



PRODUCT SUPPORT EXECUTIVE COUNCIL (PSEC) NEWSLETTER

PRODUCT SUPPORT PROGRESS

MAY 10, 2012

DEPUTY ASSISTANT SECRETARY OF DEFENSE – MATERIEL READINESS WELCOME

By Ms. Sue Dryden, DASD (Materiel Readiness)

On behalf of the Office of the Assistant Secretary of Defense for Logistics and Materiel Readiness (OASD(L&MR)) and the Office of the Deputy Assistant Secretary of Defense for Materiel Readiness (DASD(MR)), I would like to extend a personnel welcome to the Product Support Executive Council. I look forward to working with you as we continue to pave the way forward, providing affordable life cycle product support processes and solutions. Since assuming leadership of the DASD(MR) Team in December 2011, I have directed our Programs, Policy and Plans and Strategies Branches to continue working with the Services to integrate the tasks aligned under the Product Support Assessment Team (PSAT) umbrella. The acquisition environment, driven by budget and other pressures, continues to play a major role in how we implement Product Support. This edition of the PSEC newsletter serves to identify specific areas of interest in order to show how we collectively continue to make a difference. As I look back to the Product Support Assessment (PSA) Report of November 2009 and the recommendations as a result of that effort, I am confident that the PSA authors identified the overarching initiatives correctly and that the PSAT response to date has been effective. I challenge our extended teammates to examine our current azimuth and identify what mid-course corrections still need to take place. The theme of our upcoming May 15, 2012 PSEC meeting is, "Product Support Alignment" – which will help us examine where we have been and where the PSEC believes we need to focus our energy in the future. I encourage your feedback on how things are going - the good, the bad, and the ugly.

INSIDE ARTICLES

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Product Support Manager (PSM) Conference Spring, 2012

The Product Support Manager (PSM) Conference will be held Tuesday, June 5, 2012 through Thursday, June 7, 2012 in the Howell Auditorium, Scott Hall, Building 226 at Fort Belvoir, Virginia. The 2012 PSM Conference's intended audience is government and industry Program Managers, Product Support Managers, Product Support Integrators and those personnel who deal with Product Support Issues. The theme of the conference is "Integrating Government and Industry for Improved Product Support" and is aimed at providing affordable sustainment solutions that meet the Warfighter's needs. The 3-day conference will feature Government and Industry keynote presentations and a panel discussion on Product Support Expectations and Challenges. There will be two forums on How to Successfully Lead a Product Support Team and Developing, Implementing, and Executing a Life Cycle Product Support Strategy.

Topics raised at the conference will stimulate dialogue among government officials, industry executives, and academia. This conference will provide an opportunity to further develop the workforce's Life Cycle Logistics competency skills with the sharing of lessons learned and best practices, as well as strengthening our ties between industry and government leaders. . Attendees can register by completing the registration form at http://www.acq.osd.mil/log/mr/PSM_conference.html no later than Friday, June 1, 2012.

SPECIAL PRODUCT SUPPORT-THEMED ISSUE OF DEFENSE AT&L MAGAZINE

**By Mr. Bill Kobren, Director, Logistics & Sustainment Center
Defense Acquisition University and Product Support Assessment Human Capital IPT Lead**

As part of the ongoing effort to spread the word to the entire defense acquisition workforce, the March-April 2012 edition of the highly acclaimed Defense AT&L Magazine was published as a Special Issue devoted to Product Support, the Product Support Manager, and the extensive array of Product Support Assessment implementation initiatives. This special Product Support edition represented the culmination of many months of effort on the part of a wide range of authors representing a variety of acquisition functional communities and organizations, including the Defense Acquisition University, the Office of the Deputy Assistant Secretary of Defense for Materiel Readiness, industry associations, and several industry partners. Following a lead-off article from the new Deputy Assistant Secretary of Defense for Materiel Readiness, Ms. Sue Dryden, the product support articles in this March-April Defense AT&L Magazine edition include:

- “The Product Support Manager: A Catalyst for Life Cycle Management & Product Support Success”
- “Professionally Developing World-Class Product Support Managers”
- “Implementing the Next-Generation Product Support Strategy”
- “OK, We Bought This Thing, But Can We Afford to Operate and Sustain It?”
- “The Life Cycle Sustainment Plan: A Review of the Annotated Outline”
- “Performance Based Logistics and Project Proof Point: A Study of PBL Effectiveness”
- “Leveraging Better Buying Power to Deliver Better Product Support Outcomes”
- “Designing for Supportability: Driving Reliability and Maintainability In While Driving Costs Out”
- “Affordable Logistics: Are We There Yet?”
- “Hidden Value: The Underappreciated Role of Product Support in Rapid Acquisition”
- “The Product Support Triad: A Critical Convergence”
- “Attributes of An Effective Product Support Business Case”

The downloadable PDF versions of Defense AT&L Magazine can be found at <http://www.dau.mil/pubscats/Pages/DefenseAtl.aspx>. Copies of this specific issue can be found at http://www.dau.mil/pubscats/ATL%20Docs/Mar_Apr_2012/DATL%20Mar-April%202012.pdf, and individual articles can be downloaded at <http://www.dau.mil/pubscats/Pages/damtoc.aspx>.

LIFE CYCLE SUSTAINMENT PLAN (LCSP) INITIAL ROLL OUT

By Mr. Terry Emmert, ODASD(MR)

The annotated outline for the Life Cycle Sustainment Plan (LCSP) was signed out by the Principal Deputy Under Secretary of Defense for Acquisition, Technology, and Logistics (PDUSD(AT&L)) six months ago. Since then, the PSAT efforts have moved into a new phase, facilitating adoption of the LCSP. The Military Departments have followed the AT&L guidance with supporting Service-specific policy. Now the ODASD (Materiel Readiness) is seeing the first ACAT ID LCSPs for signature by the Assistant Secretary of Defense for Logistics and Materiel Readiness (ASD(L&MR)), with many more in the pipeline in the coming months.

Perhaps the most critical lesson learned thus far is that it takes time and communication to build a useful LCSP. There are no shortcuts, no templates, and no 5-second sound bites that will deliver a credible plan. Logically aligning product support requirements, robust programmatics, and sound cost estimates, in the context of what Service portfolios can afford, necessitates critical thinking and rich communication. We are seeing plans come together, but only through constructive partnerships that include OSD and Service action officers, working in concert with the Product Support Managers (PSMs) and key members of the Program's Sustainment IPT.

While this may sound daunting, it is achievable with time. So if you are a PSM and you're wondering when you should contact the action officer for your Service or OSD milestone decision authority for help with your LCSP, the answer is yesterday. Immediate resources to aid in LCSP development are available. The outline that the PDUSD(AT&L) issued in September 2011 is on the PSAT website. Additionally, the PSAT has provided information based on lessons learned from reviewing recent LCSPs. The site includes answers to frequently asked questions dealing with LCSP content, processes, and relationships with other acquisition documents. It also includes insights on LCSP use to inform RFP development and the type of supporting information that might be considered in contractor's responses back to the government.

The website content continues to evolve based on feedback from programs, and the latest additions address LCSP content emphasis by each milestone. Each of the phase descriptions will be further expanded, starting with Milestone A. We plan to then jump to expected post-IOC LCSP content, with the goal of having that available later this year. We've chosen this order because of the criticality of post-IOC in the execution of product support and to emphasize the enduring nature of the LCSP. The LCSP is the one document that, if it is to be relevant in managing the program, must be maintained throughout the system's entire life cycle, transcending the acquisition milestones. Currently, there is little information as to what should be addressed after IOC.

If your job description includes words such as "logistics," "sustainment," or "product support," our hope is that you continue to find value in the LCSP outline and in the growing body of support content available online. The PSAT depends on program feedback to prioritize its efforts, so please keep it coming!

PRODUCT SUPPORT ASSESSMENT TEAM (PSAT) STRATEGIC PLANNING

By Mr. Mark Gajda, ODASD(MR)
and Mr. Chris Caufield, PWC

In October 2011, the Product Support Assessment Team (PSAT) briefed the Product Support Executive Council (PSEC) on a strategic framework and performance metrics to measure the successes and challenges of the Weapon System Acquisition Reform – Product Support Assessment’s (WSAR-PSA) implementation and identify the next wave of PSAT Integrated Product Team (IPT) activities and deliverables. The metrics should demonstrate progress, qualify, and quantify the PSAT’s efforts in achieving the five strategic objectives – part of the PSEC Vision focused on, “Aligned and synchronized requirements, acquisition, and sustainment communities that deliver required and affordable Warfighter outcomes.”

