Welcome to Oversight and Review

This lesson addresses the various external influences and their inputs that are likely to affect the product support strategy. A variety of organizations outside of the program office can play a significant role influencing and shaping the details of the final product support strategy.

As the LCL you must be familiar with the authority and purpose each of these external influences brings to the acquisition process, and specifically, the product support strategy. Your ability to integrate the concerns of these external forces will help the PM develop a product support strategy that assures supportability and sustainability that is acceptable to all stakeholders.

Objectives

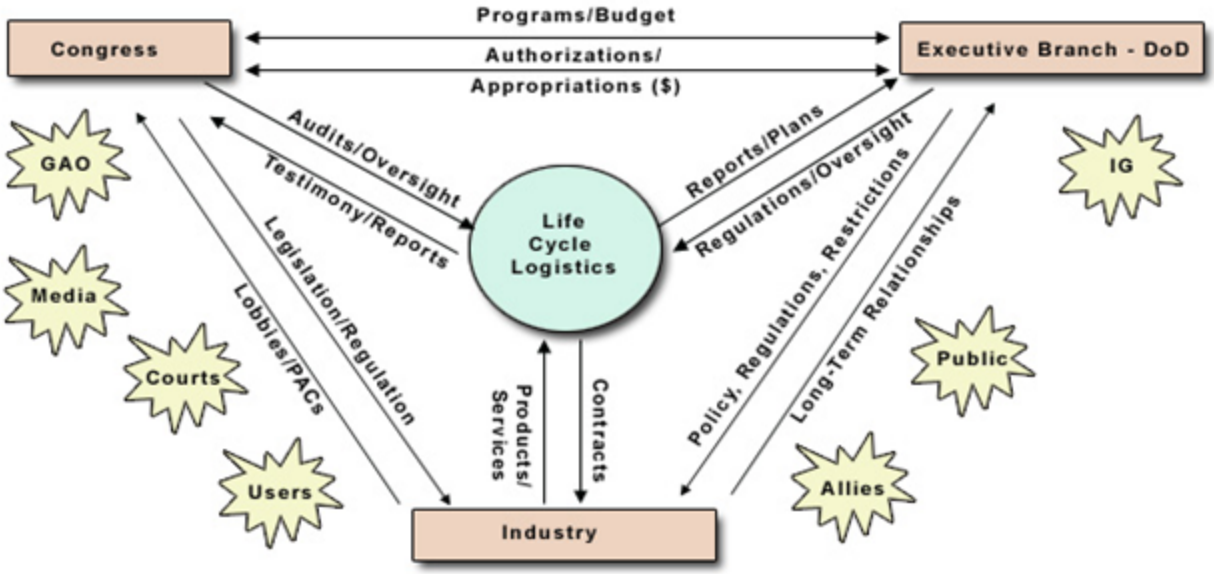
Upon completion of this lesson, you will be able to:

- Identify the various roles that external organizations play in an initial product support strategy.
- Identify the key elements of the product support strategy.
- List the guidelines the LCL should consider when developing the initial product support strategy.
- Recognize the principle of continuous process improvement as it pertains to the product support strategy.
- Identify risk management and contracting strategies as they pertain to the product support strategy.

This lesson will provide you with information regarding the LCL's role in oversight and review associated with developing the initial product support strategy.

External Influences

There are numerous external factors that impact and help shape every product support strategy, creating an environment over which no single person or organization has complete control or autonomy. The LCL must deal with many factors including policies, decisions, reactions, emergencies, the media, public sentiment, emotions, world opinion, and the ever present (and changing) threats to national security.



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Long Description

Representation of the external influences on the life cycle logistician (LCL). At the center of the picture is the life cycle logistician. Congress, Executive Branch – DoD, and Industry are located at the vertices of a large inverted triangle surrounding the LCL. Other influences are located outside the triangle: GAO, Media, Courts, Users, IG, Public, and Allies.

There are three arrows emanating from the life cycle logistician indicating that: (1) Testimony/ reports go to Congress, (2) Reports/ plans go to the Executive Branch – DoD, and (3) Contracts go to Industry. An arrow from Congress to the LCL indicates Audits/ Oversight. An arrow from the Executive Branch – DoD to the LCL indicates Regulations/Oversight. An arrow from Industry to the LCL indicates Products/ Services.

