Are You **Thinking** About the Future?

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Agenda

- Right to Left Thinking

- National Defense Strategy

- Contemporary Threats

- Four Questions

- Speed Dating

Exercise: 5+10-2+7=?

?+?-?+?=42

- Left to right thinking: Outcome based on experiences from the past

- **Right to left thinking: End-state desired outcome and allow critical thinking and innovation to drive the solution**

- President Kennedy stated a goal of reaching the moon – technology, processes, and knowledge did not exist, **but the end-goal drove innovation from academia, industry, and government**

LETHALITY
Build a More Lethal Force

- Modernized and maintained a secure, effective and resilient nuclear deterrent

- Better integrated the joint forces globally

- Elevated U.S. Cyber Command to full combatant command status

PARTNERSHIPS
Strengthen Alliances and Attract New Partners

- Increased burden sharing amongst NATO allies for common defense

- Addressed terrorist threats alongside Indo-Pacific partners in places like the Philippines

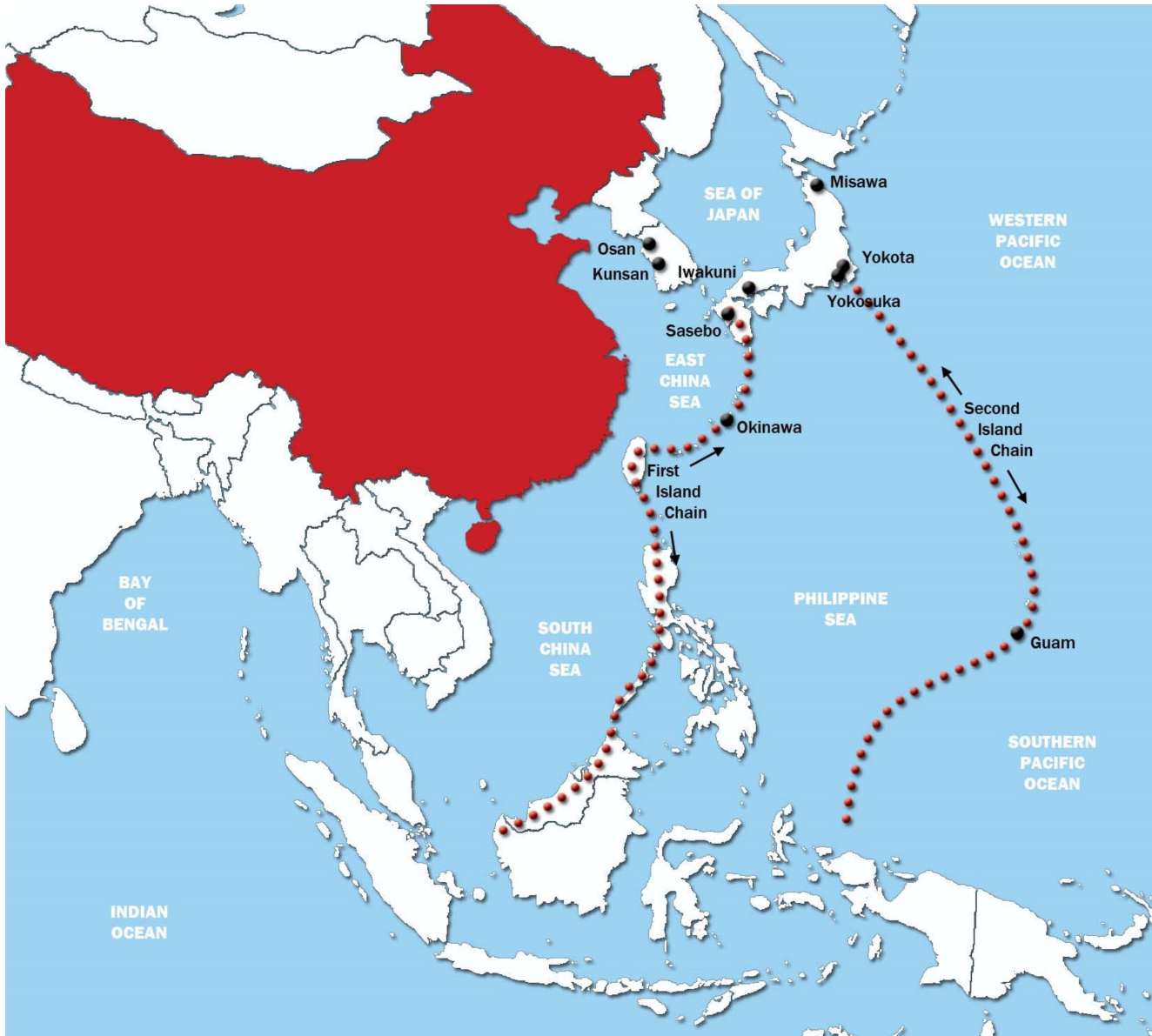- Diminished ISIS Held Territory by 98%

REFORM
Change The Way We Do Business

- Consolidated four healthcare enterprises into one, saving more than $2.5 billion annually by FY23

