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## Market Leverage for COIN Success

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US military operations around the world continue to evolve to develop “soft power projection” as a core competence, an adjunct to the well understood expeditionary capability of “hard power projection.” Stability operations, the core of soft power, include logical lines of operation and capabilities outside of traditional military swim lanes. Stability operations require new analytical techniques, not typically available in the military portfolio. Using commercial value stream and supply chain approaches adapted to accomplish the Commander’s intent, Supply Chain Visions can provide this support in unconventional, forward deployed, austere, or high threat environments.

### Economic Value Stream Analysis in COIN Operations

Counter Insurgency (COIN) as stated in the Army’s Counterinsurgency Field Manual, “involves the application of national power in the political, military, economic, social, information, and infrastructure fields and disciplines.” This concept is at the forefront of military thinking since the release of the Department of Defense (DoD) Directive 3000.05 in 2005. “Stability operations are a core U.S. military mission that the Department of Defense shall be prepared to conduct and support. They shall be given priority comparable to combat operations and be explicitly addressed and integrated across all DoD activities including doctrine, organizations, training, education, exercises, materiel, leadership, personnel, facilities, and planning.”

To drive sustainable change and long lasting stability, commercial expertise is needed to support and underpin to COIN and stability operations. COIN and stability operations, whether in pre-conflict, post-conflict, or in parallel with combat operations, inherently require economic lines operation anchored in commercial best practice. Supply Chain Visions brings the knowledge and experience of utilizing commercial market forces to drive sustained stability and revitalization in unconventional settings during times of dramatic change.

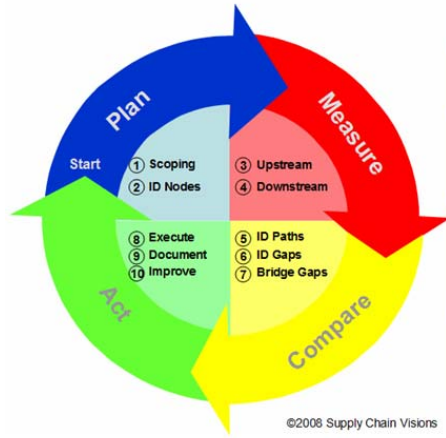
To support “a shift from the Cold War Model to Global Engagement,” it is critical to not only secure the area from physical threat, but to engage and where possible remove root causes of conflict across the spectrum of political, military, economic, social, information, and infrastructure fields and disciplines. In particular, a complete picture of the stakeholder community and economic value stream must be developed and understood. It is the overlapping and interdependence of these “Logical Lines of Operations” (LLOs) that is critical to COIN and stability operations. Value stream analysis, supply chain mapping, and stakeholder alignment are areas of expertise that Supply Chain Visions has applied in challenging settings.



Supply Chain Visions Team  
Member in Northern Baghdad  
During the “Surge”

## Repeatable Value Chain Analysis and Improvement Process

Supply Chain Visions conducts value chain assessments utilizing a comprehensive ten step approach. This practical approach includes proven techniques to assess the value chain of interest.



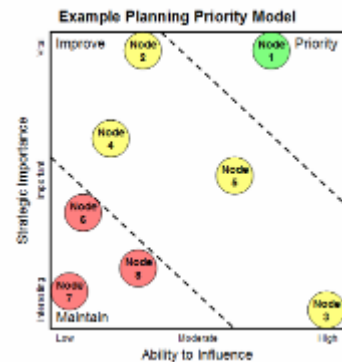
<b>Plan</b>	Step 1: Determine scope and Breadth of project Step 2: Identify the Key Processes to be Assessed
<b>Measure</b>	Step 3: Collect Economic Data – Upstream nodes and flows Step 4: Collect Economic Data – Downstream nodes and flows
<b>Compare</b>	Step 5: Identify critical path(s) Step 6: Identify crucial gaps, missing links and missing nodes. Step 7: Develop strategy to link the current network as required for mission success
<b>Act</b>	Step 8: Execute the strategy Step 9: Document the process and progress Step 10: Improve/refine the data for the planning process

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### Plan – Set Priorities and Identify Processes

We begin by fully understanding and collaboratively defining the stability problem at hand through value chain assessment and demand analysis as needed. This planning is part of what General Petraeus calls "battlefield geometry." Supply Chain Visions then works to identify the important outcomes required to support the COIN objectives. This helps outline the depth and breadth of the assessments. The depth is how far up and down the value stream that the assessment stretches. The breadth describes the number of sites, facilities, infrastructure nodes, industries, etc that the analysis will initially take into account. From there, we work with the dedicated client team to document and communicate the plan and objectives of the project before we begin execution.



### Measure – Collect Data / Process Assessment

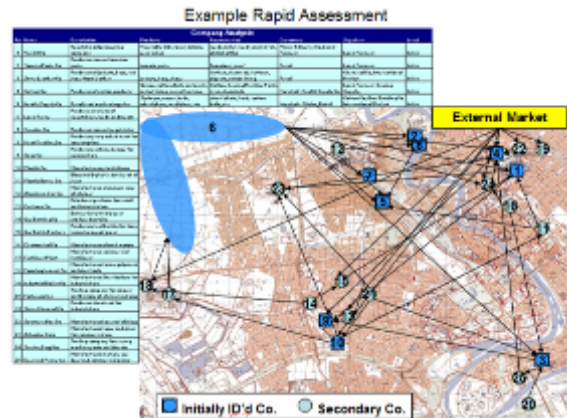
After the combined team develops the plan of attack, the deployed team investigates and documents the value stream and works sequentially up and down the nodes and links within the defined scope. The nodal information consist of the specific information on the site, neighborhood, infrastructure, company, and related factors that process or otherwise influence the value stream flows. This information can include the needed inputs (whether they are raw materials, training or capital investment) required to increase the capacity of the node. The flows are the business, social and political interactions (inputs and outputs of the nodes) and other relationships (labor pools for example) that combine to total a complete economic value stream.