The vertices are also connected: Congress and the Executive Branch – DoD exchange Authorizations and Appropriations. Congress provides Legislation/ Regulation to Industry; Industry provides Lobbies/ PACs to Congress. The Executive Branch – DoD provides Policy, Regulation, and Restrictions to Industry; Industry provides Long-Term Relationships to the Executive Branch – DoD.

Congressional Oversight of DoD Acquisitions

In addition to the existing laws found in Title 10, United States Code, Congress takes actions each year that impact DoD weapon systems and equipment acquisitions. Most important of these is the passage of the annual National Defense Authorization Act (NDAA). This Act authorizes funding:

- For DoD military activities, military construction, and Department of Energy defense activities.
- To prescribe personnel strengths for each fiscal year for the armed forces.
- To reform acquisition laws and information technology management of the federal government.

Provisions approved within the NDAA may have significant impact on an LCL's product support strategy planning. For example, Congress may:

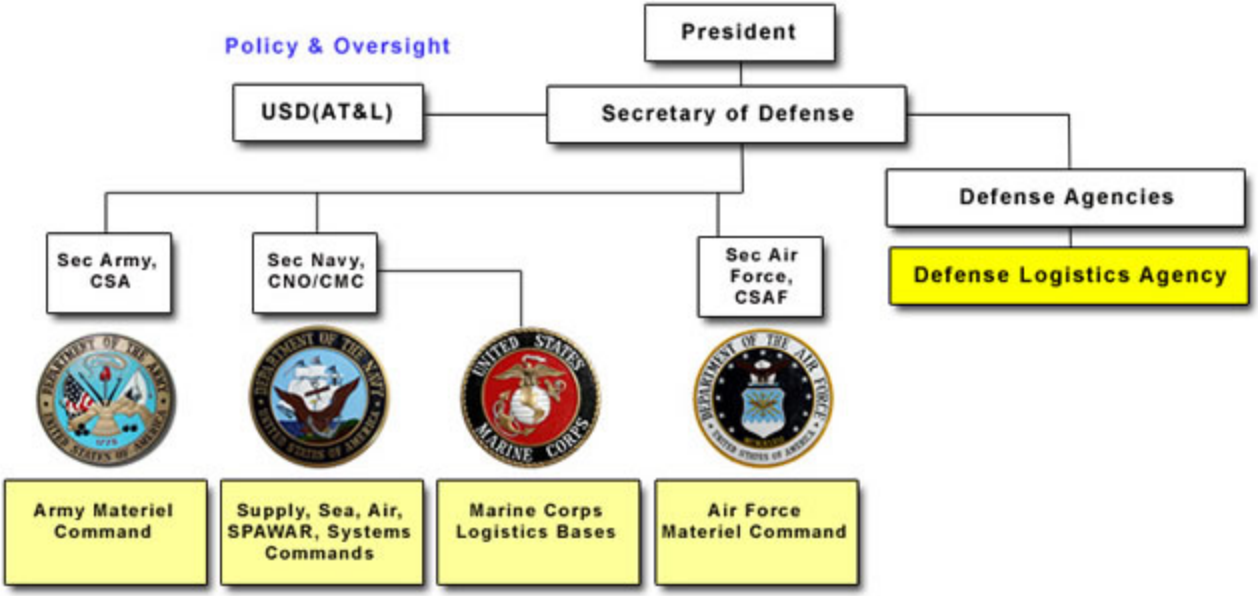
- Reduce or modify weapon system or equipment funding.
- Place program requirements, restrictions, and limitations on DoD acquisitions.
- Revise personnel levels, change organizational arrangements or modify organizational responsibilities.
- Require various reports prior to approving acquisition action.
- Modify contracting and procurement regulations.
- Require greater competition in contracting or use of different production sources.

LCLs must maintain full awareness of Congressional mandates or requirements that may impact their product support strategy planning.

Input from the Office of the Secretary of Defense OSD and the Military Services

LCLs within program management offices in the Military Services receive policy, procedural and financial guidance from the Office of the Secretary of Defense through their respective Service Secretaries and Military Chiefs.

The Secretary of Defense (SECDEF) is the principal defense policy adviser to the President. The SECDEF is responsible for the formulation of general defense policy including logistics support and for the execution of approved policy. Additionally, the SECDEF exercises direction, authority, and control over all DoD activities.