Since the October 2011 PSEC briefing, the PSAT refined the measures to better integrate core product support business processes and Departmental strategic guidance, including the 2012 National Defense Authorization Act (NDAA) and DoD Performance Improvement initiatives. The below table illustrates this alignment for two of the five strategic objectives and provides a snapshot of PSAT products (e.g. Product Support Manager, Product Support Business Case Analysis, Independent Logistics Assessment, Operating and Support Cost Management Guidebooks, etc.) that are helping to “move the ball forward” on DoD’s performance improvement initiatives.

PSA Strategic Objective	Performance Metric	2012 NDAA (and PSAT Products)
Start & End with the Warfighter’s Objectives	<ul style="list-style-type: none"> Percentage of MDAPs reporting their sustainment metrics; Percent of MDAPs meeting sustainment performance metric (KPP/KSA) thresholds; Percentage of MDAPs managing to RAM-C performance metric thresholds 	<ul style="list-style-type: none"> To develop strategies for improving reliability, availability, maintainability of such systems at an affordable cost (<i>Product Support Manager Guidebook, Life Cycle Sustainment Plan, Sustainment Quad Chart, O&S Cost Management Guidebook</i>)
Demonstrate & Enforce Life Cycle Focus	<ul style="list-style-type: none"> Percentage of MDAPs with an acceptable (timely, complete, accurate, achievable win risk) LCSP by the milestone review; Percentage of MDAPs that established O&S requirements in their affordability “KSA” 	<ul style="list-style-type: none"> Require the military departments to conduct an independent logistics assessment (<i>ILA Guidebook</i>) Require the military departments to conduct periodic reviews of operating and support costs of major weapon systems after such systems achieve IOC (<i>O&S Cost Management Guidebook, Post-IOC Review guidance, Sustainment Quad Chart</i>) To use such (O&S Cost) data to inform system design decisions, provide insight into sustainment costs (<i>O&S Cost Management Guidebook, Life Cycle Sustainment Plan, Sustainment Quad Chart</i>)

The PSAT is making progress in collecting and reporting these metrics and refining the metric attributes for the remaining three strategic objectives. In addition to the metrics, and in preparation for the May 15, 2012 PSEC meeting, the team is

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evaluating the state of product support against the 2009 DoD WSAR-PSA's ten long-term success indicators. These indicators include:

1. Future acquisition reform legislative and policy initiatives are life cycle management focused.
2. Program Managers are equipped by life cycle management enablers consistent with PM accountability and responsibility to focus on life cycle cost and readiness.
3. Operating and support costs are visible at the Program, Service, and DoD levels and managed in conjunction with acquisition investment costs to make life cycle cost decisions.
4. Product support is more transparent to the Warfighter, but Warfighters are more integral to advocating affordable, readiness-based product support objectives.
5. Sustainment governance influences Defense Acquisition Boards (DABs) and related weapon system review forums.
6. Supply chains perform at best-in-class levels and are better integrated for weapon system management operational outcomes.
7. Product support capability assessments are performed at national and global levels and have a broad and encompassing view of both public and private capability.
8. Expanded partnering opportunities have driven industry to routinely include life cycle cost and performance management in the design of weapon systems and enable more robust, integrated organic and commercial industrial base product support.
9. DoD Service Component organizations are more capable now of managing the complex incentives and product support integration inherent in effective performance-based strategies.
10. Most enterprise decisions are made across DoD Components and decision making, budgeting, and funding are enabled by common information technology backbones.

The PSAT's initial observations found evidence on the above performance indicators and identified improvement opportunities.

A NEW GUIDEBOOK TO IMPLEMENT THE TWELVE DOD INTEGRATED PRODUCT SUPPORT (IPS) ELEMENTS

By Mr. Dave Floyd, DAU

The twelve Integrated Product Support (IPS) Elements were created to define the specific roles, responsibilities and activities of the Product Support Manager (PSM), a key leadership position created in 2010 by Congress under Public Law 111-84. The IPS Elements are identified in Appendix A of the Product Support Manager Guidebook <https://acc.dau.mil/psm-guidebook>.

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The IPS Elements, while encompassing the traditional ten Integrated Logistics Support (ILS) Elements, are broader in scope, more interdisciplinary, and reflect the enterprise-level role of the PSM.

