



Public-Private Partnering

Presentation to the PSM Conference

May 5th, 2012

Leverage the best of public and private core competencies to improve the sustainment of DoD warfighting capabilities

What Is a PPP?

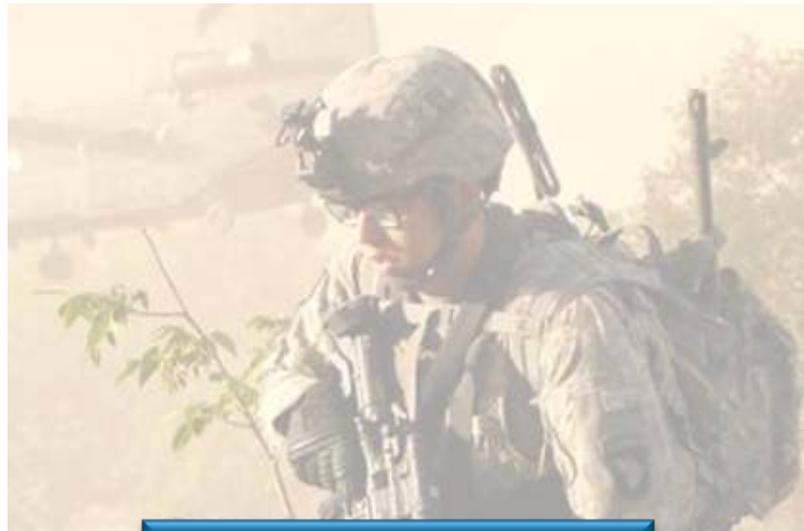
- ◆ A public-private partnership is defined by DoD as
 - a *cooperative arrangement* between an organic product support provider and one or more private-sector entities
 - to perform *defense-related work*, utilize DoD facilities and equipment, or both.
- ◆ Other government organizations, such as program offices, inventory control points, and sustainment commands, may be parties to such agreements
- ◆ Objective of PPP for Sustainment:
 - optimize total system availability
 - ...while minimizing cost and logistics footprint



Why Partner?

Industry Wins

Business Growth
Link to Warfighter
Defensive Business
Position
Customer Teaming



DoD Wins

Supply Chain
Management
Expanded Technical
Service
Technology Insertion
Best Business Practices

Warfighter Wins

Improved Availability
Improved Time on Wing
Reduced Backorders
Reduced Cost of Ownership



We're Not Confused About Why We're Here - It's All About The Warfighter. The Less We Consume, The More There Is For Them!



Benefits of Partnering

DoD Program Manager:

- Avoid Investments in Duplicative Capabilities
- Permit Single-Point Accountability
- Compliance to Statutory Constraints

Warfighter:

- Improved Logistical Support
- Improved Responsiveness
- Technology Infusion
- Increased Reliability

Industry:

- Access to Process Permits
- Minimize Process Flows
- Long-term Agreements
- Avoid Investment in Duplicative Capabilities

Organic Depots:

- Technology Infusion
- Preserve Skilled Workforce
- Enhance Operating Efficiency
- Access to Technical Support
- New Investments

