

F-16 Fighting Falcons flying in observation formation. As part of AFMC sustainment transformation, "Lean" business processes have already cut F-16 flow time at Ogden ALC, Hill AFB, Utah, according to Maj. Gen. Kevin Sullivan, OO-ALC commander. (AF photo Master Sgt. Dave Ahlschwede)



Extreme

Revamping logistics across the Air Force

MAKEOVER

Joel Fortner AFMC Public Affairs

As part of an Air Force-wide effort to transform logistics operations, Air Force and Air Force Materiel Command leaders recently approved action plans to improve the way AFMC does purchasing, supply and maintenance to better serve the warfighter.

Due to increasing challenges to provide faster and more reliable combat support in the next generation of air and space expeditionary forces, the Air Force launched the logistics transformation initiative, eLog21 (Expeditionary logistics for the 21st century). AFMC has backed this initiative with two of its own: Purchasing and Supply Chain Management (PSCM) Transformation and Depot Maintenance Transformation (DMT), collaboratively known as sustainment transformation.

"As a critical part of AFMC's mission, the transformation of logistics processes is an initiative I believe in because it will allow the command to better support our overall customer, the warfighter," said Gen. Gregory S. Martin, AFMC commander. "Cleaning up the way we do business is going to take a lot of work, but the rewards we, as well as future expeditionary forces, will reap will be tremendous."

Reinforcing General Martin's statement, Grover Dunn, director of Innovations and Transformation, deputy chief of staff for Installations and

Logistics, Headquarters U.S. Air Force, broke down details of what AFMC is looking to achieve.

"I think if we do the stuff we're talking about, if we actually follow the plans we've outlined to do, it will make AFMC enormously more efficient, it should reduce costs by probably an order of magnitude," said Mr. Dunn. "We're looking for a 20 percent reduction overall in the

"I think the immediate impact to the field is they will get their items on time, when we promise them and where they need them to be."

— Maj. Gen. Terry Gabreski
OC-ALC commander

Air Force support cost of about \$2.5 billion a year, and AFMC can probably contribute at least half of that.

"In terms of performance, we're looking for an improvement of 20 percent in overall weapons system availability, and again, AFMC can contribute a good share of that as well. So, if we did these things, I think we'd see enormous gains in both availability of our equipment as well as our cost."

According to Mr. Dunn, Air Force logistics operations consume about one-third of the Air Force's total resources

with costs consistently growing from year to year. In order for the Air Force to not, as Mr. Dunn said, "price (itself) out of business," a key emphasis of the transformation effort is to reduce cost and become more efficient.

He added that since the Air Force has been almost continuously engaged in forward locations since 1990, logistics operations have to improve operational performance to adequately support the warfighter in that environment.

AFMC is responding to this by implementing new command-wide PSCM processes to improve the availability of parts to the warfighter, reduce the cost to purchase parts and improve product quality and delivery. This is a collaborative effort between the three air logistics centers, AFMC headquarters and the Regional Supply Squadrons, and the initial phase of implementation covers Support Equipment and Material Support Division parts, equipment items and associated engineering services.

Additionally, depot maintenance is changing its business process by implementing a command-wide "Lean" approach to integrate shop floor process improvements with production support processes.

Lean is a business methodology of streamlining operations, management processes, personnel and logistics to increase the organization's overall value.

According to Sue Dryden, deputy, Depot Maintenance Division, in January,

four depot maintenance Trailblazer teams were implemented at the ALCs to define and provide evidence that the processes will improve production support to the repair lines.

Prior to launching the Trailblazers, Ms. Dryden said, Lean processes in various shops have resulted in cost savings, reduced flow days, added capacity, less work in process and increased throughput.

"We've already cut about 20 hours out of our A-10 flow time," said Maj. Gen. Kevin Sullivan, commander of Ogden ALC, Hill Air Force Base, Utah. "We've cut our F-16 flow time some, not as much as we'd like, and we're cutting our C-130 flow times as well. We're also making some major changes on how we do landing gear work. It's going to make us more efficient and more effective."

