



# DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



## 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



# Need Arrival Date Introduction

## CUSTOMER FOCUSED



NAD does not respect ALT and PLT. It reflects the date material 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



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...*



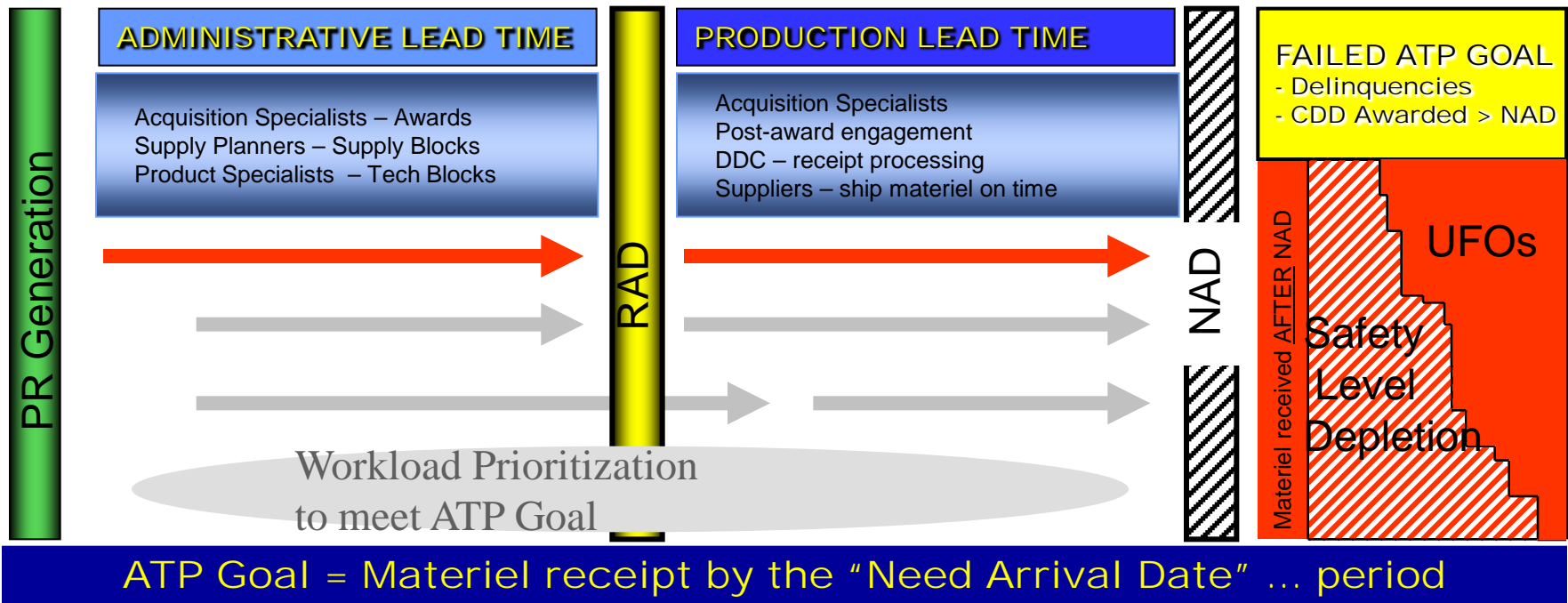
## EBS KPI

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:
  - $ATP (\%) = (\text{Deliveries Achieved} / \text{Deliveries Possible}) * 100$
  - 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



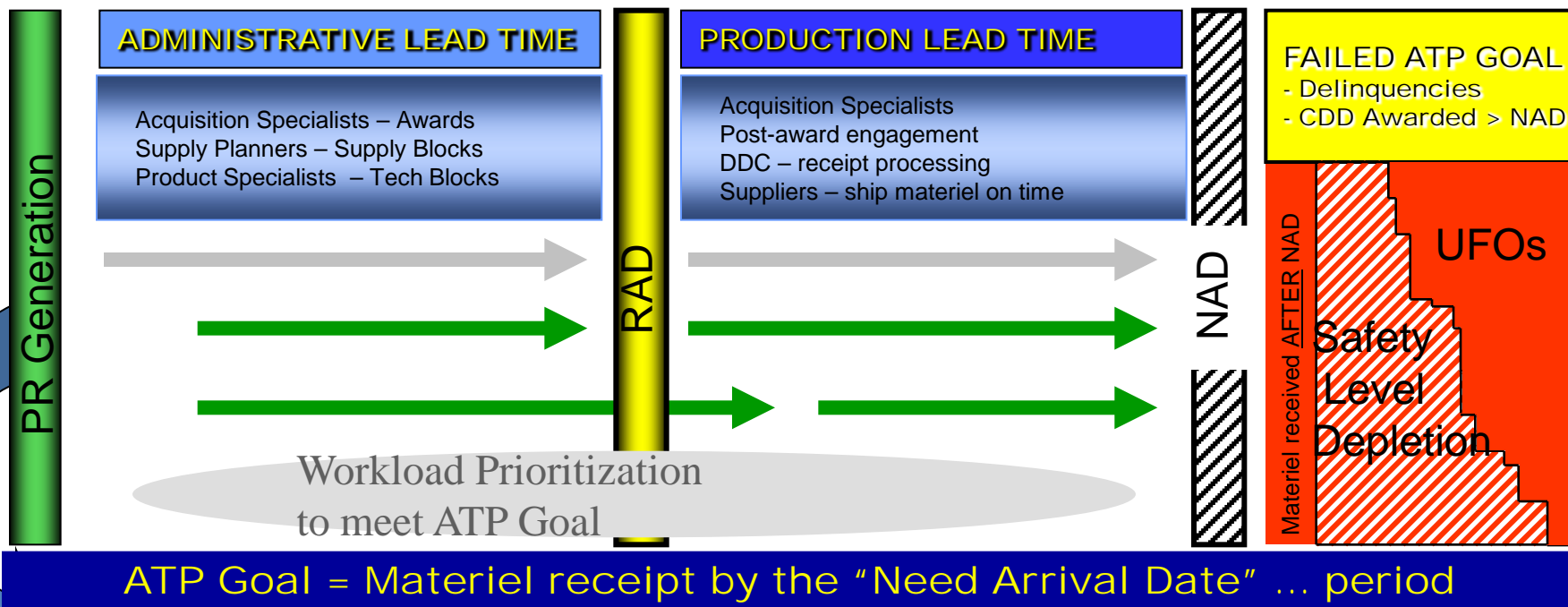
# Managing & Measuring ATP



- 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



# Managing & Measuring ATP



- 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 it's role in the E2E supply operations business process
- Utilization of SRVA to improve customer service and reduce administrative & production lead times

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