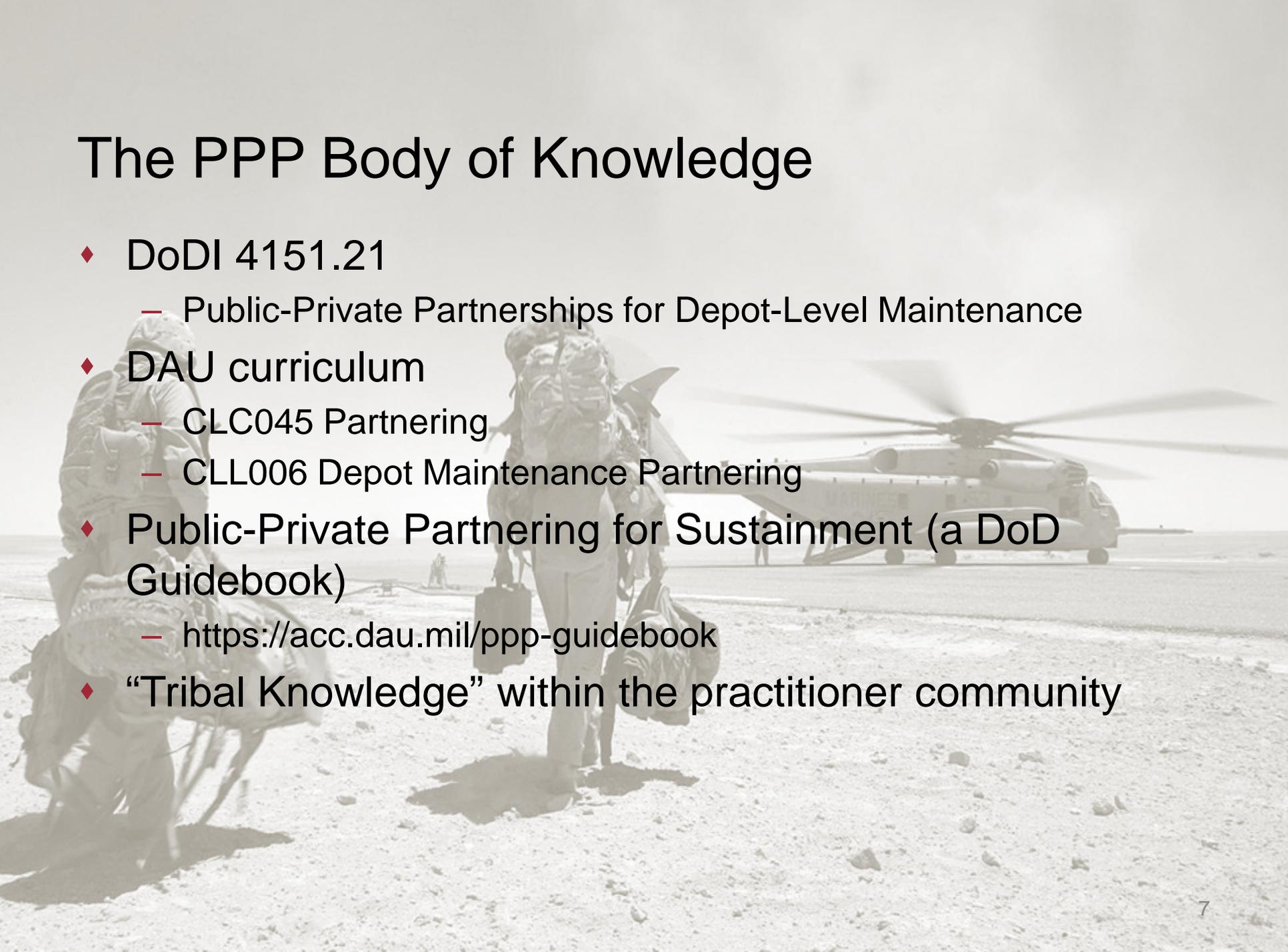
Key Attributes for Success

- ◆ Synchronized contract, partnership agreement, implementation agreements
 - ◆ Clarity
 - Accountability, responsibility, and authority
 - Expectations/behaviors
 - ◆ “Win-Win” Structure
 - Balanced risk-reward relationships
 - Incentivized performance
 - ◆ Metrics
 - Warfighter, Program, and Department requirements to implementation/execution
 - ◆ Transparency
 - ◆ Integrated processes and operations
 - ◆ Strengths leveraged, weaknesses mitigated
 - ◆ Both short and long-term focus
 - ◆ Stability, flexibility, and agility
 - ◆ Commitment to cooperation and mutual support
 - ◆ Structured conflict resolution mechanism
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Authority to Partner

- ◆ Title 10 USC 2474 (also see 2460, 2464, 2466)
 - Secretary concerned shall ...designate Center of Industrial Excellence (CITE)s...and reengineer industrial processes & best business practices...establish PPPs to accomplish this ...
- ◆ OSD (OSD Memo, 30 Jan 02)
 - “Public-private partnerships in their many forms shall be pursued to the extent that they are authorized by law or regulation ...”