However, Ms. Dryden added, their efforts were limited because production support processes, including planning, scheduling and material support, could not respond adequately to the shop floor changes.



Warner Robins ALC, Robins AFB, Ga, is responsible for worldwide logistics support for the C-5 Galaxy. (AF photo by Tech. Sgt. James Mossman)

Information from the Trailblazers will be used to solve this problem, she said.

The Trailblazers are focused on the F-15 value stream, which includes the F-15 Program Depot Maintenance (PDM) line and F-15 Avionics shop at Warner Robins ALC, the F100 engine at Oklahoma-City ALC and the F-15 Landing Gear at Ogden ALC.

According to Maj. Gen. Terry Gabreski, Oklahoma City ALC commander, Tinker AFB, Okla., "I think the immediate impact to the field is they will get their items on time, when we promise them and where they need them to be. Whether it's aircraft, whether it's parts, the immediate impact to the field is the goodness that we're doing here. So, whether it's a B-52 wing or a B-1 wing, you name it, that is the end state we're looking for. Right part, right place, right time, when they need it, and when we said we'd do it."

PSCM transformation is also showing positive findings after launching three "Path Finder" commodity councils, which investigated current supply chain business processes at the ALCs, focusing on miscellaneous aircraft parts, support equipment and landing gear, and wheel and brake systems.

According to Scott Correll, chief, Logistics Contracting Division and PSCM co-chair, the Path Finder teams successfully pinpointed areas of improvement, including reducing the number of contracts with our suppliers, using performance based logistics to reduce costs and improve performance, and the need to develop partnerships with key Air Force maintenance and commercial supply chain suppliers.

By the end of October, AFMC plans on implementing eight commodity councils to cover the support equipment and supply mission area.

The councils will be responsible for developing sourcing strategies, assuring the availability of parts to improve weapon system performance and driving down supply chain costs and cycle times, said Mr. Correll.

The roadmap strategy to deal with current inefficient practices, ultimately, will achieve established PSCM goals of reducing cost and end-



Trailblazer teams launched at all three air logistics centers in January are focused on the F-15 value stream to determine better logistics and sustainment processes as part of an Air Force-wide logistics transformation initiative. (AF photo)

to-end cycle time, simplify business processes and develop a strategically-focused work force, he added.

According to all three ALC commanders, building that work force will be the most challenging and important aspect of transforming as personnel react to new ways of doing business, coupled with concerns about job security.

Much time has been dedicated to ensuring plans address these concerns. Both PSCM and DMT plans include communication, training and education initiatives for the work force, as well as for suppliers and customers.

"In some cases people's jobs are going to be completely revamped, reconstructed, reinvented, and that will be a concern," said General Sullivan. "And the other message we have to be very careful with is as we talk about leaning our processes that our employees not get the impression that we're leaning our processes so we can do more work with fewer employees. We want to do more work with the same amount because we want to bring additional work into our organizations."

Unlike past initiatives that never came to fruition, General Sullivan stressed that senior leaders have fully committed themselves and the command to this transformation.

"As I go out and talk to teams that are involved in Lean events, one of the most prevalent questions is, 'Is this going to go away like TQM did; is this going to go away like other initiatives have?'" General Sullivan said.

"So, what we need to convince them is it is worthwhile to invest their time and their energy into doing things better because we're in this for the long haul."

According to Ken Percell, director of Information Technology, Headquarters AFMC, senior leaders have received positive feedback from those who have experienced new ways of doing business.

"I think the big message is we are at a window of change," said General Gabreski. "The window is open, we have the support of senior leadership, not just the support but the impetus that says go and do this. We have to do this for the warfighter." □

Oklahoma City ALC, Tinker AFB, Okla., maintains the E-3 Sentry. (AF photo)

