Army Performance-Based Logistics Implementation Progress

Michael D. Connor

In 2003, early in the implementation phase of DOD’s performance-based logistics (PBL), an article titled *AMC and the AAE Partner to Implement PBL* was published in this magazine’s July-August issue. This article provides an update on the shared efforts between the Army Acquisition Executive (AAE)/Assistant Secretary of the Army for Acquisition, Logistics and Technology (ASAALT) and the U.S. Army Materiel Command (AMC).
Now well-accepted, PBL requires a new way of planning, overseeing and executing logistics. Since the 2004 memoranda from the Under Secretary of Defense for Acquisition, Technology and Logistics and the AAE that further focused and directed continued PBL, stakeholders have surfaced many immediate and far-reaching challenges. Through collaboration with the same stakeholders, ASAALT and AMC continue to propose viable solutions for these challenges and have taken action to issue appropriate policy and procedural guidance, while ensuring PBL moves ahead at an aggressive pace.

The major challenge to the acquisition and sustainment communities remains integrating the required vertical support to the program executive offices/program management offices (PEOs/PMOs) and their weapon systems, with the common or horizontal support that AMC and the Defense Logistics Agency (DLA) traditionally provide the Army and other services. The Army’s focus on the three logistics enablers — enhanced deployment, reduced logistics footprint and reduced logistics costs — demonstrates that the acquisition and sustainment communities’ main missions and objectives remain effective support to combatant commanders and their Soldiers. To accomplish these goals, many value-added initiatives continue to evolve at the Deputy Assistant Secretary of the Army for Integrated Logistics Support (DASA(ILS)) and the AMC G-5.

**PBL Integrated Product Team (IPT)**

Two years ago, the DASA(ILS), as the AAE’s agent for PBL implementation, and AMC established an Army PBL IPT with charter members from the PEOs, PMOs, AMC Life Cycle Management Commands (LCMCs), U.S.
Army Training and Doctrine Command, U.S. Army Forces Command, HQDA, DLA and other independent organizations. While the DASA(ILS) and AMC G-5 continue to refine PBL strategies and oversee Army PBL policy, the PBL IPT’s overarching mission was to formulate, develop and issue Army PBL policy, guidance and procedures.

To accomplish this, the Army PBL IPT and its sub-IPTs developed integrated economically and operationally feasible PBL strategies from a total

Army perspective in concert with stakeholders from the acquisition, sustainment and warfighter/force provider communities. As the preferred product support strategy within the Army and DOD, PBL energizes and synchronizes internal and external logistics communities of excellence for the betterment of the Army. However, it must be remembered that acceptable PBL strategies span the

realm of organic support to contractor logistics support and a mix of the two such as public-private partnerships. Although PEOs/PMOs are responsible

Integrated vertical support to the PEOs/PMOs who produce Soldier weapons and communications systems is absolutely vital if the acquisition community is going to meet all Soldier field requirements. Here, Soldiers from 3rd Battalion, 187th Infantry Regiment, 101st Airborne Division, prepare to move out to their next objective during the Iraqi-led Operation Swarmer, northeast of Samarra. (U.S. Army photo by SSG Alfred Johnson.)

AMC’s focus on logistics enablers — enhanced deployment, reduced logistics footprint and reduced logistics costs — ensures that the operational Army will always have the equipment and supplies it needs, when and where Soldiers need it most. Here, Soldiers sling load a Humvee to a CH-47 Chinook helicopter during an operation near Bagram, Afghanistan. The Soldiers are assigned to the 25th Infantry Division (Light), supporting the Joint Logistics Command during Operation Enduring Freedom. (U.S. Army photo by SFC Sandra Watkins Keough.)
for the total life-cycle systems management (TLCM) of their programs, AMC and its LCMCs retain a vital role in executing TLCM responsibility by ensuring that organic logistics systems and the sustaining base remain robust and flexible enough to be competitive and viable. To that end, the following sub-IPTs have coordinated and developed policy and guidance products for the Army that are currently, or soon will be, circulated:

- Business case analysis
- Product support integrator
- Performance-based agreement
- Contracting
- Metrics
- Automation and reporting

**Moving Forward**

Once these products are approved, the interim resident publication for the sub-IPT product policies and procedures will be the *Army PBL Implementation Guide*. Extracts from approved PBL policy are also incorporated into *Army Regulation (AR) 700-127, Integrated Logistics Support; AR 70-1, Army Acquisition Policy; and Department of the Army Pamphlet (DA Pam) 70-3, Army Acquisition Procedures, and DA Pam 700-56, Logistics Supportability Planning and Procedures in Army Acquisition*.

While PBL policy and guidance development and publication moves forward quickly, PBL also continues at an aggressive pace with the original schedule and plan provided to the Office of the Secretary of Defense (OSD) in July 2002. The Army has 88 acquisition category (ACAT) programs or systems with ongoing PBL activities. Of these 88, there are 25 actual (implementing) and 63 pending (planning or evaluation stage) programs or systems. This breaks down into 37 ACAT I, 9 ACAT II and 42 ACAT III programs.

As the PEOs/PMOs find it necessary to transition to PBL, and as more pertinent feedback and guidance make its way to the warfighter, the Army will apply PBL best business practices, including integrated logistics enterprise principles. When done in concert with maintaining constant and multidirectional dialog with all TLCM and PBL stakeholders, the Army continues to move toward completely embracing PBL. Many of the more difficult challenges to successful PBL implementation fall under OSD or other Army secretariats, and although PBL is a relatively new strategy, these barriers must be mitigated or resolved. This will require that everyone supports PBL when and where it is operationally and economically feasible, and that all stakeholders work together to bring new ideas to the table.

**MICHAEL D. CONNOR** is a Senior Logistics Analyst with Decisive Analytics Corp. working in support of the Deputy Under Secretary of Defense for Logistics and Materiel Readiness. He was formerly with Government Support Services Inc. supporting the DASA(ILLS). He holds a B.S. in mechanical engineering from the U.S. Military Academy and an M.B.A. from Boston University.

PBL best business practices and integrated logistics enterprise principles will ensure that operational maneuver forces will have ready access to ammunition, fuel and spare parts, regardless of where the mission takes them. Here, Soldiers from Bravo Co., 185th Armor Battalion, 81st Armor Brigade, conduct area reconnaissance in their M1A1 Abrams Main Battle Tank near Balad, Iraq. (U.S. Air Force photo by SSGT Shane A. Cuomo, 1st Combat Camera Squadron.)