



AMCOM's Approach to Joint Supply Chain Architecture



DOD MAINTENANCE SYMPOSIUM

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The JSCA Evaluation of the H-60 Supply Chain Identified Improvement Opportunities



H-60 Blackhawk Helicopter was chosen as the JSCA proof of concept

JSCA methodology focused on optimizing joint end-to-end supply chain activities

The diagnostic process identified operational supply chain opportunities:

- ✦ Differentiate by priority throughout the supply chain
- ✦ Improve demand plan accuracy & collaborative demand planning
- ✦ Balance repair capacity with supply chain
- ✦ Develop joint approach to industry
- ✦ Optimize inventory levels
- ✦ Actively manage the return process



Opportunities From the JSCA H-60 Diagnostic Have Resulted in Several Current AMCOM Initiatives



As a result of the JSCA diagnostic, AMCOM is currently:

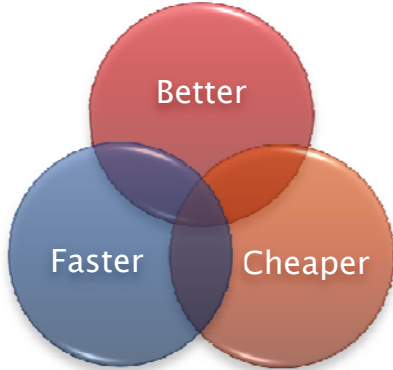
- ◆ Developing outcome-based performance metrics to increase visibility and better understand reliability of the supply chain
 - Performance – Customer Wait Time (CWT)
 - Quality – Reliability
 - Efficiency – Cost

Factors driving Performance, Quality and Efficiency

CWT = f (Stock Positioning, Transportation System, Timely Actions and Funding, Data Quality, ALT, RLT and PLT)

Quality = f (First Pass Quality, Reliability)

Efficiency = f (Inventory Costs, Management and Operations Costs)



- ◆ Using end-to-end supply chain analysis to make informed trade-off decisions and proactive sustainment decisions
 - Important to understand trade-offs of improved Performance, Reliability, and Efficiency



Opportunities From the JSCA H-60 Diagnostic Have Resulted in Several Current AMCOM Initiatives (Cont.)



◆ Improving Supplier Relationship Management (SRM)

- Creates performance improvement through incentives and better information sharing
- Assesses and mitigates supplier risk and supply disruption risk through improved visibility into supplier health
- Increases relationship value with suppliers, allowing downstream supply chain visibility and better customer service

Three primary benefits of a comprehensive SRM program





Planning for Success



Strategic focus areas

- Supplier Relationship Management
- Customer Relationship Management
- Human capital strategy and work force development
- Analytics and metrics
- Governance