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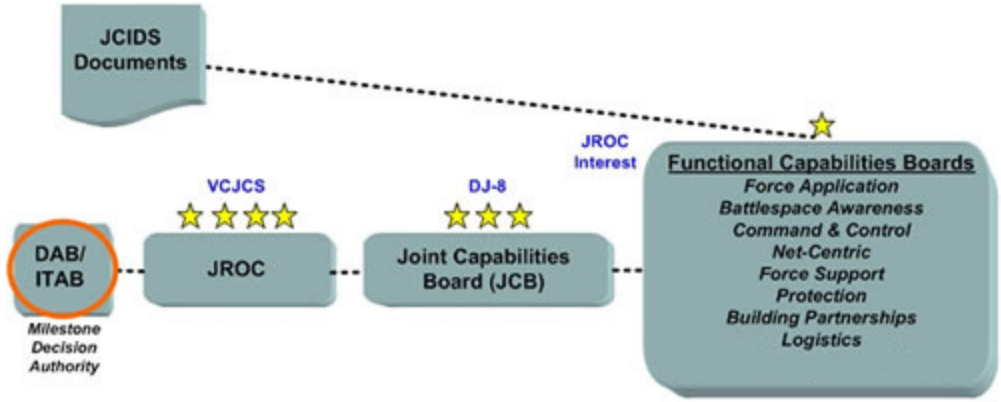
Long Description

An organizational chart showing the relationships of OSD and the Military Services. At the top of the chart is a box representing the President. Below and connected to the President is the Secretary of Defense. The Defense Agencies, such as the Defense Logistics Agency, report to the Secretary of Defense. So, too, does the USD (AT&L), which together with the Secretary of Defense, provides policy and oversight to the Secretary of the Army and CSA (including the Army Materiel Command), the Secretary of the Navy and the CNO (which in turn provides guidance to Supply, Sea, Air, SPAWAR, and the System Commands) and CMC (which in turn provides guidance to the Marine Corps Logistics Command), and the Secretary of the Air Force and CSAF (which in turn provides guidance to the Air Force Materiel Command).

Role of the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD (AT&L))

The USD (AT&L) maintains oversight of DoD product support strategy planning through periodic Defense Acquisition Board (DAB) reviews. The DAB's reviews of product support plans focuses on:

- Bringing joint capabilities perspective to DoD logistics by:
  - Conducting senior leadership reviews for each element of the logistics area
  - Re-structuring programs to enforce results of senior leadership reviews of logistics resources
  - Transitioning from "system focused" to "capabilities-based" reviews
- Increasing the accuracy and credibility of life cycle cost estimates
- Shortening logistics cycle times by:
  - Increasing the use of evolutionary acquisition
  - Maximizing the use of mature and commercial technology
  - Expanding the use of Joint Capability Technology Demonstrations (JCTDs)



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Long Description

Flow chart depicting how relevant organizations interrelate:

1. JCIDS documents are inputs to and outputs from nine Functional Capabilities Boards. Boards are Force Application, Battle space Awareness, Command and Control, Net-Centric, Force Support, Protection, Building Partnerships and Logistics. The Boards are chaired by one-star General/Flag Officers from the Joint Staff, in related functional areas
2. Functional Capabilities Boards feed information to the Joint Capabilities Board (JCB) which is where JROC interest begins. The JCB is chaired by the Director, J-8 (Force Structure, Resources, and Assessment), a three-star General/ Flag Officer.
3. JCB passes information to the JROC. The JROC is chaired by the Vice Chairman of the Joint Chiefs of Staff, a four-star General/ Flag Officer.

JROC turns to the Defense Acquisition Board (DAB) and/ or the IT Acquisition Board (ITAB) as the Milestone Decision Authority. The DAB/ITAB step is circled.

Role of the USD (AT&L), Cont.

Here are some additional items the USD AT&L will focus on during reviews of product support plans:

- Resourcing joint warfighting capabilities (linking resources to capabilities-based approaches)
- Rationalizing infrastructure to support joint warfighting capabilities
- Achieving logistics transformation objectives
- Improving support contracting (streamlining the contracting process)
- Enhancing competitive sourcing between contractors and between government and contractors

Knowledge Review

The oversight of DoD product support strategy planning through periodic Defense Acquisition Board (DAB) reviews is the responsibility of:

- [ ] Congress
- [x] The Under Security of Defense
- [ ] The Joint Chiefs of Staff
- [ ] The United Nations

Check Answer

The oversight of DoD product support strategy planning through periodic Defense Acquisition Board (DAB) reviews is the responsibility of **The Under Security of Defense**.

