

Defense Logistics Agency

Strategic Plan
2003 Revision



The Warfighter's Logistics Combat Support Agency

DLA MISSION...

To provide best value logistics support to America's Armed Forces,
in peace and war... around the clock, around the world.

DLA VISION...

Right Item, Right Time, Right Place, Right Price.
Every Time...Best Value Solutions For America's Warfighters.

DLA VALUES...

People.... care for our people, our community, and our environment -
their safety and their diversity.

Service....focus on customer service.

Excellence..... expectation of professionalism and quality, teamwork
and recognition to teams and individuals based on
contributions to achieving Agency objectives.

Innovation.....investment in improvements for the future.

Trust.....fostering relationships based on honesty, credibility, respect,
and equality.

DLA GOALS...

Goal 1: Provide responsive, best value supplies and services consistently to our customers.

Goal 2: Structure internal processes to deliver customer outcomes effectively and efficiently.

Goal 3: Ensure our workforce is enabled and empowered to deliver and sustain logistics excellence.

Goal 4: Manage DLA resources for best customer value.

GOAL 1:

Provide responsive, best value supplies and services consistently to our customers.

As a Combat Support Agency, the DLA mission is to provide logistics support to the warfighter. DLA's first and most important goal concerns the outcome for our customer. The strategies and objectives under this goal communicate how DLA will improve customer service and the level of service we have targeted to deliver. DLA aims for logistics excellence.

Goal 1 Strategies:

1. Focus, manage, and measure logistics support by customer segment based on customer requirements.
2. Negotiate and honor performance agreements with customer segments.
3. Ensure seamless logistics support to customer segments during the customer's transition from peace to war.

Goal 1 Objectives:

<u>Objectives</u>	<u>Process Owner</u>
1. Improve customer satisfaction to 90 percent by the end of FY 07 through effective customer relationship management.	J-4
2. Achieve and maintain a minimum of 85 percent cumulative annual supply availability by Service and by weapon system.	J-38/J-4
3. Develop effective relationships and collaborate with customers to ensure accurate requirements plans through negotiating and successfully implementing service level agreements with all major customer segments by FY 05.	J-4



GOAL 2:

Structure internal processes to deliver customer outcomes effectively and efficiently.

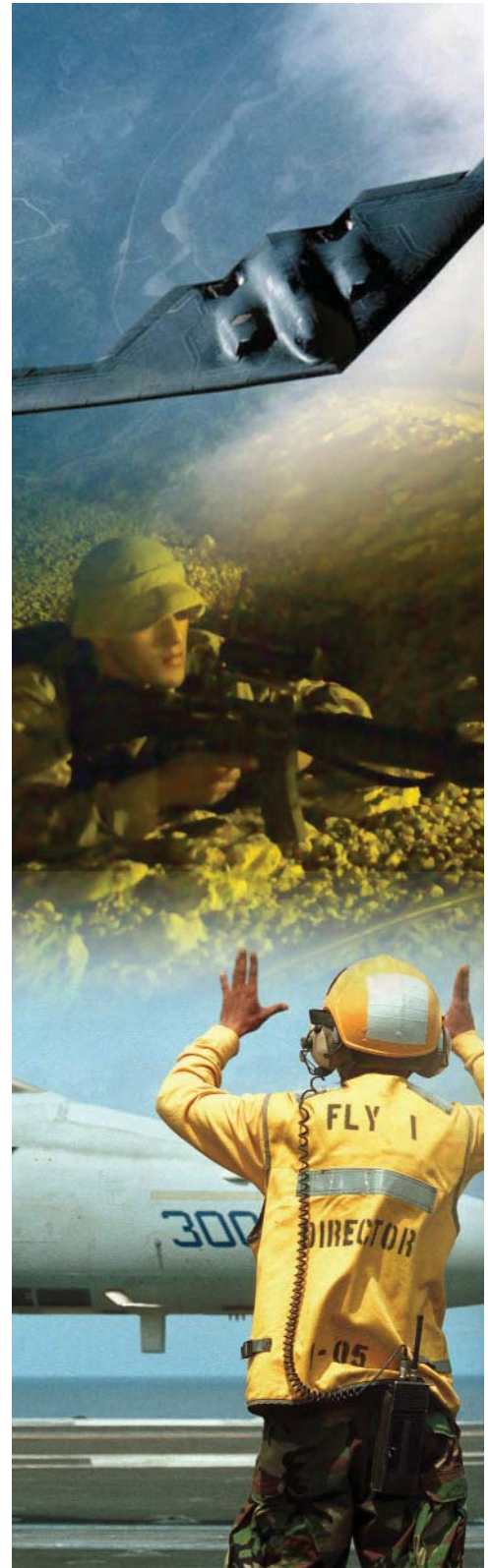
This internal process goal results in strategies for improved market knowledge, customer and supplier accessibility, and collaboration. Supply chain management practices provide the set of tools to manage our internal processes. Our focus on the objectives for supply chain management and information technology (IT) investments performance provide the supporting performance targets to achieve this goal.

Goal 2 Strategies:

1. Implement perfect order fulfillment.
2. Implement revised business processes.
3. Implement Strategic Material Sourcing.
4. Design and implement a best value enterprise IT environment.

