2009 DoD Weapon System Product Support Assessment
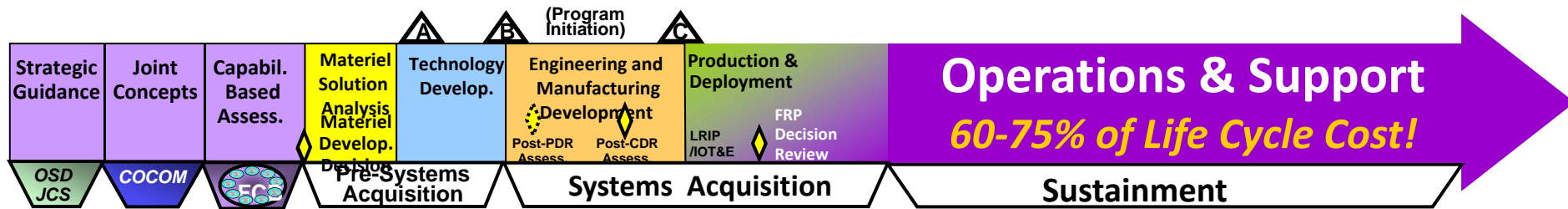
Breakout Session | Next Generation Life Cycle Product Support Strategies

DoD Maintenance Symposium
Phoenix, Arizona
October 27, 2009

Next Generation Life Cycle Product Support Strategies

(Program Initiation)

△ A   △ B   △ C

| Strategic Guidance | Joint Concepts | Capabil. Based Assess. | Materiel Solution Analysis Materiel Develop. Decision | Technology Develop. | Engineering and Manufacturing Development Post-PDR Assess   Post-CDR Assess | Production & Deployment LRIP /IOT&E   FRP Decision Review | Operations & Support *60-75% of Life Cycle Cost!* |

OSD JCS — COCOM — FCB

Pre-Systems Acquisition | Systems Acquisition | Sustainment

"…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)
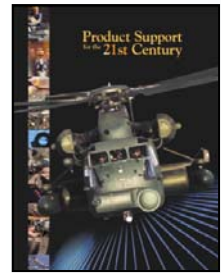
Product Support Journey

Concept → **Policy** → **Adoption** → **NextGen**

Section 912, 1998 NDAA: DoD to report to Congress on Product Support Reengineering	Product Support Reengineering Report to Congress	DoD QDR mandates "PBL" – First official Use of Term	DoD 5000 policy updated: PBL is "preferred" Support Strategy	OSD PBL Policy memos: BCA's used to evaluate transition to PBL	Over 200 current or planned PBL Programs	Revised DoDI 5000.2 Issued	DoD Weapon System Product Support Assessment Report
F-117, APU PBLs	30 RTOC Pilot Programs	Program Managers Guidebook published	ACAT 1 & 2 to use PBL or justify non-use	DAU PBL Course Launched	Contractors PBL Course Launched	Product Support Assessment Team Launched	DoD WSPSA Implementation
1998	**1999**	**2001**	**2003**	**2004**	**2006**	**2008**	**2009 >**
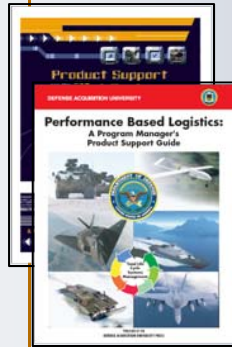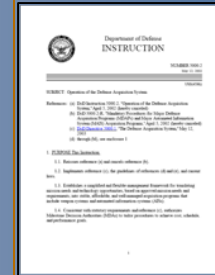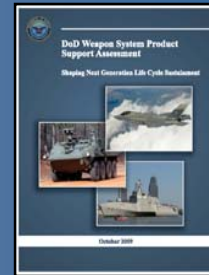
DoD Product Support Assessment Team (PSAT) Review & Report