The Warfighter's Perspective: A "Focused Logistics" View of Product Support Strategy Planning

LCLs must develop a product support strategy that ensures full support of warfighter sustainment needs and associated focused logistics elements. Learn more by selecting each of the key four elements:

- Supporting Force Readiness
- Providing Force Movement
- Accomplishing Force Sustainment
- Force Reset / Reconstitution

Popup Text

Supporting Force Readiness

Operational availability of weapon systems including personnel, equipment with accompanying supplies, training, maintenance, and spares. Focus on:

- Equipment readiness
- Personnel readiness
- Training readiness
- Deployment readiness

Providing Force Movement

The capability to move forces and equipment to final destination in accordance with warfighter requirements. Focus on:

- Force movement capacity
- Force movement visibility & control
- Force movement effectiveness

Accomplishing Force Sustainment

The capability to provide ongoing support for current and planned operations. Focus on:

- Materiel support
- Services support
- Reduced logistics footprint

Force reset / reconstitution

The ability to meet follow-on operational readiness requirements. Focus on:

- Operational draw-down
- Repositioning of forces
- Reconstitution of units for follow-on operations

Relationships with Commercial Partners and Suppliers

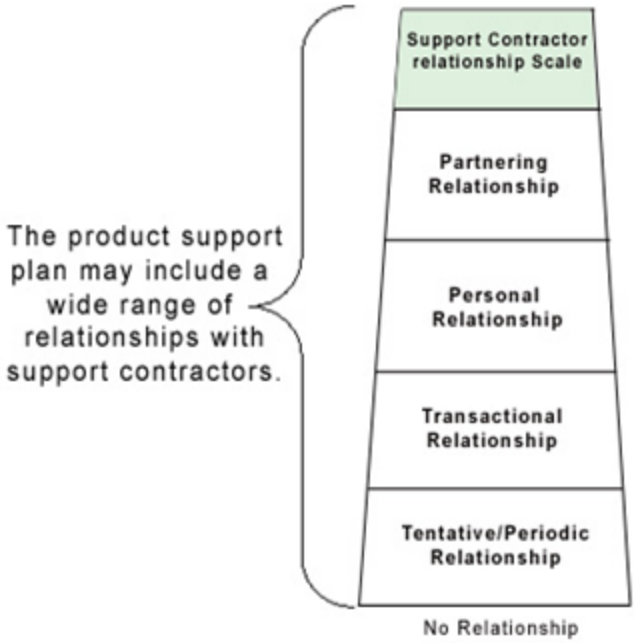
The LCL must understand that DoD policy encourages maximum use of commercial suppliers and products whenever possible. However, it is important to understand that:

- All products and suppliers are not the same.
- Products have varying characteristics
- Suppliers vary by size, capability, market served, and quality of products and services

Supplier relationship management (SRM)(Link requires user to access with a CAC and from a .mil network) is a critical product support process.

- A good product support strategy will include customizing the relationship with suppliers based on the products/services being provided.

Your challenge as the LCL is to find the right "mix" to support the system.



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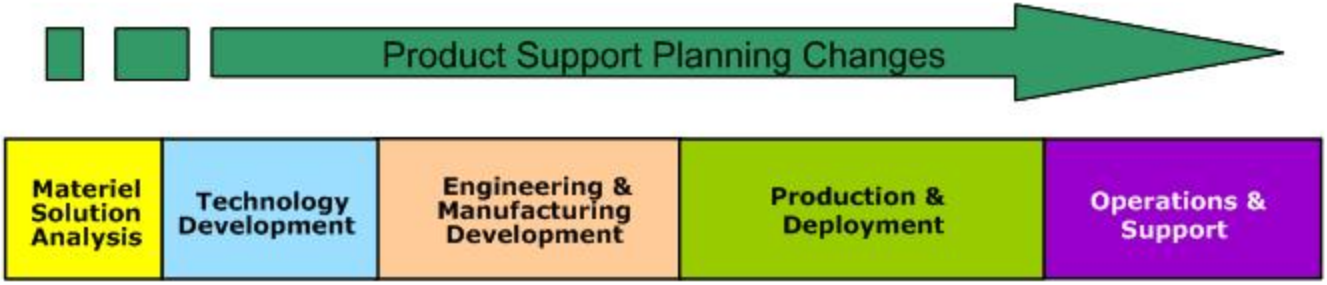
Long Description