Goal 2 Objectives:

	<u>Objectives</u>	<u>Process Owner</u>
1. Optimize logistics operations and improve rules, tools, and processes to reduce costs by \$110 million from FY 04 to FY 07 through adoption and institutionalization of best public and private sector business practices.	J-38	
2. Achieve inventory accuracy of 99 percent for high dollar items and 95 percent for all other items by the end of FY 07.	J-37	
3. Reduce costs, eliminate duplicative inventory, and improve supply chain management and accountability through implementation of Strategic Distribution, the National Inventory Management Strategy, and Executive Agency to achieve savings of \$142 million by FY 09.	J-37/J-33/J-4	
4. Improve customer support by collaborating with industry to develop effective support arrangements (such as service support agreements and other agreements) to save \$236 million by FY 09.	J-33	
5. Increase customer satisfaction with DLA-provided environmentally sound logistics services and supplies to customers to 80 percent by FY 07.	J-37	



6. Reduce costs by \$672 million through public/private competitions maintaining equal or better mission performance.J-37
7. Complete the implementation of the Business Systems Modernization solution for Standard Automated Materiel Management System and Defense Integrated Subsistence Management System replacement by the end of the second quarter of FY 06.J-62
8. Provide a future architecture and reengineered business processes throughout DLA through the implementation of modernized business systems including Customer Relationship Management, Distribution Planning Management System, Integrated Data Environment, and Fuels Automated System by the end of FY 09.J-62
9. Improve operational readiness, efficiency, and effectiveness while reducing IT total ownership cost by 10 percent through the implementation of enterprise-wide IT infrastructure initiatives by the end of FY 06.J-63
10. Create and maintain a secure operating data environment for DLA systems, networks, and web sites by achieving 90 percent compliance with Department of Defense Instruction 8500.2, Information Assurance Implementation, by the end of FY 05.J-63
11. Implement an Environmental Management System at all qualifying DLA Activities under Executive Order 13148 by the end of CY 05.DSS-E



GOAL 3:

Ensure our workforce is enabled and empowered to deliver and sustain logistics excellence.



DLA's success depends on its human capital. This goal focuses on the strategic management of our human capital. Our workforce must be properly staffed, possess the right competencies, and use knowledge-based skills for DLA to successfully perform its mission. DLA must nurture and sustain a high-performing workforce, ensuring that no skills gap exists in our mission-critical occupations. This goal encompasses investing in the workforce and implementing a strategy to retain and sustain a highly skilled and competent workforce. We foster a positive work

experience by promoting equal opportunity, providing and maintaining a safe work environment, fostering self-respect, valuing individual and team contributions, and taking pride in our workforce diversity.

Goal 3 Strategies:

1. Deliver the proper knowledge and skills to meet DLA's commitments to our customers.
2. Create and manage a customer-focused corporate culture.
3. Provide a quality work environment consistent with DLA values.

Goal 3 Objectives:

	<u>Objectives</u>	<u>Process Owner</u>
1. Identify and fill gaps between workforce competencies and the skills required to meet mission requirements for 100 percent of DLA positions by the end of FY 07.		J-1
2. Provide trained Joint Reserve Forces to meet 95 percent of validated and funded position requirements by the end of FY 07.		J-9
3. Improve employee satisfaction to 75 percent or better on the DLA climate survey by the end of FY 07.		J-1
4. Achieve representation in senior grades (GS-14 to SES) so that all groups are either (1) represented at least proportionate to their representation in the Agency population or (2) equivalent to their representation in the civilian labor force by the end of FY 07.		J-1
5. Reduce lost workdays by 50 percent from the 2002 baseline by the end of FY 05 by focusing on management commitment to safety, employee involvement, hazard identification and abatement, safety and health training, and accident prevention.		DSS-E

GOAL 4:

Manage DLA resources for best customer value.



Focusing on the financial goal will sustain the strong financial discipline required to ensure effective financial planning and management in DLA. The strategies and objectives associated with this goal allow DLA to provide best value to DLA customers. Accurate forecasts strengthen DLA's ability to project and support requirements and plan for the resources needed. Better supply chain cost decisions result in better management of our


resources. Compliance with the provisions of the Chief Financial Officer Act assures that the financial management systems produce relevant, reliable, and timely information.

Goal 4 Strategies:

1. Resource DLA's operational strategies.
2. Minimize total supply chain costs.
3. Promote confidence in DLA's financial stewardship.

Goal 4 Objectives:

	<u>Objectives</u>	<u>Process Owner</u>
1. Decrease DLA's non-energy Cost Recovery Rate, based on the cost of operations, to 14.2 percent by FY 07.		J-8
2. Ensure DLA's energy non-product cost per barrel will not exceed \$8.41 by FY 07.		J-8
3. Ensure DLA's Distribution composite unit cost rate will not exceed \$22.50 per line by FY 07.		J-8
4. Program 100 percent of the initiatives in the Program Objectives Memorandum that support strategic plan objectives for each Future Year Defense Program (FYDP).		J-8
5. Achieve non-energy sales forecasts accuracy of 100 percent for each FYDP.		J-8
6. Develop and implement the automated systems, business processes, and controls needed to comply with Federal accounting system requirements to pass the scrutiny of an external audit by FY 07.		J-8

The background of the entire page is a close-up, slightly blurred image of the American flag, showing the stars and stripes in shades of blue, white, and red.

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