The purpose of the IPS Element Guidebook (<https://acc.dau.mil/ips-guidebook>) is to supplement and further explain the new twelve IPS elements identified in Appendix A of the PSM Guidebook and to serve as a reference guide and training tool for the PSM. It breaks down the IPS Element sub-topics from two levels of indenture to three or more levels of increasing detail. It explains the who, what, where, when, why, and how for the major product deliverables of each IPS Element by life cycle acquisition phase. It highlights the importance of full integration among the Elements, and finally, it provides links to other reference documentation for additional information (e.g., the Defense Acquisition Guide (DAG), Life Cycle Sustainment Plan (LCSP), and DAU Learning Assets).

The Services and Industry are in the process of implementing the new twelve IPS Elements with the help of the IPS Elements Guidebook. This is critical to ensuring efficient IPS Element information data transfer and exchange between databases and will result in more affordable product support.



INDUSTRIAL INTEGRATION SUB-IPT

By Mr. Steve Erickson, LMI

The Industrial Integration IPT is having an impact based largely through the mechanism of public-private partnering. The IPT was formed to support the continued evolution of public-private partnering, which is one of the eight PSAT recommendations. This is a summary of the IPT's make-up, recent accomplishments, and prospects for the year ahead. The IPT is made up of representatives from the Military Services, the Defense Logistics Agency, the Defense Acquisition University, and Industry Associations. The Office of the Deputy Assistant Secretary of Defense (Materiel Readiness) (ODASD (MR)) and the Office of the Deputy Assistant Secretary of Defense (Maintenance Policy and Programs) (ODASD(MPP)) serve as the IPT co-leads. At any given time, it has approximately 30 active members. The IPT operates by consensus, and its outputs take the form of recommendations to the co-leads for consideration within OSD. Its recommendations address legislative and policy proposals which are subject to normal coordination within DoD. The team also works on partnering initiatives and guidance. Below are some highlights of ongoing activities within the IPT.

Partnering Survey

One of the first tasks the IPT undertook was to facilitate a survey of public-private partnerships across the Defense product support enterprise. The survey was an essential first step to identify where partnerships were already at work, with what benefits, and with what potential for expansion. The survey essentially confirmed the conclusion of the PSAT report that, currently, partnering is largely constrained to depot maintenance applications. But it also contained a surprising level of

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additional product support elements that were largely focused on facilitating depot maintenance activities. A majority of partnerships reported a measurable improvement in supply chain responsiveness through the partnering mechanism. Subsequent work with a wide variety of functional areas indicated that the partnerships included in the survey were probably under-reported, with an even broader application of partnering to other product support functions already in work by interested organizations.

Partnering Guide

The ODASD(MPP) chartered the development of a partnering guide, initially focused on depot maintenance. The resulting draft represented a considerable amount of background research into the partnering process and its various structures and authorities. The IPT supported the further expansion of the draft to address “the art of the possible” in partnering for other product support elements. The guide was informally coordinated across the spectrum of industrial activities with DoD and represents a first step in providing a useful reference document for partnership practitioners at all levels of government and industry. The guide was released on February 1, 2012 and is now available on a DAU collaboration site at <https://acc.dau.mil/ppp-guidebook>. Initial feedback on the guide is that it goes even further to include how-to examples, additional innovative case studies, and even more background information that could apply to the wide range of functional activities and legal authorities in use today. There are feedback mechanisms within the document and the collaboration site, and a first update will begin this summer.

Policy Proposals

The IPT is also considering a number of policy proposals that could range from revisions to existing Defense publications to the drafting of an entirely new issuance. For example, it has already recommended a specific change to DoD Instruction 4151.21, dealing with partnerships, to soften the language requiring a business case analysis to justify approval of a partnering initiative. The recommendation recognizes the emphasis on earlier partnering decisions, when less quantifiable data is available to support the analysis. Discussion is continuing on the possibility of drafting a new DoD Instruction to address partnering beyond the depot maintenance arena. Further recommendations may follow from the impending release of the DoD implementation guidance for the fiscal year 2102 amendments.

Looking Forward

Some of the IPT ideas may not require new law or policy to implement; rather, they may just require a pair of willing partners to share resources in a new and innovative way. A key example now under consideration concerns the extent to which an organic (government) organization can support a commercial product support integrator, even without the exchange of funds (as long as they are funded separately). The answer to that question, and more, may take the form of pilot projects where new concepts are tested, trust is developed, and the stage is set for further innovations that will continue the evolution to expanded partnering opportunities and improved product support..