An illustration of the Support Contractor Relationship “tower”: at the bottom is no relationship; one step up is tentative/ periodic relationship; one more step up is the personal relationship; at the top is the partnering relationship. The product support plan may include a wide range of relationships with support contractors. The challenge is finding the right “mix” of relationships to support the system.

Internal Management and the Initial Product Support Strategy

Recall that during the entire acquisition life cycle the supportability emphasis is on not only designing the system to facilitate effective sustainment, but also on implementing and executing the product support strategy required to meet established war fighting requirements. The product support strategy should be:

- Comprehensive, include all relevant factors, and be reliable in terms of repeatable results
- Representative of the " dynamics" of the system or product being evaluated and be sensitive to the relationships of key input parameters
- Flexible to the extent that the LCL can incorporate all support requirements
- Understandable in order to identify high cost elements, evaluate one or more specific components of the system independent of other elements, initiate changes as needed, and present results in the context of the overall system
- Designed to simplify timely implementation and designed so it can be modified to incorporate additional capabilities



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Long Description

The Acquisition Life Cycle. Five end-to-end blocks, from left to right: Materiel Solution Analysis, Technology Development; Engineering and Manufacturing Development and demonstration; Production & Deployment; and Operations & Sustainment/ Disposal. An arrow indicating that product support planning occurs across all phases sits above the five blocks.

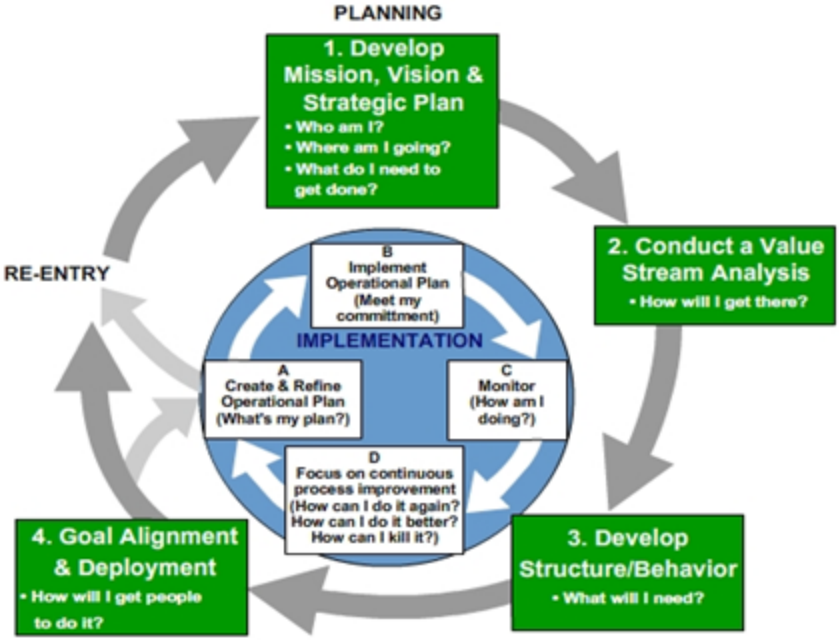
Guidelines for the LCL

In developing the product support strategy, the LCL should consider the following guidelines:

- Using performance-based support arrangements/contracts, monitored with high-level performance metrics
- Having a preference for a single product support integrator
- Developing long-term business relationships
- Relying on commercial standards whenever possible
- Creating a process that establishes and preserves the safety, suitability, and effectiveness of weapon systems and end-items over their entire operational life cycle
- Using partnering to leverage the best skills and capabilities for support, wherever they exist, considering efficiency and cost effectiveness
- Implementing service level agreements that clearly delineate commitments between customers and suppliers
- Emphasizing continuous technology refreshment and insertion through adoption of Joint Capability Technology Demonstrations and performance specifications
- Using non-developmental items, and commercial-off-the-shelf items wherever feasible, in both the initial acquisition design phase and in all subsequent modification and re-procurement actions
- Including alternative support approaches which provide overall best value to the government

Continuous Process Improvement (CPI) and the Product Support Strategy

DoD policy requires CPI concepts, methodologies, and best practices be applied to assure cost effective management and the implementation of improved processes and new technologies throughout the Department of Defense. What's the impact of this policy on the LCL? Simply put, the LCL must develop a product support strategy that will accommodate the CPI concept. The graphic is an illustration of the CPI concept. It comes from the *DoD Continuous Process Improvement Transformation* Guidebook Office of the Secretary of Defense, May 2006. Click on the continuous improvement graphic for more details.



