

# Defense Logistics Agency

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## Combat Support in an End-to-End Supply Chain

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*Warfighter  
Support*

*Stewardship  
Improvements*

*Business Process  
Refinements*

*Workforce  
Development*



# Director's Guidance 2009

## AT&L Vision...

**Drive the capability to defeat any adversary on any battlefield...**

## AT&L Logistics Roadmap...

**Providing globally responsive, operationally precise, and cost-effective logistics capabilities to support America's Warfighters...**

## DUSD L&MR Mission...

**Provide responsive cost effective support to ensure readiness and sustainability for the total force across the spectrum of military operations.**



## DLA's Mission...

**Supporting the Warfighter...  
Supply Chain Excellence**

Warfighter Support  
Enhancements

Workforce  
Development

Stewardship  
Improvements

Business Process  
Refinements

## Our Vision/Goals

**DLA Director's 2009  
Guidance**

**Doing what is right for the Armed Forces and DoD...**



# Director's Guidance 2009

## 22 Initiatives Centered on 4 Strategic Focus Areas

### – Warfighter Support Enhancements

- Expanding Afghanistan Support
- Supporting Iraqi Reset

### – Stewardship Improvements

- Identifying Prudent Cost Reductions
- Enterprise Risk Management

### – Business Process Refinements

- Assessing EBS Performance and Potential
- Improving Demand/Supply Planning & Supply Chain Alignment

### – Workforce Development

- Enterprise-wide Employee Survey
- Enhancing Support & Capabilities of Forward Support Personnel





# Warfighter Support: USTRANSCOM / DLA

## Northern Distribution Network (NDN) Update

- **OEF Logistics Routes:**

- Commercial supply chain
- All host nation trucking
- ~30,000 containers per year



- **OEF Logistics Challenges:**

- Border delays
- Weather
- Road conditions
- Attacks
- Economic impacts:
  - Central Asia
  - Pakistan



- **Northern Distribution Network (NDN):**

- Expanding OEF sustainment alternatives, options include Russia, Caucasus, and Central Asian States into Northern Afghanistan
- Close collaboration with our supply chain managers, USTRANSCOM and USCENTCOM to synchronize distribution



# Warfighter Support: Personnel/Equipment Resets from Iraq Theater

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- **Objectives:**

- Determine Iraq retrograde requirements
- Support the disposal process

- **Status:**

- Presidential timeline drives drawdown of forces
- MNF-I planning focused on processes to support conditions-based execution
- Retrograde and disposal requirements in development

- **Expected Impact on DLA:**

- Potential adjustments in demand and supply planning
- Retrograde timeline may impact depot workload
- Significant increase in disposal support requirements



# Warfighter Support: BRAC 2005 Supply and Storage

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- **Strategy:** Pursue logistics economies and efficiencies that enhance Warfighter support effectiveness
- **Three Recommendations:**
  - Depot Level Repairable (DLR) Procurement Management, including Consumable Item Transfer
  - Supply, Storage and Distribution (SS&D) Management Reconfiguration
  - Commodity Management Privatization
    - Tires (Aviation/Land), Packaged Petroleums, Oils, Lubricants (POLs), and Compressed Gasses
- **Agency Benefit:** Catalyst for supply chain integration in DoD and for DLA's transformation from wholesale support to integrated supply chain provider



# Warfighter Support: Renewable and Alternative Energy Solutions

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- **Renewable Power Initiatives:**
  - Initiated Photovoltaic (PV) procurement – supports DLA R&D Hydrogen Fuel Cell forklifts – San Joaquin
  - Spearhead on-site renewable power generation pilot in New Jersey
- **Leveraging Inter-service R & D Cooperation:**
  - Partnering with Army on bio-waste pilot for use at forward ops bases
  - Partnering with Navy to acquire algae fuel for certification and approval for future jet fuel requirements
- **Orchestrated Alaska Synthetic Fuel Industry Conference**
- **Pursuing AT&L authority to ensure synchronization of DoD efforts**



# Stewardship Improvements: DLA Projects and Initiatives

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- **Cross-Agency group reviewed/prioritized DLA's largest projects and initiatives**
- **Purpose:**
  - Focus on highest priorities/Warfighter needs
  - Resources applied to most important projects
  - Eliminate duplication of effort
  - Identify cost savings
- **Outcome:**
  - **Identification & analysis of 116 top projects/initiatives, ranked:**
    - High (69)
    - Medium (25)
    - Low (1)
    - Terminate (11)
    - Re-evaluate/Restructure (10)





# Stewardship Improvements: Identify Prudent Cost Reductions

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- **Identify cost reduction opportunities during Program Budget Review (PBR11)**
  - Continuous Process Improvement (CPI)
  - Reduce initiatives/projects
  - Reduce physical infrastructure
  - Increase commodity privatization
- **To Date:**
  - Identified costs for Top Projects and Initiatives
  - Identified CPI Reductions for Supply Chains and wedged funds for implementation
  - Deferred physical infrastructure reductions to PBR 12, pending outcome of Next Generation Distribution Network



## **Stewardship Improvements: Enhanced Information Assurance**

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- **Ensured business capabilities preserved while responding to DoD systems security directives/guidelines**
- **Improved situational awareness of networks, systems, and applications**
- **Enhanced capability to protect/defend the DLA enterprise and its links to DoD's Global Information Grid**
- **Heightened IA training/awareness for full workforce**



# Business Process Refinements: Assessing DLA's Business Performance

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- **Enterprise Business System (EBS):**
  - Commercial-off-the-shelf system
  - Replaced legacy, COBAL material management systems
  - Provided improved usability and system response time
  - Fully functional July 2007
- **Post Implementation Assessment:**
  - Performing independent, comprehensive review of system
  - Identifying performance gaps & potential improvements
  - Roadmap for continuous business process improvement
  - Targeted completion date: May 2009



# Business Process Refinements: Demand/Supply Planning and Alignment with Customers and Suppliers

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- **Strategy:**
  - Improve alignment of supply chains with customers and strategic suppliers
  - Improved outcomes of demand and supply planning efforts
- **Focus Areas – Supply Planning:**
  - Attainment To Plan (ATP)
  - Demand Planning Accuracy (DPA)
- **Recent Accomplishments:**
  - DPA Summit 23-24 February
  - Stand up, staffing and funding of “What If” emulation environment
  - ATP training @ Defense Supply Centers Richmond, Philadelphia and Columbus



# Business Process Refinements: Enhance DLA's Ability to Manage Engineering Support Processes with the Military Services

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- **Improve the Service/DLA engineering support process in the following three areas:**
  - Triggering & timing
  - Cycle time
  - Funding
- **Recent Accomplishments:**
  - Hosted initial Service/DLA summit
  - Chartered three CPI teams with Service/DLA leadership & participation
  - Established standard reporting & communication process for teams
  - Teams have developed improved process flows
- **Upcoming Key Events:**
  - April 2009 Summit to approve implementation of recommendations



# Workforce Development: Replenishment

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- **Workforce Planning**

- Enterprise competency based forecasting method
- Budget cycle integration
- Skills gaps identification

- **Gap Closure Actions**

- Recruitment
  - Corporate Intern Program (79 in 2001, 827 in 2009)
  - Ensuring diversity
- Workforce Development
  - Executives identified to manage health of their career fields and forecast workforce requirements



*We Support our Warfighters by Providing the Means  
to Take the Fight to the Enemy and Win*

*Every DLA Employee, from  
the Factory Floor to the Board Room. . .*

*. . . Provides the Difference to ensure  
Mission Success*



**DEFENSE LOGISTICS AGENCY**

**SUPPORTING  
MISSION SUCCESS**