The PPP Body of Knowledge

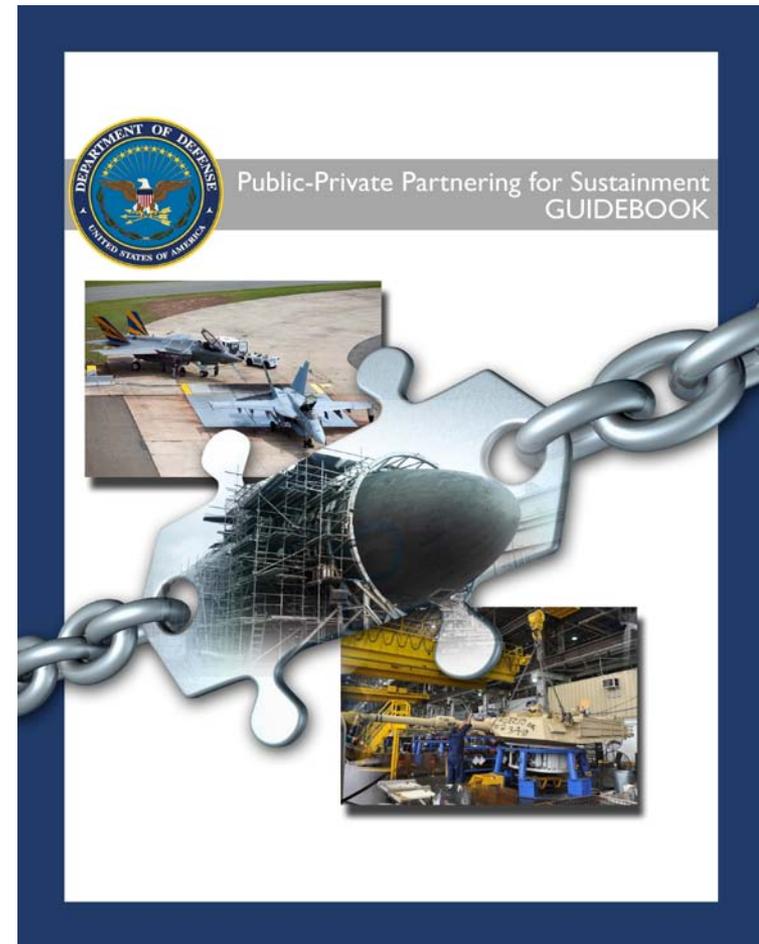
The background of the slide is a faded, grayscale image of a desert environment. In the foreground, two soldiers are visible, one on the left and one in the center, both wearing heavy gear and carrying large backpacks. In the middle ground, a large military helicopter is parked on a flat, sandy surface. The overall scene suggests a military or logistical operation in a remote, arid location.

- ◆ DoDI 4151.21
 - Public-Private Partnerships for Depot-Level Maintenance
- ◆ DAU curriculum
 - CLC045 Partnering
 - CLL006 Depot Maintenance Partnering
- ◆ Public-Private Partnering for Sustainment (a DoD Guidebook)
 - <https://acc.dau.mil/ppp-guidebook>
- ◆ “Tribal Knowledge” within the practitioner community



DoD Partnering Guide

- ◆ Issued February 1, 2012
- ◆ Available at <https://acc.dau.mil/ppp-guidebook>
- ◆ Useful Information
 - Definitions
 - References
 - Concepts
 - Case Studies
- ◆ Broadens applications to all PSEs
- ◆ First update begins this summer (need feedback!)



Partnering Workshops

- ◆ AIA Fall Product Support Conference
Charleston, SC
 - Identify expansion opportunities October 29-31

- ◆ DoD Maintenance Symposium Grand Rapids, MI
 - Design approaches and solutions November 13-16