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Popup Text

Step 1

Develop Mission, Vision, & Strategic Plan

- Who am I?
- Where am I going?
- What do I need to get done?

Step 2

Conduct a Value Stream Analysis

- How will I get there?

Step 3

Develop Structure/Behavior

- What will I need?

Step 4

Goal Alignment & Deployment

- How will I get people to do it?

Implementation

Entry into Implementation normally occurs after Goal Alignment & Deployment. Entry is to:

- Create & Refine Operational Plans
  - What's my plan?
- Implement Operational Plan
  - Meet my commitment.
- Monitor
  - How am I doing?
- Focus on Continuous Improvement
  - How can I do it again?
  - How can I do it better?
  - How can I kill it?

Long Description

An illustration of the concept of continuous improvement from the DoD Continuous Process Improvement Transformation Guidebook, Office of the Secretary of Defense, May 2006. p.17.

There is an outer circle representing Planning and an inner circle representing Implementation. There is an arrow from the outer circle to the inner circle, indicating entry into Implementation. There is an arrow from the inner circle to the outer circle, indicating re-entry into Planning.

In a clockwise manner, Planning steps include the following:

- Develop Mission, Vision, & Strategic Plan (Who am I? Where am I going? What do I need to get done?)
- Conduct a Value Stream Analysis (How will I get there?)
- Develop Structure/Behavior (What will I need?)
- Goal Alignment & Deployment (How will I get people to do it?)

Entry into Implementation normally occurs after Goal Alignment & Deployment. Entry is to Create & Refine Operational Plans (What's my plan?)

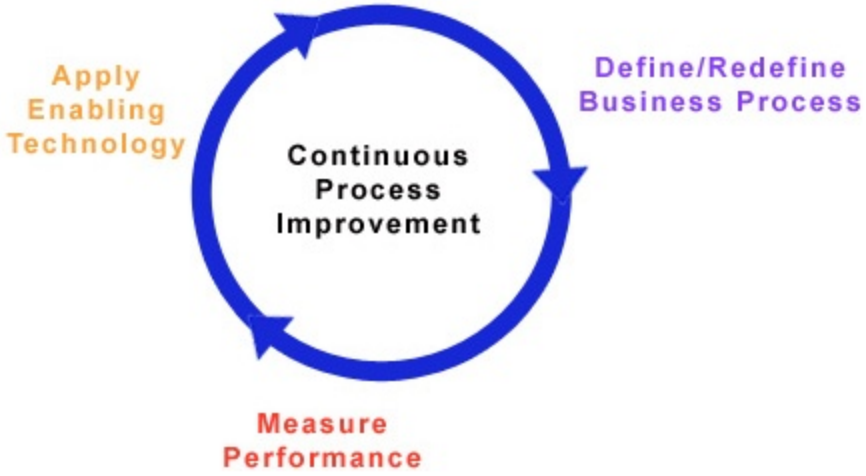
Following Create & Refine Operational Plans, additional Implementation steps include:

- Implement Operational Plan (Meet my commitment.)
- Monitor (How am I doing?)
- Focus on Continuous Improvement (How can I do it again? How can I do it better? How can I kill it?)

Continuous Process Improvement and the Product Support Strategy

The principles of continuous process improvement provide a framework for a life cycle approach to product support. These principles include:

- Assessing the current situation using objective (fact-based) data analysis.
- Analyzing problems as a variation from a known or expected standard.
- Setting a goal to holistically improve the entire system and avoid sub-optimization through isolated focus on process sub-elements.
- Focusing on the people, technology, and systems that clearly add value.
- Improving processes through continuous, controlled experimentation.
- Making decisions based on long-term improvement strategies.