Product Support for the 21st Century

1999

DoD Weapon System Product Support Assessment

Shaping Next Generation Life Cycle Sustainment
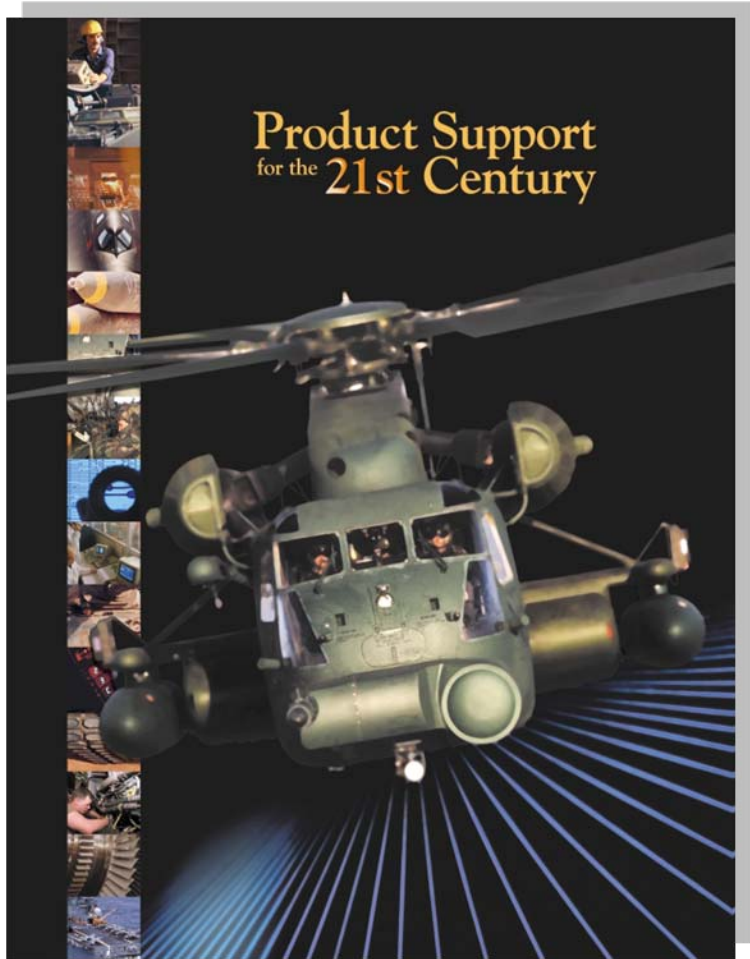
October 2009
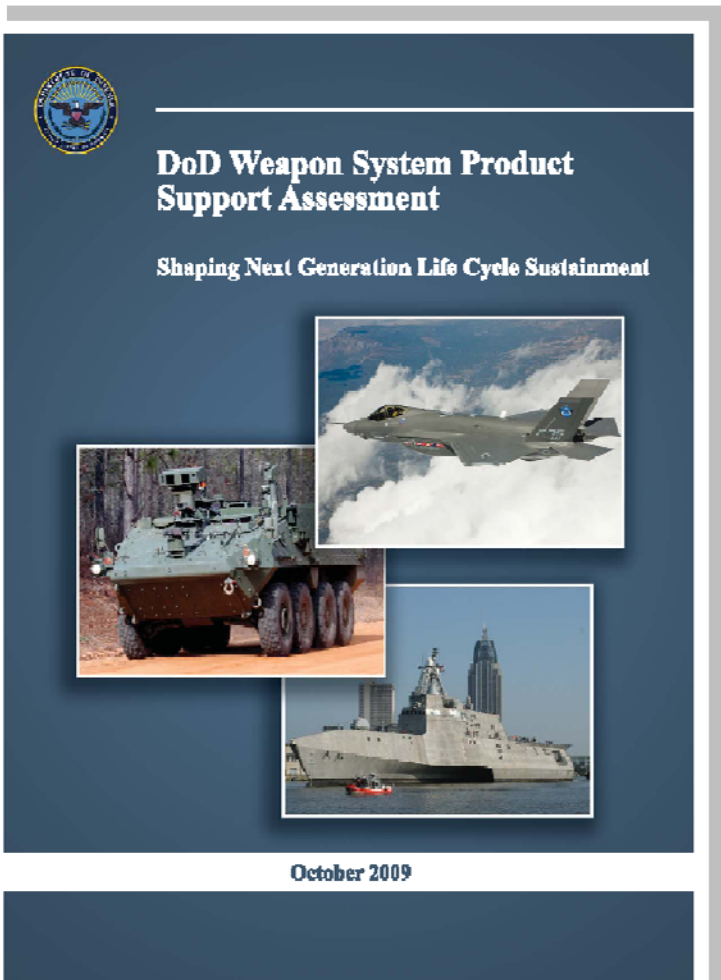
2009

