DMSMS, OSD’s Ten Strategic Management Objectives

Date: October 25, 2017
Presenter: Robin Brown, OSD DMSMS Lead, Robin.Brown@DLA.mil
Moderator: Jim Davis, DAU Mid-Atlantic, James.Davis@DAU.mil
• This webinar is intended to help you gain a better understanding of the 10 strategic objectives that the DMSMS Community are working on to help DoD proactively mitigate the impact of DMSMS on our weapons systems.
DMSMS Definition

• The loss or impending loss, of manufacturers or suppliers of items, or raw materials, or software

  – Caused by competitive, regulatory, and/or environmental market factors leading to:

     ✓ Supplier or manufacturer going out of business
     ✓ Supplier or manufacturer discontinuation of the product

  – Caused by the item or software no longer performing the function for which it was intended due to other changes in the system
DMSMS IS Inevitable

• DoD systems can require a decade or more to develop and then have a fielded life expected to span decades

• Yet, the life cycles of many parts that make up a DoD system’s design are brief by comparison
  – As low as 18 months for COTS hardware/electronics
  – Approximately 5 years for COTS software
  – Environmental or regulatory restrictions can happen at anytime

Robust Management is Necessary
Why Is DMSMS Management Important?

- DMSMS issues can impact cost, schedule, and mission performance through degraded operational availability
- Eliminate or minimize DMSMS-related out-of-cycle redesigns
- Exclude all obsolete or soon-to-be obsolete parts from design
- Efforts to resolve DMSMS issues provide an opportunity for product improvement
- Eliminate DMSMS-related degradations to readiness

Program Managers need to protect their Programs
Key Elements of DMSMS Policy & Guidance

- DoD Instruction (DoDI) 5000.02, Operation of the Defense Acquisition System
- DoD Manual (DoDM) 4140.01 Vol. 3, DoD Supply Chain Materiel Management Procedures: Materiel Sourcing
- SECNAVINST 5000.2E Implementation And Operation Of The Defense Acquisition System And The Joint Capabilities Integration And Development System
- USAF DMSMS Program Instruction AFMCI 23-105
- ARMY Industrial Base Process Regulation AR700-90
- SD-22 DMSMS: A Guidebook of Best Practices for Implementing a Robust DMSMS Management Program

Policy & Guidance establish the basis for DMSMS Management in Programs
Institutionalizing DMSMS management-related interactions among four principal stakeholders:

- Systems Engineering
- Supply Chain Integration
- Material Readiness
- Manufacturing and Industrial Base Policy

Assessment of the health of DMSMS management across the Department was completed.

The assessment identified gaps that the WG translated into **Strategic Objectives**, representing the Department’s initial roadmap to address deficiencies.
DoD DMSMS Strategic Objectives

- Policy and Working Group Charter
- Contract Language
- Programming and Budgeting
- Commonality Assessment
- Metrics (including Readiness)
- Organic DMSMS Capabilities
- Commercial Industry Incentives
- Internal DOD Incentives
- Data Analysis
- Software

MISSION
Facilitate the implementation of PROACTIVE DMSMS MANAGEMENT throughout the DOD in order to REDUCE, where possible, adverse IMPACTS of DMSMS issues on READINESS, SCHEDULE, and COST.
Objective: Identify DOD DMSMS Policy needs and align the DOD DMSMS WG Charter to support and implement that Policy

- DoD DMSMS Working Group Charter
- DODI 5000.02, *Operation of the Defense Acquisition System*
- DODI 4140.01, *DOD Supply Chain Materiel Management Policy*
- DODM 4140.01 Vol 3, *Materiel Sourcing*
- Defense Acquisition Guidebook
- Life Cycle Sustainment Plan Outline
- Systems Engineering Plan Outline

- DoD DMSMS Instruction
**Objective:** Develop best practice RFP and Contracting Language for proactive DMSMS management

- Navy DMSMS Contract Language
- Army DMSMS Contract Language
- Air Force DMSMS Contract Language
- SD-22 and other Guidance Documents

- CDRLs
- DIDs
- Industry DMSMS Contract Language
- Combine Best Practices
- Update SD-22 DMSMS Guidebook
- Provide Training / Outreach
SO3: DMSMS Programming and Budgeting

Objective: Identify best practices whereby all Programs conduct formal programming and budgeting for DMSMS resolutions, DMSMS management operations, life-of-need buys, and the DMSMS aspects of program modification, with the funding justified on the basis of a systematic methodology and formally earmarked for DMSMS related activities.

