



# *Resources to Readiness Overview*



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**DRAFT May 17, 2012**



# Introduction

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- Resources to Readiness (R2R) Problem Statement
- Near Term Objectives
- R2R Framework and Taxonomy Discussion
- Potential Life Cycle Applications
- Thoughts on Way Forward



# Resources to Readiness (R2R) Problem



- ❑ **DoD does not effectively link resources to materiel readiness outcomes.**
- ❑ **GAO and Industry reports over thirty years highlight key elements of solution:**
  - Coordination between Service efforts
  - Better definition and measures of materiel readiness
  - Explicit consideration of readiness effects in funding tradeoffs
  - Improved management information for decision-making
  - Clear quantitative basis for readiness projections
- ❑ **The right tools, data and methods will enable more informed resource decisions that optimize readiness.**

**The Resources-to-Readiness issue affects virtually every level of decision making across the Department of Defense.**



# Near Term Objectives

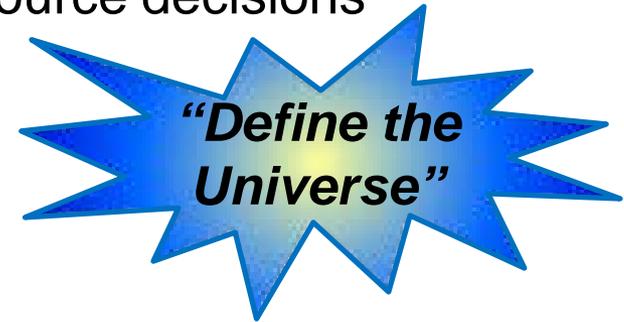
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## Develop R2R Framework

- Identify drivers affecting materiel readiness and life cycle costs
- Define readiness requirements and resource decisions

## Establish Common Lexicon

## Build long-term roadmap



## Considerations:

## Consistent Lexicon Serves as Foundation

- Readiness is concern of almost all defense management functions, but each has different interests in mind in its decision making.
- Inconsistent definitions of resources and readiness both within and across the Services