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
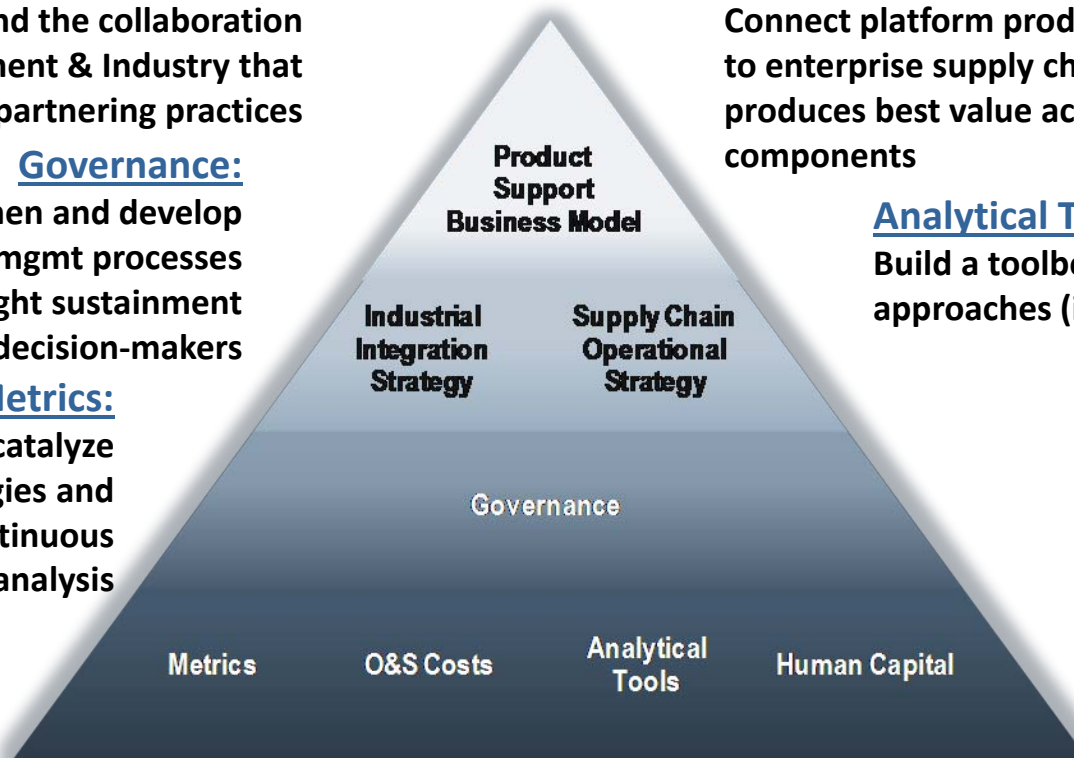
Supply Chain Operational Strategy:

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

Human Capital:

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

O&S Costs:

Improve O&S cost visibility and influence

Pyramid levels (top to bottom):
- Product Support Business Model
- Industrial Integration Strategy | Supply Chain Operational Strategy
- Governance
- Metrics | O&S Costs | Analytical Tools | Human Capital

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