

CALL FOR ENTRIES

AWARD FOR EXCELLENCE IN SUPPLY CHAIN OPERATIONS



LOGISTICS



Logistics is America's strategic advantage to deter and decisively defeat our adversaries. New threats to our national security demand that we transform logistics to project and sustain dominant power. The transformational roadmap to more reliable, agile, and responsive defense logistics program focuses on using commercial best practices and innovative approaches to significantly improve the reliability, flexibility, and responsiveness of the defense supply chain and advance the Department of Defense's overall supply chain management (SCM).

World-class supply chains align supply operations and business objectives. SCM involves the end-to-end management of products and services, from the origination of raw materials at the supplier's supplier through the functional areas and processes of your organization to the end user of the product or service—the customer's customer, or the warfighter in the case of DoD. To recognize organizations that excel in this arena, the Assistant Secretary of Defense for Logistics and Materiel Readiness [ASD (L&MR)] Supply Chain Integration Office partnered with the Supply-Chain Council and the National Defense Industry Association (NDIA) to present the Supply Chain Excellence

awards. The annual Award for Supply Chain Operational Excellence spotlights a superlative DoD organization that has

- recognized the critical role supply chain performance plays in reaching organizational goals,
- committed to optimizing their supply chain performance, and
- demonstrated this commitment through the implementation of supply chain improvement projects.

The purpose of the Supply Chain Excellence award program is to encourage the continuous advancement of the supply chain management body of knowledge and the sharing of that information among organizations. It formalizes the cross industry collaboration that has been the guiding principle of the Supply Chain Council since its inception. The award process also accelerates the dissemination of lessons learned, best practices, and technology that has proven to deliver positive business results for these leading organizations.



PRESENTATION CEREMONY

The Supply-Chain Council presents five awards annually:

- 1 and 2. Awards for Supply Chain Operational Excellence (one commercial and one DoD)
3. Award for Supply Chain Academic Excellence
4. Award for Supply Chain Management Technology Excellence
5. Global Award for Supply Chain Excellence.

RECOGNITION

THE AWARDS

DoD organizations are eligible for the Award for Supply Chain Operational Excellence, which is presented to an organization that operates significant components of a supply chain and has demonstrated excellence in design, operation, or improvement of that supply chain.

The DoD winner of the Award for Supply Chain Operational Excellence will then compete against the other three award winners for the Global Award for Supply Chain Excellence, which is given to the organization deemed



to have made the greatest contribution to demonstrating or advancing the supply chain management body of knowledge within the last year through an implementation activity, research, product or methodology development, or academic research.

The awards are bestowed based on the evaluation score sheet (included here), which captures

1. accurate demonstration of SCOR model implementation,
2. the nature and the complexity of the project undertaken,
3. the submitter's ability to objectively demonstrate the value of the project, and
4. the submitter's ability to characterize the project and effectively communicate its significance to others.

The DoD award will be presented along with the award trophy at the NDIA conference in March 2012; and the winners will be recognized during an upcoming Supply Chain Council event. Winning supply chain partners will receive a certificate of achievement and plaques adorned with the Supply Chain Excellence Award logo. In addition, press releases will be submitted to the appropriate trade and news publications. The Supply Chain Council intends to publish the submissions and publicize the awards. We therefore request submitting organizations not provide any proprietary or classified information. Organizations should also be advised that questions may be directed to designated points of contact to clarify submissions.

LAST YEAR'S SCOR AWARD WINNER

LAST YEAR'S WINNER—2010

The 2010 Department of Defense Award for Supply Chain Operational Excellence was won by the U.S. Air Force Global Logistics Support Center.