## Issues/Decisions Depend on Organizational Level

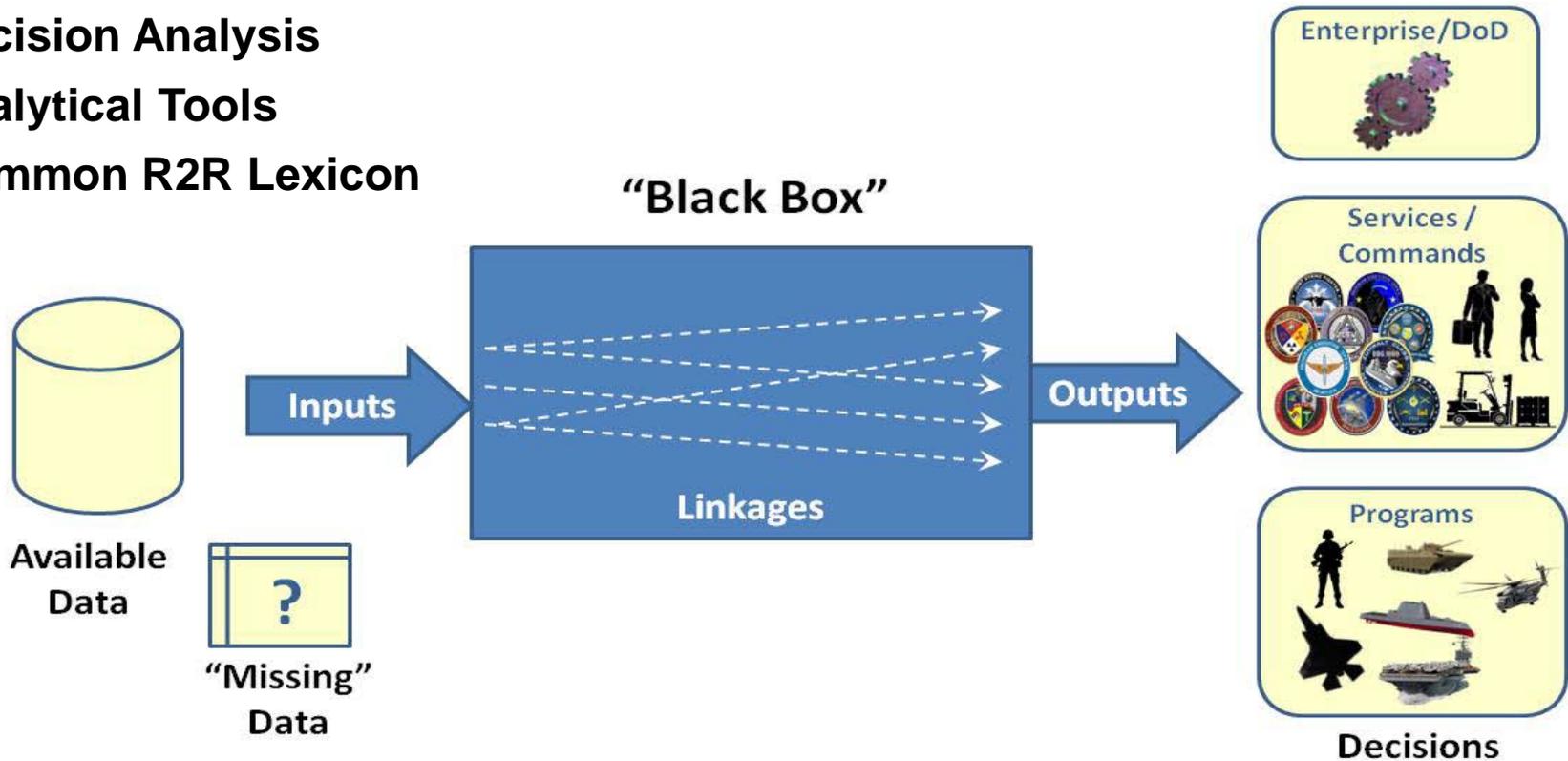
- System
- Portfolio
- Enterprise



# Preliminary R2R Framework

## Pillars of the R2R Framework

- Data Collection and Reporting Systems
- Decision Analysis
- Analytical Tools
- Common R2R Lexicon