ANALYTICAL TOOLS IPT UPDATE

Mr. John Boyce, ODASD(MR) and Mr. Bill Kobren, DAU

The Analytical Tools IPT completed construction of the Analytical Tools Repository hosted on the DAU website <https://acc.dau.mil>. Located in the "Product Support Policy, Guidance, and Tools" Acquisition Community Connection (ACC), the Analytical Tools Repository is intended to assist all those associated with developing, implementing, and executing product support for DoD weapon systems. Across the DoD there are numerous tools being used to make product support decisions. This repository provides a single location for practitioners to obtain insight into applications to help them with their job. It provides a description of the tool, the Integrated Product Support Element and the processes it supports, the Service(s) using the tool, and the point of contact for additional information on the application. It is intended to be a "living" repository that is continuously updated and improved upon by contributions from the Logistics, PM, Systems Engineering, and other communities, as well as our industry counterparts.



OPERATING AND SUPPORT COST MANAGEMENT GUIDEBOOK

By Mr. Joseph "Colt" Murphy

The Product Support Assessment Team (PSAT) Operating and Support (O&S) Cost Management Sub-Integrated Product Team (IPT) made up of a variety of subject matter experts across DoD, has been developing the Operating and Support (O&S) Cost Management Guidebook for the past twelve months. In accordance with the Weapon System Acquisition Reform – Product Support Assessment (WSAR-PSA), the PSAT was charged to improve O&S Cost estimates and management across major weapon system life cycles. During the discovery phase of the WSAR-PSA, the PSAT conducted six months of research into logistics, acquisition and cost laws, policies, guides, and practices. Following this phase, the PSAT moved on to developing tools and documenting the interactions and touch points among costs, logistics elements, and operational necessities. Accordingly, the O&S Cost Management Guidebook continues to transition from a repository of O&S Cost information and tools into guidance that provides advice to acquisition, business, and operational professionals.

The Guidebook maps O&S Cost influences across the life cycle. For example, early in the life cycle, design concepts impact the cost drivers that are realized as O&S costs later in the life cycle. In addition, in the early phases, Program, Service, and OSD leadership make decisions that are supported by cost estimates based on analogous cost methods and rudimentary engineering estimates. During later milestone decisions, cost estimates inform leadership based on information derived from actual data obtained through testing and early production activity. These two extremes in fidelity of estimates represent the same information to decision makers: cost and affordability. It is important for those supporting decision makers (e.g. cost estimators, Program Managers, Product Support Managers, Product Support Integrators), as well as the decision makers themselves, to understand the limitations and advantages of each.

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The most important addition to the scope of the Guidebook is the inclusion of a methodology for programs to develop Affordability Targets. The Affordability Target Generation (ATG) methodology should improve the “Affordability as a Requirement” KPP-type metric required by the USD(AT&L) as an element of Better Buying Power and as the DoD instills a culture focused on cost consciousness. This process continues to evolve, and the information contained in the Guidebook continues to be honed as capabilities, knowledge, and processes that currently reside in the Department are fleshed out and documented for use by all Program Offices. The Guidebook continues this “lessons learned” style of describing “how to” for its readers and includes the recently added topic of Should Cost management.

This is an exciting time in the field of O&S Cost management. This Guidebook, along with the concurrent revision to the CAPE O&S Cost Estimating Guide, brings to bare a new tool for leveraging and packaging existing guidance, policies, laws, and best practices. The soon-to-be web enabled feature of the Guidebook also ties it directly to accompanying documents. Furthermore, the web-based nature of the Guidebook allows for near real-time updates and alterations that will enhance the Guidebook and ensure its relevance and currency with the ever-changing requirements, acquisition, and sustainment environments.

SUPPORTABILITY ANALYSIS

By Mr. Bill Kobren, DAU and Mr. Robert Houts, ODASD(MR)

Late last year the Defense Standardization Council (DSC) established a team to examine the need to re-issue MIL-STD-1388. The team concluded that there was no standard approach to identifying the supportability analysis tasks that must be accomplished across a system’s life cycle to provide affordable and effective product support. This year the team recommended that the PSAT develop the required content for a standard DoD-wide supportability analysis approach.

