

Defense Logistics Transformation Supports US Military Operations

by Leslie Hansen Harps

US troops that fought in Operation Iraqi Freedom were “a swarming, rapidly moving combat force,” observes Steve Geary. Combat forces moved from Kuwait to Baghdad in just three weeks, he points out. “In World War II, an armored force took a year to go the same distance.” Helping to deliver this speed required nothing less than a transformation of defense logistics.

“We have overwhelming flexibility and dominance in the combat force; we must match this with comparable capabilities in logistics,” Geary notes. “That’s what logistics transformation is all about.”

Geary, a partner with consulting firm Supply Chain Visions, Stoneham, Massachusetts, is supporting US Department of Defense logistics transformation initiatives through work he is doing under the Office of the Deputy Under Secretary of Defense, Logistics and Materiel Readiness.

DoD Logistics is big business, employing over one million people and engaging more than 40,000 industrial providers. DoD Logistics, which consumes over \$95 billion a year, can deploy hundreds of thousands of personnel when needed. As Geary points out, “it’s the biggest supply chain in the world.”

Bringing together across the defense enterprise (which includes the uniformed services and the Defense Logistics Agency) all of the pieces of this massive operation requires “integrating the warfighting enterprise against process, organization, and technology to make this happen,” Geary says.

“Logistics is about the art of getting people, processes, and systems to work together,” he remarks. Key to this effort is “breaking down functional silos or stovepipes, and integrating laterally across the enterprise to deliver seamless support to the warfighter,” the customer served by military logisticians.

Capturing logistics information

Information-sharing is a high priority for DoD. “We understand that we have to be able to make data sharable and compatible. You don’t achieve that through standard data, you do it through data standards,” Geary comments. Recognizing that data is a corporate asset, DoD is “working heavily with XML and creating a metadata repository so that data can be shared,” he explains.

In the military, as in the commercial sector, collecting, analyzing, and leveraging information effectively can yield information dominance. “The objective is to get information and act on it more quickly than the competition, responding to actual conditions and doing it in real time,” Geary says. “This means having complete information from a tactical to a strategic level, and understanding the complete environment around you, which gives you the ability to move incredibly rapidly.”

DoD is embracing radio frequency identification (RFID) technology

in its drive to capture information across its logistics chain. “We have the largest operational RFID network in the world making use of active RFID technology,” Geary states. “We started with it a decade ago, and it is a production capability today. The latest initiative is to extend our capabilities into the passive RFID area.”

Beneficiaries of the RFID initiative ultimately are the men and women on the front line. As Alan Estevez, Assistant Deputy Under Secretary of Defense for Supply Chain Integration and a key player in the DoD RFID initiative, observed in *Scan—The Data Capture Report*, “We have men and women in Iraq that are spending huge amounts of time scanning and sorting supplies. These soldiers could be doing other things, including focusing on their own personal safety...We certainly don’t want our people running out of food, water, medical supplies, and ammunition. We owe it to them to implement RFID as soon as possible.”*

In October, DoD announced a new RFID policy, requiring that suppliers put passive RFID tags on the lowest possible piece

part, case, or pallet packaging by January 2005. DoD will host an RFID Summit for Industry in February 2004, and the RFID policy and implementation strategy are scheduled to be finalized by June 2004, according to DoD.

Military embraces industry best practices

Many of the pieces of the transformation draw from commercial best practices. An example is the Logistics Balanced Scorecard, which enables DoD to assess logistics chain effectiveness in support of the warfighter. The Scorecard measures DoD Logistics in four areas: from the perspective of the warfighter, the logistics process, resource planning, and innovation and learning.

Level 2 logistics process metrics, for example, include perfect order fulfillment and order fulfillment/total pipeline time, which together support the Level 1 metrics of logistics chain reliability and effectiveness.

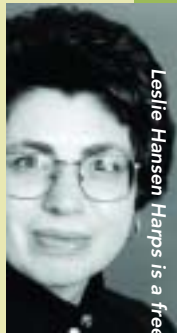
Another change for DoD is its use of portfolio management within the logistics domain. Instead of investing millions in developing proprietary systems, DoD is using Commercial Off The Shelf (COTS) products where appropriate, Geary says. In addition, DoD has established a logistics architecture that is building an interoperable enterprise.

Geary, who comes from the private sector, says the cross-fertilization between the military and commercial sectors can yield significant results.

In his work for DoD, he draws on his background as the VP of supply chain solutions for a supply chain event management software provider, as the supply chain service director for The Performance Measurement Group, LLC, and more than a decade of hands-on operating experience in the supply chain as a line manager, operating in the US, Caribbean, Europe, and Latin America.

An active member of CLM, Geary has spoken at three annual conferences. He is serving as chair of the Metrics track for CLM’s 2004 Annual Conference. ■

* *Scan — The Data Capture Report*, Nov. 28, 2003 issue. www.scandcr.com



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