaches (including BCA)

**Metrics:**
Use existing metrics to catalyze sustainment strategies and trigger continuous supportability analysis

**O&S Costs:**
Improve O&S cost visibility and influence

**Human Capital:**
Integrate Product Support competencies across the Logistics and Acquisition workforce domain to institutionalize successful traits of an outcome-based culture

**Weapons System Data:**
Define, collect, report, and manage the data we need to drive effective Life Cycle Product Support
Back Ups
Definition and Context

- **Product Support** – the package of support functions required to field and maintain the readiness and operational capability of weapon systems, subsystems, and support systems

- **Performance-Based Logistics (PBL)** – An outcome based support concept that plans and delivers an integrated, affordable, performance package designed to optimize system readiness and meet performance goals for a weapon system through long-term support arrangements with clear lines of authority and responsibility

- Product support objective is to achieve materiel readiness in the most life cycle cost-effective manner

- PBL strategies deliver outcomes, (i.e. improved readiness, improved cycle times), not transactions

- About 200 +/- PBL applications, 20% of all weapon systems

- PBL-type strategies employed for 25+ years in commercial business, e.g., power-by-the-hour©

- OUSD(AT&L) Annual PBL Awards recognize top performers