Maj Gen Gary T. McCoy, Air Force Global Logistics Support Center's (AFGLSC) Commander, declared a "War on Lack of Parts" at Air Force Depots. From this vision the AFGLSC initiated multiple actions to drive improvements in supply support. The Change Management, Diminishing Manufacturing Sources and Materiel Shortages (DMSMS), KC-135 Flight Control Overhaul, Real Time to Failure Initiative and Engine Analysis Initiative Teams developed processes to identify enterprise-wide supply chain opportunities in order to significantly improve the performance of DOD-wide distribution processes. The teams overcame cross-functional and IT disconnects to combat parts non-availability caused by erratic demand patterns. Collaborative teams were formed to understand the relationship between actual and projected flying hours, how historic data develops production forecasts, and unique Air Force challenges. AFGLSC drove significant improvements in supply support to depot maintenance, generating \$210 million in cost avoidance while increasing aircraft availability, and reducing the need to purchase \$3.5 million in parts by proactively addressing potential diminishing manufacturing sources. This effort specifically raised KC-135 engine production from 4-5 per month to 8-11 per month and proactively resolved 23,000 cases leading to a 500% decrease in reported problem parts.





ELIGIBILITY

SUBMISSIONS

The submission deadline for the awards program is February 15, 2012. Deadline extensions for the DoD award nominations will not be routinely granted and must be approved by ASD (L&MR).

ELIGIBILITY

The award is open to all DoD organizations.

COMPETITIVE PERIOD

Submissions will be accepted for activities from the 12-month calendar year (January 1, 2011–December 31, 2011) following the last award period.

NUMBER OF SUBMISSIONS

Each organization may submit up to two entries per location.

SUBMISSION DEADLINE

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SELECTION PROCEDURES

The Supply Chain Council and ASD (L&MR) will appoint an awards committee to review and select winners in each award category.

WHERE TO SUBMIT

Please mail the completed submission information outlined in the “Contents of Submission Packages” section to:

Office of the Deputy Assistant Secretary of Defense
(Supply Chain Integration)

Attention: Supply Chain Award Nomination
3500 Defense Pentagon, Room 1E518
Washington, DC 20301-3500

Contact Col Richard Peterson with questions by phone: 703-604-0098 x132; or e-mail: richard.peterson@osd.mil.

Visit the Supply Chain Council’s website at www.supply-chain.org for more information.

EVALUATION SCORE SHEET



SCORING

SECTION 1 - General Information and project complexity (20 points)

1. Provide the name of the submitting organization (corporation, service, etc.).
2. Identify the responding organizational unit (site, function, etc.)
3. Provide a brief mission description of the overall business objectives, product lines, and mission of the organization.
4. Indicate the award category of submission (operations, academic, technology) winners in these categories will automatically advance to Global Award for Supply Chain Excellence.
5. Provide a brief description of the supply chain and the processes the submission spans (Plan, Source, Make, Deliver, Return, etc.). (10 points)
6. Provide the names of the supply chain partner organizations (external) involved in the project. Indicate the number of people involved from each partner organization and the functional category of each. (5 points)
7. Provide the names of the functional organizations (internal) involved in the project. Indicate the number of people involved from each functional organization and the functional category of each. (5 points)
8. Provide a point of contact for each supply chain partner (name, mailing address, commercial telephone number, DSN, and email address).

SECTION 2 - Implementation (70 Points)

1. Explain why the supply chain initiative was undertaken and how it was selected. (5 points)
2. Indicate the duration of the project. Note if the project was a pilot that is being rolled out. Note if the project is ongoing or still in development. (5 points)
3. Describe, in detail, the process used to complete the initiative. (15 points)

4. Identify significant challenges encountered, the process for resolution, and the solutions. Identify any best practices employed or developed. (10 points)
5. Indicate the metrics used to measure progress and success. (5 points)
6. Document and quantify cost and performance benefits, including the project's return on investment and changes in the value of one or more of the SCOR Level 1 metrics (not all metrics must be captured or reported.) (15 points)
7. Outline how the success of this effort supports the organizational objectives described in Section 1, Item 3. (15 points)

SECTION 3 - Knowledge Transfer (10 points)

1. Describe the efforts to share lessons from this effort with other internal organizations. (5 points.)
2. Explain how this initiative can be transferred to other organizations, and specify the likely candidates for transference. (5 points)