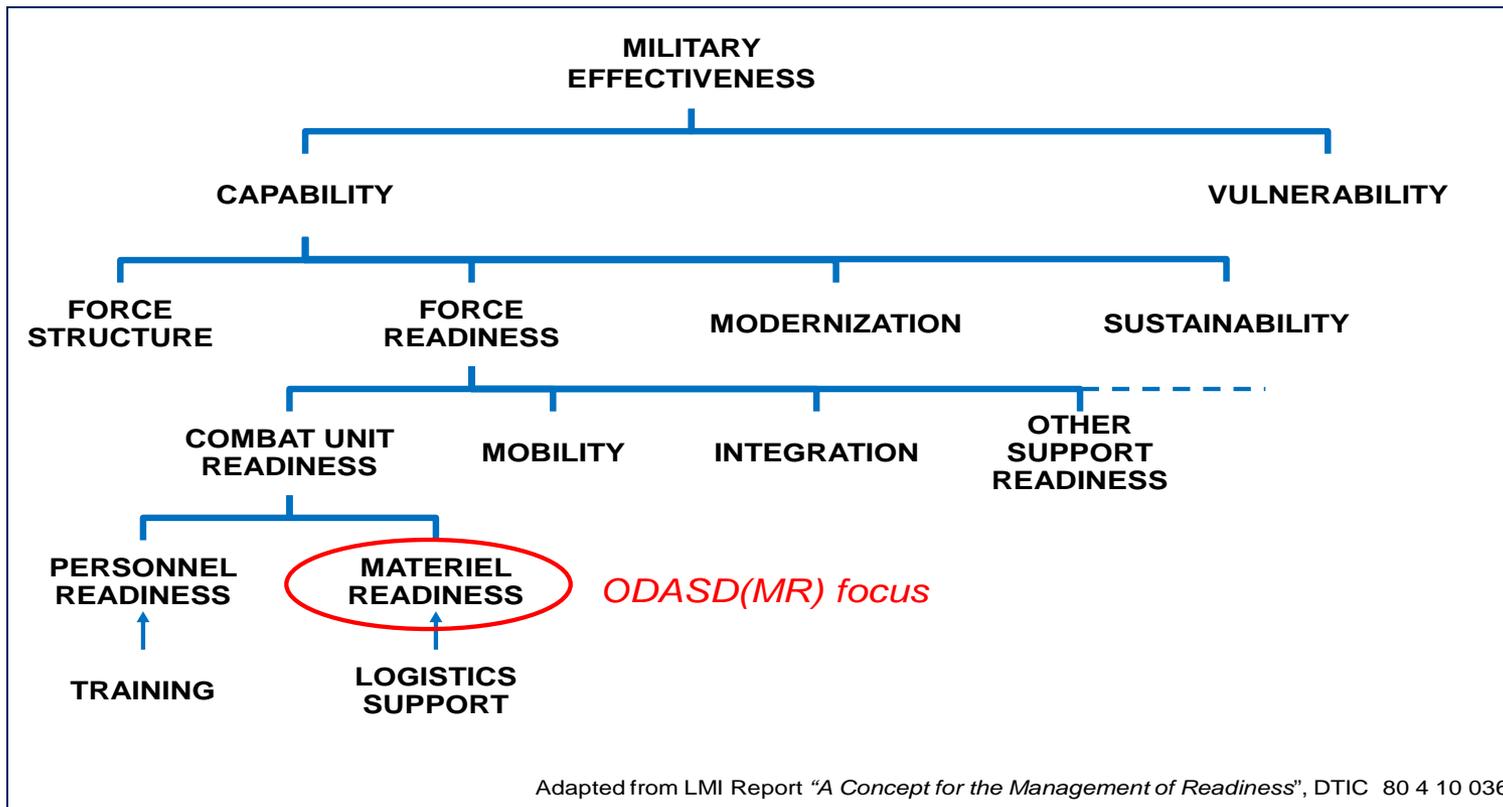


**The framework must start with the decision-maker... what decisions are we trying to make?**



# Readiness Taxonomy (Notional)

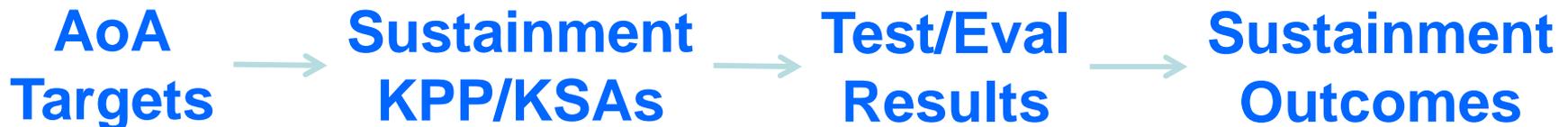
- ❑ “Readiness” can be defined in many ways depending on the level and nature of what is being managed and the decision at hand.
- ❑ Materiel Availability is one of many factors that comprise Force Readiness.





