Service Supply Chain
Resource Management

End-to-End Focus: Bridging the Gap Between Planning & Real-Time Event Management

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## AF MRO “Outdustry” Snapshot

### AIR FORCE MATERIEL COMMAND PRODUCTION – FISCAL YEAR 2006

<table>
<thead>
<tr>
<th>Category</th>
<th>ORGANIC</th>
<th>CONTRACT</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft (-5.9% redux Comp Rate: $249.26 to $234.56)</td>
<td>719</td>
<td>632</td>
<td>1,351</td>
</tr>
<tr>
<td>Engines (-12.1% redux Comp Rate: $858.81 to $754.71)</td>
<td>323</td>
<td>293</td>
<td>616</td>
</tr>
<tr>
<td>Exchangeables (-2.9% redux Comp Rate: $274.41 to $266.37)</td>
<td>OC-ALC: 92,013 WR-ALC: 76,522</td>
<td>OO-ALC: 108,544</td>
<td>TOTAL 277,013</td>
</tr>
<tr>
<td>Due Date Performance (Aircraft)</td>
<td>97.6%</td>
<td>95.0%</td>
<td>97.0%</td>
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</tbody>
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**-3.44% reduction in total Composite Rate from FY06 to FY07 ($258.14 ▶ $249.25)**

- Continuous process improvement in line & staff activities
  - Process improvement: AF Smart Operations 21st Century (AFSO21)
  - Equipment availability/cost management: Aircraft Availability Improvement Plan (AAIP)
  - Enterprise intermediate level repair: Repair Enterprise 21st Century (RE21)
  - Streamlined financial processes: Centralized Asset Management (CAM)
- Workforce development: Development Teams, education/training, mentoring
- Foundation: Public–Private collaboration & accountability for results
Vision: War-winning Capabilities… On Time, On Cost

**AFMC Strategy Map**

**Mission Impact**
- Deliver Weapon Systems M-1
- Modify Weapon Systems M-2
- Sustain Weapon Systems M-3
- Deploy AEF-Ready Airmen M-4

**Mission Integration**

**Technology**
- Develop and Transition High-Payoff Technologies I-1
- Strengthen Acquisition Capabilities I-2
- Provide Future Test Capabilities I-3
- Improve Equipment Availability at Reduced Cost I-4

**Acquisition**
- Develop and Transition High-Payoff Technologies I-1
- Strengthen Acquisition Capabilities I-2
- Provide Future Test Capabilities I-3
- Improve Equipment Availability at Reduced Cost I-4

**Test**
- Develop and Transition High-Payoff Technologies I-1
- Strengthen Acquisition Capabilities I-2
- Provide Future Test Capabilities I-3
- Improve Equipment Availability at Reduced Cost I-4

**Sustainment**
- Develop and Transition High-Payoff Technologies I-1
- Strengthen Acquisition Capabilities I-2
- Provide Future Test Capabilities I-3
- Improve Equipment Availability at Reduced Cost I-4

**Command Foundation**
- Balance Investment in Installation and Mission Infrastructure F-1
- Institutionalize Realistic Planning F-2
- Deliver a Competency-Based Workforce F-3
- Develop Supervisors F-4
- Create a Wellness-Focused and Safe Workforce F-5

Integrity First … Service Before Self … Excellence In All We Do
Aviation Logistics Strategy Process
(Vision to Execution)

Future State
Where we’re going

Road Map
How we get there

Strategies & Interfaces
Applied to activity areas

Integrated LSB

Implement & Support
Road Map
Detailed investments in capabilities & execution management
## Workforce Development Strategy

**Objective:** Construct a strategic workforce plan for the professionals inherent in depot maintenance production and supply chain management.

### Scope
- A development framework for depot maintenance professionals
  - Competencies and capabilities
  - Certifications
  - Progressions
- A workforce strategy for depot maintenance professionals
  - People strategy including career path templates and development strategies
  - Integrated professional education
  - Leadership development

### Approach
- Perform a current environment analysis
  - Develop an initial professional development framework for depot maintenance and supply chain professionals
  - Perform workforce and skills/competencies gap analysis
- Develop a workforce strategy
  - Plan for depot maintenance and supply chain professionals and leaders
  - Complement with mentoring relationships
Making the Supply Chain Perform

- How can disruptions such as war time surges and competitive events be handled most effectively?
  - Have surge/compression capabilities, replace/modernize aging equipment, improve reliability, etc.
  - Ensure Service materiel command logisticians have timely awareness of operational planning

- What are the barriers to achieving an agile/flexible real-time response to changing logistics requirements?
  - Law, policy, instructions, techniques, tactics, procedures, metrics, habit
  - Lack of process focus (repeatable processes & standard work)
  - Development and training of personnel
  - What people think and what people do…lack of integration and alignment of activities

- Are emerging technologies (e.g. RFID, intelligent diagnostics, etc.) changing the landscape?
  - Yes…realization of need for enterprise alignment & integration across sector, service, organizational and functional boundaries. Service/agency ERP solutions major step forward but still need horizontal integration
  - RFID, etc., needs central planning and funding with decentralized execution

- How can coordination throughout the service supply chain be enhanced to achieve better integration between planning and event management?
  - Align SCM to core Service missions. Single Process Owner Construct: DoA-land, DoN-sea, DoAF-air/space
  - Create industry standards, improve collaboration within/between firms, go from spot to enterprise solutions

- Why are optimal resource deployment plans rarely implemented?
  - They’re rarely implemented because of a variety of factors, e.g., Congress, Service, etc.
  - Must decide to overcome institutional barriers (e.g., PPBE) in pursuit of enterprise end states and objectives

- What are the barriers to adoption of state-of-the-art decision support systems?
  - PPBE processes. They’re archaic & unresponsive, and they’re typically seen as the objective not the means
  - Execution governance is decentralized, inconsistent and not sufficiently inclusive (Single Process Owner)
  - Analytics are insufficient, inconsistent & sub-optimized vs. focused on enterprise effectiveness & efficiency