On April 3, 2012 the DSC approved the approach and the recommendation that DoD use the ISO/ASD family of specifications as a foundation for the implementation approach to the extent that it makes sense. The approach centers around documenting the requirements in a guide patterned after the Better Buying Power “Open Systems Architecture/Data Rights Contract Guidebook for Program Managers.” It will include a Request For Proposal and contractual language that should be used in Statements of Work. The initial deliverable will be an all-inclusive Supportability Analysis Guide. Once the content is approved, we will determine the appropriate vehicles (e.g. Defense Acquisition Guide, Supportability Analysis Guide, non-government standard, etc.) for distributing the content to the field.

The ODASD(MR) Staff has developed a notional schedule and team structure to accomplish this task over the next year and will work with Services, Industry, DAU, and the ODASD(Systems Engineering) for representation and support. We will be asking the PSAT Analytical Tools IPT to leverage ongoing efforts by:

- Documenting lessons learned relative to program implementation of supportability analysis.
- Fully understanding the ISO/STEP content shortfalls and their improvement plans.

RESOURCES TO READINESS

By Mr. Jim Farmer, ODASD(MR) and and Mr. Joseph “Colt” Murphy, ODASD(MR)

DoD spends \$132 billion on product support costs¹ across the DoD enterprise each year. Even a small improvement in how Operating & Support resources are allocated could both enhance readiness and yield significant savings to the Department. The Resources to Readiness (R2R) initiative supports an ODASD (Materiel Readiness) 2012-15 strategic focus area: *Consistently Plan For & Achieve Required System Readiness*.

The primary goal of R2R is to demonstrate the relationship between Major Defense Acquisition Program resourcing alternatives and materiel readiness outcomes. An R2R model will improve the analytical capability across the DoD to support resourcing decisions at the program or enterprise level. Near-term objectives for the project include:

- Determining the feasibility of developing a meaningful analytic framework/model to relate resources to readiness;
- Defining alternative approaches (e.g., system, portfolio, enterprise) to develop and manage such a system, considering costs and benefit;
- Recommending the approach most likely to satisfy senior leadership requirements (model/process attributes) and tailoring approaches to best satisfy specific leadership decision support needs; and
- Defining a common R2R lexicon, if feasible.

(¹ The R2R core project team includes representatives from ODASD(MR) and the Cost Analysis and Program Evaluation (CAPE) staff. The team expects to publish an interim progress report on the R2R effort in late summer 2012.)



AN APPLIED APPROACH TO AFFORDABLE SYSTEM OPERATIONAL EFFECTIVENESS AND BETTER BUYING POWER

By Mr. Robert Lamanna, Logistics & Readiness Center, Communications Electronics Command, US Army and Mr. David Franck, S20/30 Supportability Division, Naval Surface Warfare Center, US Navy

While recent DoD policies and guidance make significant strides toward identifying and promoting broad-based Life Cycle Management and Affordable System Operational Effectiveness (ASOE) strategies, practical implementation and institutionalization of these strategies are taking time to mature for a variety of reasons, including:

- Alignment of systems engineering, life cycle product support, programmatic and cost processes and functions;
- Continued segmentation of product design, programmatic and in-service data/information (the traditional “acquisition vs. sustainment”);

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- Divergence between policy requirements and organizational business strategies/investments that inhibits enterprise-wide life cycle process and knowledge management; and
- A lack of human capital competency and proficiency in structured analytics, business intelligence, RAM-C trade studies and life cycle sustainment planning capabilities.

To help accelerate/align broad-based Life Cycle Management activities, The NAVSEA Program Executive Office Integrated Warfare System (PEO IWS), together with the Army CECOM Logistics & Readiness Center, is collaborating on an enterprise Product Lifecycle Management Integrated Data Environment (ePLM-IDE) to promote continuous integrated design, role-based collaboration, knowledge distribution, and RAM-C based Supportability Analyses. This team recognizes that budget challenges require solutions that justify, quantify and distill complex data into a defensible, rational and affordable support strategy. Having a single interactive environment for weapon system data and its supporting systems engineering and product support design are the forcing function that will advance and optimize systems and product support engineering skill sets for iterating ASOE solutions and knowledge across a broader, more cost-conscious, outcome-oriented personnel base.