This initial value chain measurement and data collection can be done by Supply Chain Visions team – or with a joint team. Supply Chain Visions prefers to include client team members because this approach enables our sponsors to not only gain a product from the project, but the ability to interweave their operational understanding and create baseline knowledge re-

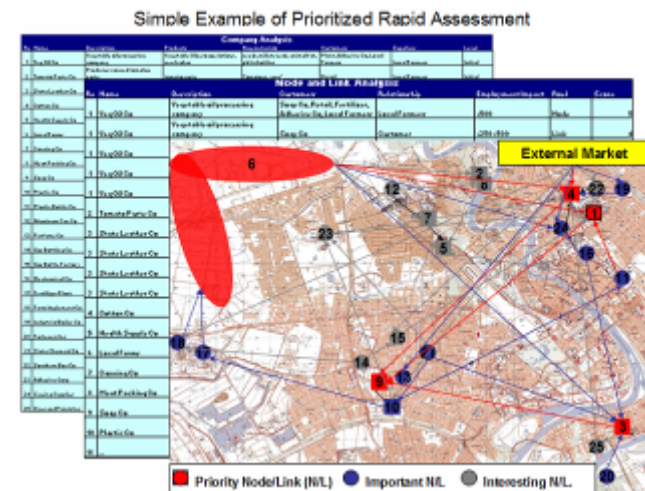
create and update the analysis as necessary moving forward. Supply Chain Visions believes in providing a complete solution through collaboration and education, not just a product, working with the client to develop the appropriate balance.

An example of a rapid assessment, an initial short time frame assessment of a single city, Baghdad, documenting the value stream is shown to the right.

The assessment deliverable includes tables of the nodes and links that can be sorted and used for rapid manual analysis or uploaded to another link analysis tool for complex solution modeling. Each link and node can be ranked according to their potential to drive the desired strategic outcomes. Using a simple 1 to 5 scale allows for easy prioritization of value chain links and nodes. The value chain rankings are used in the gap



analysis and prioritization steps. In this example – the high impact value chain was “scored” a 4.5 as they demonstrated the greatest ability to drive employment (this example’s strategic importance) throughout the city and surrounding economy.



Our process assessment approach is based on in-the-field research and site/industry assessments. We ensure the data is as up-to-date as possible and the initial value stream mapping is a true “As-Is” depiction. Our goal is to uncover how value is truly flowing through the environment of interest and link the value flows to market

levers available to drive desired outcomes. Our assessments are focused on discovering weak or broken links, as well as points of high leverage. This unique approach leaves the team better able to plan genuine and enduring change in the value stream in support of strategic, operational, and tactical objectives.

**Compare - Gap Identification with Identification of Benefit Value**

Supply Chain Visions’ value chain assessments deliver an overview of the overall critical paths and gaps, logical causes to the weaknesses in the critical paths, and levers available to effect change in the value stream. Potential solution sets are also identified. The overall deliverable is a comprehensive assessment and strategic document, developed with the client team in a collaborative setting to identify gaps and opportunities as well as to prioritize high impact value chain initiatives.

During the gap analysis, each link and node is prioritized by strategic impact to the overall value chain with regard to the desired stability outcome(s), taking into account the influencer levers

that exist to drive the change. The goal is development of the actionable information needed for a roadmap to achieve the desired “future state” of the value stream. This includes the reasons for weak or broken links or nodes for key value threads as well as assessments of the benefit of improving them.

The improvement plan includes an understanding of the requirements to drive change. This often requires detailed stakeholder analysis. Determining what stakeholders are involved in the area and what they bring to the table is critical to gaining “unity of effort.” In Iraq, this often consisted of matrices of value to participants, including actors like NGO’s, Local Government, Department of State and the military. Stakeholders were examined to determine which partners should be engaged, aligned, empowered, and supported to achieve the mission. Knowing the challenges of the area as well as the resources at hand to attack those challenges indicates the completion of the third phase of the process.

### **Act - Transformation Roadmap / Implementation Plan**

As General David Petraeus stated, “we do not necessarily have to secure every part of Baghdad at once -- this can and has been done in stages. As the security situation in an area improves, forces are required to hold the gains that we have made.” This methodology is exactly what Supply Chain Visions employs in their road-mapping process, the staged and sequential advancement towards stability by harnessing commercial forces in support of operational objectives. We will work with an assembled team of subject matter experts to develop a tailored, flexible **Blueprint for Success**. This normally involves developing and deploying key nodal and linkage improvements, building on security successes to include capital investment, business-to-business engagement, training, etc. A key part of the Blueprint Planning Phase is an iterative review with the client team to be certain that the envisioned solutions meet the requirements and empower stability operations.

### **Tailored Application of Methodology to Meet Client Needs**

Supply Chain Visions’ expertise in COIN is driven by boots-on the ground experience. The methodology was developed and improved over many projects throughout Iraq during the Coalition Forces “surge” of 2007. That dynamic environment led to the development of a portfolio of Value Chain assessments from simple rapid assessments developed with regard to infrastructure improvement projects to comprehensive assessments of provincial and municipal areas overlaying security data. The capability designed and implemented in the dynamic environment of stability operations, can be applied to stability operations regardless of where they fall on a globe. Supply Chain Visions’ expertise and collaborative approach will help you develop the solution(s) that are strategic, practical, cost effective and focused on driving the outcomes desired.

Detailed Assessment of Economic Node in Iraq



*Please feel free to contact Supply Chain Visions to discuss your requirements or email us at [info@scvisions.com](mailto:info@scvisions.com).*