- Achieved $767 million in real benefits by taking a more rigorous approach to goods and services contracts

- Saved $253 million through commercial IT solutions, DOD-wide network management, and optimized data centers
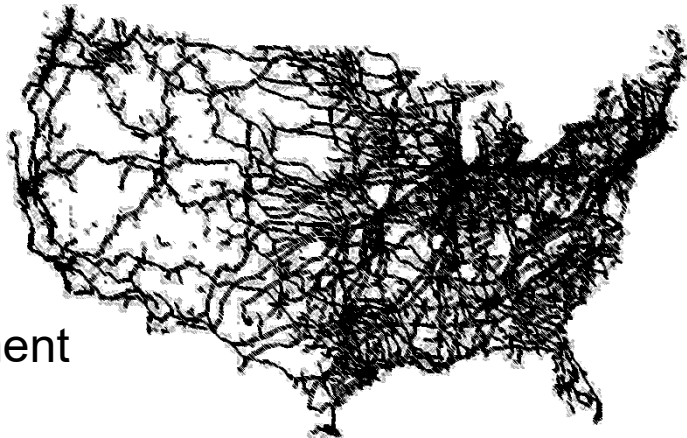
Mobilization
Training
Deployment
Sustainment

RSO&I
Sustainment
Survivability
Dynamic Force Employment

Support to Partners
Humanitarian
Major Combat Operations
Medical Evacuation

Four Questions

- Is the current maintenance structure the way it should be in the future?

- What should I be acquiring?

- How/who should set the globe logistically?

- What is my sustainment strategy?

History shows the need for timely development and fielding of technology and weapons systems – MRAP (2 yrs), JLTV (6 yrs) and the Future Combat Systems (14 yrs and cancelled)

DoD Acquisition

- **Simplify Acquisition Policy**
- **Tailor Acquisition Approaches**
- **Empower Program Managers**
- **Data Driven Analysis**
- **Active Risk Management**
- **Emphasize Sustainment**

- Enable at Scale
- Creative Compliance
- Critical Thinking

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Leveraging Category Management

OMB Definition: A **structured** approach to create common categories of products and services that enables the Federal Government to eliminate **redundancies**, increase **efficiency** and **effectiveness**, and boost (customer) **satisfaction** with the products and services we deliver
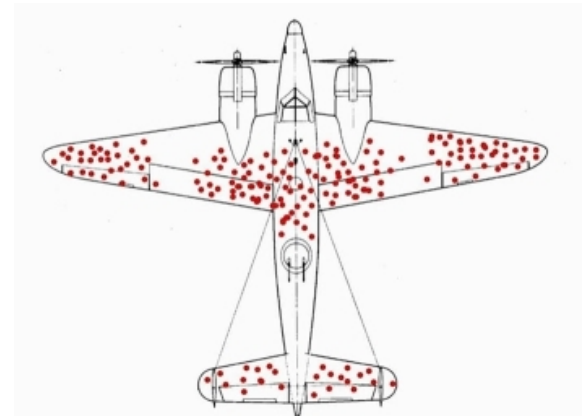
- Category Management (CM) practices implemented across the Sustainment enterprise (e.g. DLA Direct Delivery Fuels)
  - 10 core categories of products and services
  - Best in Class (BIC) contracts for Government-wide use
    - 39 BICs to Date = FY18 Cost Avoidance of $9.35B
  - BICs of Interest:
    - Industrial Products and Services - Special Operational Equipment Tailored Logistics Support (DLA)
    - IT - Enterprise Infrastructure Solutions and Networx
    - Security and Protection - Body Armor III

What are your opportunities?

What do you take away from this?

- Data Analytics supports better decision-making
  - DoD has challenges with data accuracy and relevancy

- Successful data enterprise tools implemented:
  - Sustainment Management System (facility inspections/ maintenance/repair) – ODNI major player
  - Maintenance & Availability Data Warehouse – leveraging AI tools against 1.5B maintenance transactions to identify the best opportunities to improve availability at the lowest cost
  - Munitions Readiness Initiative – Data provides dynamic, near real time, evolving picture of global munitions