- More than 20 Program Offices have been interviewed to identify such best practices.
- Results of these interviews have been documented and shared with the Service Leads.

- Panel at the DMSMS Conference
- Update SD-22 DMSMS Guidebook
- Provide Training / Outreach
Objective: Demonstrate the value (including reduced costs, improved program schedule, and other efficiencies) of a proactive DMSMS program leveraging information sharing

- Significant commonality has been demonstrated already in a limited context

- Data Sharing Feasibility / Develop Business Case
  - Vendor Surveys
  - Case Management Systems
  - Subscription Tools
Objective: Establish best practices for the DMSMS management information that should be collected and maintained by programs and initiate reporting activities where needed to inform management and process improvement.

- Conceptual framework for DMSMS Record Keeping (minus the metric for DMSMS/System Operational Availability) has been drafted and socialized amongst the DoD DMSMS WG.

- Feasibility Assessment
- DMSMS impact to System Operational Availability Assessment
- Develop Recommendations
- DoD DMSMS Instruction (if applicable)
- Update SD-22 DMSMS Guidebook
- Provide Training / Outreach
Objective: Create an easy to use spreadsheet of Organic DMSMS capabilities that Program Offices can explore to help them mitigate DMSMS issues

✓ An updated matrix of government Organic DMSMS capabilities has been developed

❖ Spreadsheet Finalized
❖ Share Information – DAU DMSMS Knowledge Sharing Portal (DKSP)
❖ Keep Updated
Objective: Develop and promote Best Practices for incentivizing proactive DMSMS management behavior in Industry

- Industry Associations (AIA / NDIA) will review DMSMS Contract Language
- Assess Information
- Identify Program Offices across the Services that have successfully incentivized Industry
- Define the behaviors that should be incentivized in Primes, OEMs and Part Suppliers
- Develop Best Practices
- Provide Training / Outreach
Objective: Develop and promote best practices for incentivizing proactive DMSMS management behavior in Programs and their Chains of Command

- Investigating situations where incentives/metrics have driven long term behavior changes
- Define the behaviors that should be incentivized for all stakeholders
- Develop Best Practices
- Provide Training / Outreach
Objective: Identify DMSMS technical data needs, identify how and when they should be used in the DMSMS management process, recommend how and when to obtain or create the data as applicable, and where the DMSMS community can influence the process to improve data.

- Select DMSMS organizations / who have expertise in all required DMSMS technical data and documented processes and procedures for how and when data should be used, what to do if data is not readily available, and ways to improve the data
- Document what they do in a step-by-step fashion
- Summarize techniques and circulate to other DoD Organizations to determine other approaches being used
- Validate with DoD DMSMS WG
- Update SD-22 Guidebook
- Training / Outreach
SO10: Software DMSMS Management

Objective: Collaboration from Agencies, Academia and Services to leverage best practices, lessons learned, document the shortfalls and create a mitigation plan and processes to share with the DMSMS Community.

- Team is being formed
- Identify and Review Software Policy and Guidance
- Assess current Software obsolescence management processes
- Identify the shortfalls and gaps
- Recognize outside requirements that impact software obsolescence
- Identify, document, and leverage the ongoing efforts of other communities that benefit software obsolescence monitoring
- Identify and assess different tools (data collection, management)
For More Information