# Application: Life Cycle Modeling

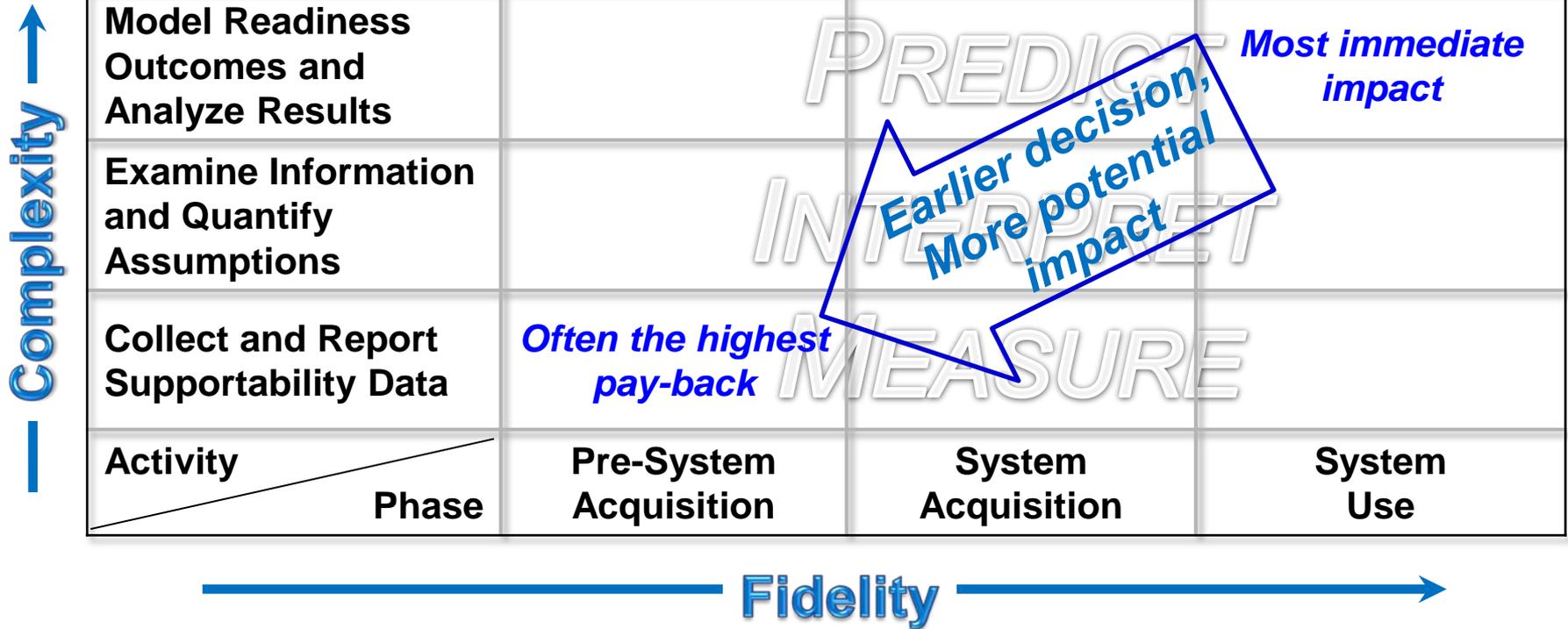
- ❑ Aligning resources to readiness outcomes begins with establishing and employing a life cycle modeling and simulation (M&S) capability
- ❑ M&S based on empirical data to predict balance of program resources across RDT&E, Procurement, MILCON, and O&M accounts to achieve materiel readiness outcomes at best cost
- ❑ Establish M&S in concept phase, validate throughout design development, and apply to integrate budget lines toward materiel readiness outcomes
- ❑ Once validated, weapon system budgets should reflect life cycle M&S resource-to-outcome sensitivities/tradeoffs



*Fundamental relationships stay the same as the program matures ... our knowledge increases and therefore so does the accuracy of our models.*



# R2R Application Across the Life Cycle



*The simplest models often have the most impact when used early in programs to set targets, shape requirements and influence design.*



# Long-Term Objectives

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- ❑ **Identify and model drivers affecting materiel readiness and total ownership costs**
- ❑ **Model solutions, investment options, and scenarios that optimize resource allocations to deliver:**
  - Enhanced combat capability
  - Improvements in material availability
  - Viable modernization and sustainment
  - Reductions in total ownership cost
  - Best return on investment
- ❑ **Recommend strategies to achieve greatest collective benefits within constraints, balancing resources and readiness across department**



# For the PSM...

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- Understand the true state of readiness on programs...**
  - Model Availability (Am and Ao) and O&S Cost during all phases (Materiel Solution Analysis, TD, EMD, P&D, O&S).
  - Consider time dependencies (investment / lack of investment vs. result – lead/lag time depending on where investment is made/cut).
  - “Tip of the spear” and pipeline problems impact readiness.
- Endeavor to share results, models and lessons learned.**



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# Questions / Discussion