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Long Description

Three arrows comprise a continuous circle titled “continuous process improvement”. The three arrows indicate the application of enabling technology, measuring performance, and defining/re-defining business processes, respectively.

Risk Management and the Product Support Strategy

A key component of the LCL's product support strategy is a clear understanding of the risks associated with providing the full range of logistics support to the operational customer.

A credible risk management program will address:

- Risk Management Strategy and Approach
- Organization
- Risk Management Process and Procedures
- Risk Planning
- Risk Assessment
- Risk Handling
- Risk Monitoring
- Risk Management Information System, Documentation and Reports

For additional information see "Risk Management Guide for DoD Acquisition"

Contracting and the Product Support Strategy

Contracting for support is one of the principal means to implement the government's product support strategy. Contracting for support is done within the framework of contract laws and regulations and must be in consonance with the acquisition strategy. As the LCL you are concerned with each part of the acquisition procurement package because logistics requirements are normally spread throughout the document.

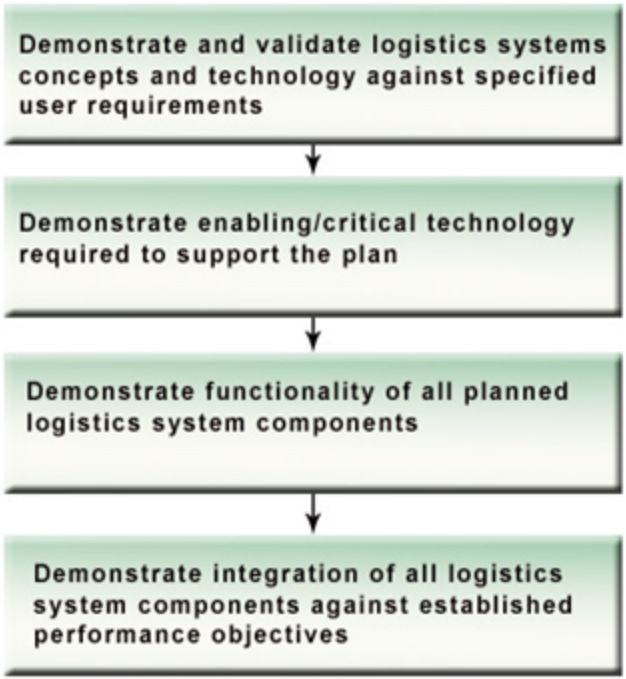
The product support strategy should influence how logistics elements are incorporated into the acquisition contract. Some issues to consider are:

- Guidance to the contractor about the government's baseline of logistics objectives, requirements, and their importance relative to other program objectives, concepts, assumptions, constraints, and priorities
- Specific logistics tasks to be performed by the contractor, such as logistics analyses, support integration, logistics alternatives evaluations, preparation of plans and concepts, training courses, supply support, technical data
- Performance-based incentives aimed at achieving the desired balance between logistics and other performance capabilities

Building Credibility into the Product Support Strategy

The LCL should ensure that the processes, procedures and technologies to be incorporated into the product support strategy are credible and will achieve the desired level of supportability.

The components of an effective product support strategy will have to be validated in advance of the finalization of the plan. To accomplish this validation, the LCL should complete the tasks shown in the chart.



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Long Description

The steps the LCL should complete to build credibility into the product support strategy:

- Demonstrate and validate logistics systems concepts and technology against specified user requirements
- Demonstrate enabling/ critical technology required to support the plan
- Demonstrate functionality of all planned logistics system components
- Demonstrate integration of all logistics system components against established performance objectives

Knowledge Review

Which of the following provides a framework for a life cycle approach to consistent enhancement of product support?

- [x] Continuous process improvement
- [ ] Risk management
- [ ] Technology development
- [ ] Materiel solution analysis

Check Answer

Continuous process improvement provides a framework for a life cycle approach to consistent enhancement of product support.

Oversight and Review Summary

You have completed Oversight and Review and should now be able to:

- Identify the various roles that external organizations play in influencing the development of an initial product support strategy.
- Identify the key elements of the product support strategy.
- List the guidelines the LCL should consider when developing the initial product support strategy.
- Recognize the principle of continuous process improvement as it pertains to the product support strategy.
- Identify risk management and contracting strategies as they pertain to the product support strategy.

Lesson Completion

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