# SD-22 DOD DMSMS Guidebook

## Table of Contents

- Message from the Director
- Contents
  - 1. Introduction
  - 2. DMSMS Management Links to the Defense Acquisition System
  - 3. Prepare: DMSMS Management Program Infrastructure
  - 4. Identify: DMSMS Monitoring and Surveillance
  - 5. Assess: DMSMS Impact Assessment
  - 6. Analyze: DMSMS Resolution Determination
  - 7. Implement: Implementation of DMSMS Resolutions
- Appendix A. Obsolescence and Its Relationship to DMSMS
- Appendix B. Developing DMSMS Workforce Competencies
- Appendix C. Contracting
- Appendix D. DMSMS Management Questions for Systems Engineering Technical Reviews
- Appendix E. DMSMS-Related Questions for Logistics Assessments
- Appendix F. Counterfeit Items and DMSMS
- Appendix G. Accessing Organic Services and Capabilities to Mitigate DMSMS Issues
- Appendix H. DMSMS Knowledge Sharing Portal
- Appendix I. DMSMS Quality Assurance Process
- Appendix J. DMSMS Program Capability Levels
- Appendix K. Lead-Free Electronics and DMSMS Resolutions

---

**SD-22**

**Diminishing Manufacturing Sources and Material Shortages**

A Guidebook of Best Practices for Implementing a Robust DMSMS Management Program
This area provides a listing of DMSMS related training that is available to assist in increasing knowledge and awareness.

<table>
<thead>
<tr>
<th>Contributions</th>
<th>Contribution Type</th>
<th>Modified</th>
<th>Rating (0-5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preventing Counterfeit Parts from Entering the DoD Supply System</td>
<td>Learning Material</td>
<td>March 2</td>
<td>★★★★★</td>
</tr>
<tr>
<td>DMSMS for Technical Professionals</td>
<td>Learning Material</td>
<td>March 2</td>
<td>★★★★★</td>
</tr>
<tr>
<td>DMSMS DLA Essentials</td>
<td>Learning Material</td>
<td>March 2</td>
<td>★★★★★</td>
</tr>
<tr>
<td>DMSMS for Executives</td>
<td>Learning Material</td>
<td>March 2</td>
<td>★★★★★</td>
</tr>
<tr>
<td>DMSMS Fundamentals</td>
<td>Learning Material</td>
<td>March 2</td>
<td>★★★★★</td>
</tr>
<tr>
<td>Diminishing Manufacturing Sources and Material Shortages DMSMS - What Program Management Needs To Do And Why</td>
<td>Learning Material</td>
<td>March 2</td>
<td>★★★★★</td>
</tr>
<tr>
<td>GIDEP Training Opportunities</td>
<td>Learning Material</td>
<td>August 23, 2011</td>
<td>★★★★★</td>
</tr>
</tbody>
</table>

- DMSMS – What a Program Manager Needs to Know and Why
- DMSMS for Executives
- DMSMS Fundamentals
- DMSMS Research Essentials
- Preventing Counterfeit Parts from Entering the DoD Supply System
- Lead Free
- Parts Management
- GIDEP Training Opportunities
Managing Obsolescence Risk – How to Optimize Budget, Schedule, and Readiness

- Obsolescence Management Best Practices and Lessons Learned
- Innovative Obsolescence Management Strategies
- New and Innovative Solutions for DMSMS
- Collaboration as a Key to Success
- Parts Management
- DMSMS Training for DMSMS Practitioners and Managers

www.dmsmsmeeting.com
Questions

• Would any of these Strategic Objectives (SOs) help you manage DMSMS more proactively / efficiently? How?

• Are there any challenges that you are facing that we have not covered?

• Do you have any ideas and/or information for any of the SOs described (i.e. successes, lessons learned, etc.)?

• How can I help you be more successful?
**Army**
Tabitha Horrocks  Tabitha.i.horrocks.civ@mail.mil  (256) 450-7078

**Navy**
Eric Grothues  Ulrich.grothues@navy.mil  (951) 393-5275

**Air Force**
Walter Araya  Walter.araya.2@us.af.mil  (937) 257-6167

**MDA**
Bruce Dickerson  Bruce.Dickerson@mda.mil  256-450-4263

**DLA**
Alan Clark  Alan.clark@dla.mil  614-692-5382
Robin Brown
OSD DMSMS Program Manager
DASD(SE) EE
Defense Standardization Program Office
robin.brown@dla.mil
(703) 767-1415