The ePLM-IDE capabilities bridge the policy implementation gap by:

- Bringing together professionals in normally segmented functional areas into a single environment;
- Implementing the Integrated Product Support Element (PSE), Life Cycle Sustainment Planning and Business Case Analysis frameworks to address the programmatic requirements of legislative and DoD Acquisition, Life Cycle Management, and Reliability Engineering mandates;
- Processing design engineering, product support engineering and field feedback signals to deliver traceable decisions; and
- Establishing, tracking and modifying product data and their support packages to proactively and affordably adapt to changing Warfighter requirements; and enhancing decision support for Program Managers (PM's), Product Support Managers (PSM's), Product Support Integrators (PSI's), and Product Support Providers (PSP's).

ePLM-IDE is a data-driven approach for performing those critical trade-offs to achieve life cycle and ASOE objectives. It focuses on key business, design and sustainment processes and analytics; establishing core statistical relationships between program functions, design, reliability and risk allocations in a closed-loop systems engineering approach. It has tools for investigating trigger events and developing affordable approaches to capturing, prioritizing, acquiring, and sustaining Warfighter capability.

Programs must work collectively to take back their data management role by refortifying their systems engineering process, modeling and simulation activities, test and evaluation strategies and life cycle product support strategy tradeoff capabilities. This Navy/Army team recognizes that investing in an enterprise product life cycle integrated data environment provides the processes and tools for people to work within an “*enabling environment*” every day to continually support the operational and materiel readiness upon which our Warfighters rely.

HONEYWELL ENTERPRISE PBL PILOT BCA STATUS UPDATE

By Ms. Jillian T. Watson, DLA/J35 PBL Program Office

This article provides conceptual background on Enterprise PBL as a business model, provides an update on the efforts on the pilot BCA, and offers a few lessons learned for other BCA teams. The Honeywell Enterprise PBL Business Case Analysis (BCA) is part of a pilot effort initiated by DLA in response to the need to identify areas where efficiencies could be generated across the DoD to achieve cost savings while meeting Warfighter performance requirements. An Enterprise PBL is a product support strategy that unifies support for components across weapon systems and Service boundaries, defining performance objectives that must be delivered by the PBL provider. The logic behind an Enterprise PBL as a business model is that it would rationalize the number of contract arrangements with providers, unifying existing PBL contracts and traditional repair and supply support contracts on a single vehicle, eliminating duplicative contract and program administration costs for like and similar items, as well as allowing providers the opportunity to leverage investments in support processes across similar items, saving additional costs. In addition to streamlining contracting, Enterprise PBLs will unify support across the DoD enterprise and improve commonality across the Services.

Industry experts and analysts estimate that unifying support requirements into this type of arrangement can provide between 10 percent and 20 percent savings to the DoD. That sounds like an attractive level of savings, but the DoD needs to validate this number with some analytical rigor. To that end, DLA is leading a Joint BCA IPT to evaluate the actual potential for savings. The team includes representatives from NAVSUP WSS, AMCOM, AFGLSC, NAVAIR, DLA Aviation, and DLA/J35. The ODASD(MR) and JS/J4 Maintenance Division serve as the impartial observers for the effort. Over the last year, the team has identified the scope of the effort, identified key ground rules and assumptions, and began gathering cost and usage data. Completion of the cost estimation, risk and sensitivity analysis is expected in the next three months, with outbriefs of the recommendations to the Joint Logistics Board by July 2012.

While a year sounds like a long time for BCA data gathering, ask anyone who has been tasked with accomplishing a BCA how much time it takes. Now add in the complexity of informing stakeholders across all Services and DLA, as well as working through different support concepts for these items, and you'll begin to see why this effort has taken such a long duration of time.

We also identified two lessons learned through our efforts. First, it takes a great deal of early coordination to ensure stakeholders understand the effort at hand. In our pilot, there were program managers and inventory control points in the Army, Navy and Air Force, and we needed to coordinate with each of them and their chains of command. It took us six months to get all the stakeholders to agree to participate in this effort and begin to share data. Transparency and open communication across organizations was essential to accomplishing this task.

Equally important to understanding and informing stakeholders is the willingness to adapt and adjust direction in response to information learned during the BCA process. This is an iterative process, as we have learned. As much as we would like for the process (as detailed in the OSD BCA Guidebook) to be a one-time movement through each step, the fact is that information learned during later stages of the analysis may require that early steps be revisited in your analysis, even going back as far as rebuilding the basic ground rules or the structure of a COA.

Bottom line on BCAs: Good analysis is iterative in nature, takes an investment of time, and patience. I hope this update has offered a few tips, and I look forward to sharing the outcome of our BCA efforts with you in a future edition of the PSEC newsletter.