SCOR Level 1 Metrics

Supply Chain Delivery Reliability	Perfect order Fulfilment
Supply Chain Responsiveness	Order Fulfillment Cycle Time
Supply Chain Agility	Supply Chain Flexibility; Supply Chain Upside/Downside Adaptability
Supply Chain Cost	Supply Chain Management Cost; Cost of Goods Sold
Supply Chain Assets	Cash-to-Cash Cycle Time; Return on Supply Chain Fixed Assets; Return on Working Capital



CONTENTS OF SUBMISSION PACKAGES

Previous award winners have successfully focused on supply chain projects as opposed to logistics initiatives. This should not prevent complex, multiple-year programs from being submitted for consideration; but particular attention should be paid to identifying concrete and measurable improvements. Projects that have won a previous Supply Chain Excellence award will not be considered. All submissions should be submitted in Microsoft Word format. Submissions should include two hard copies (paper) and one electronic copy on a CD. Executive summaries (1–2 pages) of the award submission are required. Submissions should clearly identify the title of the submitted project.

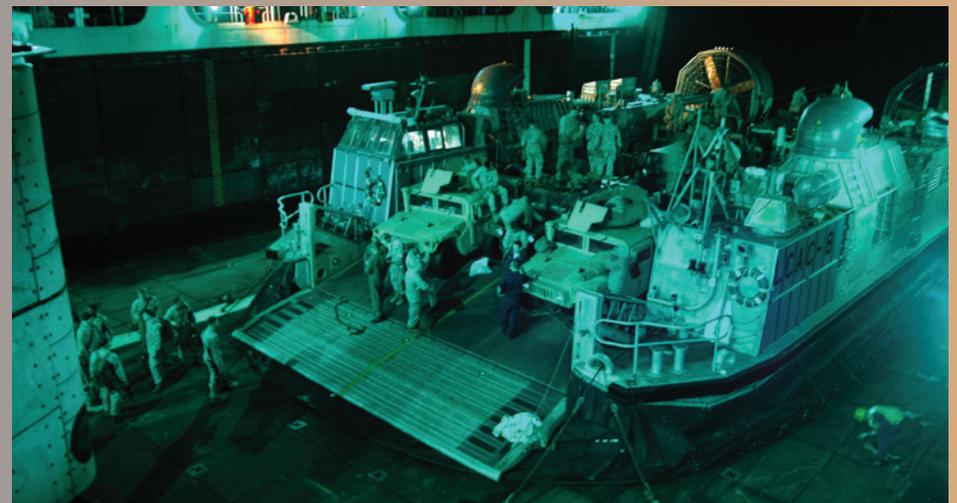
Each submission should be accompanied by a cover letter—signed by a Senior Executive Services member or General Officer/Flag Officer in the organization—that identifies the project, the submitting organization, and a single point of contact (including address, phone number, and e-mail address) for the package. The cover letter should also explicitly state whether the package can be made publicly available. It is customary practice to post award nominations on a public website hosted by the Supply Chain Council. For submissions that cannot be publicized, ASD (L&MR) requests a sanitized version of the package to be posted on the Supply Chain Council public website.

Each submission must address the categories in the Evaluation Score Sheet in the order they appear. Successful organizations have responded to each required submission element clearly and sequentially. Videotapes, 35mm slides, and films will not be accepted. Submissions must not contain proprietary or classified information.

Submitting organizations are encouraged to use the language and definitions documented in the Supply Chain Council’s SCOR model. Conformance to that language is required. Experience has shown that the use of the “standard” language reduces ambiguity and confusion in descriptions of supply chain operations. Conformance to the council measurements (Section 2, Item 6) is required. More information on the SCOR model is available at www.supply-chain.org.

PROPERTY

All submissions will become the property of the Supply Chain Council and may be posted on its website (www.supply-chain.org).





Office of the Deputy Assistant Secretary of Defense
(Supply Chain Integration)
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Washington, DC 20301-3500