Attainment to Plan (ATP)

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Agenda

• Introduction to Need Arrival Date (NAD)
• Overview & Relevance
• Managing and Measuring
• Current Efforts
Need Arrival Date (NAD)

Introduction

• Why:
  – Shift to NAD is an important step towards improving customer support & satisfaction

• Definition:
  – EBS process generates PRs with an identified Need Arrival Date (NAD) of when materiel is required, targeting maximum customer support, regardless of LTs

• Challenges:
  – Represents a significant shift from prior business practices which recognized full lead times
Now

PR Create Date \[\rightarrow\] Required Award Date \[\rightarrow\] Need Arrival Date

CUSTOMER FOCUSED

NAD does not respect ALT and PLT. It reflects the date materiel position will dip into safety stock and if unfilled will cause safety stock depletion and UFOs.

PRs are system generated in JDA based on Stock Position

NOT CUSTOMER FOCUSED

Old Way

PR Create Date \[\rightarrow\] Required Award Date \[\rightarrow\] Required Delivery Date

Processing/Reporting against Required Delivery Date allows for full ALT and PLT, resulting in UFOs.
ATP Overview

• Definition of Attainment to Plan (ATP):
  – Identifies percent of materiel deliveries generated through JDA supply planning processes which fail or meet three criteria: Quantity, Quality (Condition Code A), and On-Time delivery (Need Arrival Date/NAD)
  – Challenges with NAD vs CDD

• Evolution of Performance Measurements:

  LEGACY METRIC
  PRs

  NEW BUSINESS MODEL
  Emphasize the importance of more precise award and delivery timeframes…

  EBS KPI
  ATP

• Relevance:
  – ATP measures how well Time Phased Inventory Plan (TPIP) is executed
  – DLA and Vendor entities need to be executing to the same plan

• Calculation:
  – ATP (%) = (Deliveries Achieved / Deliveries Possible) * 100
  – 3 conditions must be met for each line of the PR
    • If all 3 conditions are met, the delivery passes ATP and the “Delivery Achieved” count is incremented by 1
    • If one or more of the conditions is not met, the delivery does not pass ATP and the “Delivery Achieved” count is not incremented by 1
Managing & Measuring ATP

- **In a “perfect” world**
  - PR generation from Planning allows for full lead times
  - Acquisition Specialists’ execution always meets Required Award Date
  - Vendor execution always meets Need Arrival Date
  - Limits impact to UFOs and SS depletion

**ATP Goal** = Materiel receipt by the “Need Arrival Date” ... period
Managing & Measuring ATP

ATP Goal = Materiel receipt by the “Need Arrival Date” … period

However, PRs may generate with less than full lead time for several reasons (Demand spikes, Revision of forecasts, Changes in ALT & PLT, Constrained supply planning, Parameter configuration, Cancellations)

• DLA Planning should focus on why PRs generate with less than full lead time and work to improve NAD (further details provided in subsequent chart)

• DLA Procurement should focus on strategy to (1) execute to reduced ALT then (2) coordinate with Vendors to execute to reduced PLT
DLAs Efforts to Improve NAD

- **JDA Parameter Configuration:**
  - Previous JDA configuration created PRs when actual demand was received, instead of honoring the forecast. This process can cause the creation of PRs with a NAD within the RDD, not allowing a Full Lead Time.
  - DLA reconfigured this parameter to respect the forecast and generate PRs in anticipation of demand.
  - Changing this parameter decreases the number of PRs generated with less than full lead time (positively impacting ATP) and reduces backorders (positively impacting POF).

- **DLA Enterprise Workload Prioritization Policy issued October 2009:**
  - Provides policy for the Enterprise prioritization and tracking of supply operations workload, both pre and post award, in supporting ATP.
  - Provides guidance on the implementation of prioritization logic which places emphasis on utilization of NAD throughout the E2E supply operations business process – from time of PR generation to receipt of materiel.

- **Supplier Requirements Visibility Application (SRVA):**
  - Efforts to openly share expected purchases over a 24 month period.
Desired Vendor Efforts

- Partnership striving to meet NAD
- Raised awareness of NAD and its role in the E2E supply operations business process
- Utilization of SRVA to improve customer service and reduce administrative & production lead times