DoD leadership focus on making data driven decisions

Supply Chain Risk Management

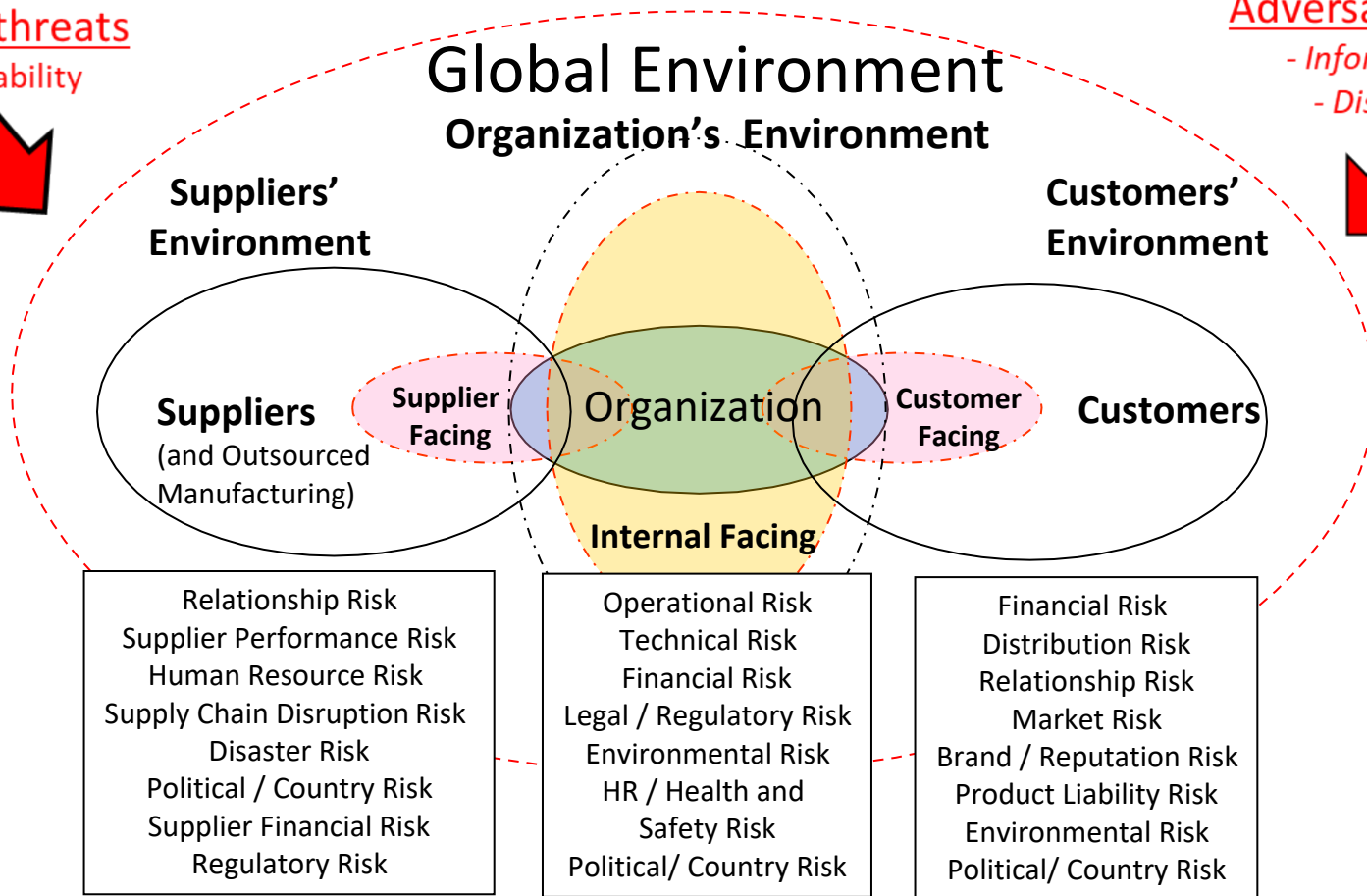Comprised of: People, Material, Processes, Software, & Relationships

Business threats
-Supportability

Adversary threats
- Informational
- Disruptive

Global Environment
Organization's Environment

Suppliers' Environment

Customers' Environment

Suppliers
(and Outsourced Manufacturing)

Supplier Facing

Organization

Customer Facing

Customers

Internal Facing

Relationship Risk	Operational Risk	Financial Risk
Supplier Performance Risk	Technical Risk	Distribution Risk
Human Resource Risk	Financial Risk	Relationship Risk
Supply Chain Disruption Risk	Legal / Regulatory Risk	Market Risk
Disaster Risk	Environmental Risk	Brand / Reputation Risk
Political / Country Risk	HR / Health and Safety Risk	Product Liability Risk
Supplier Financial Risk	Political/ Country Risk	Environmental Risk
Regulatory Risk		Political/ Country Risk

Top 3 Concerns: Cyber Security, Counterfeit Parts, and Illuminating Supplier / Vendor Relationships

Resiliency and Cyber Security

- **Resiliency to vulnerabilities** – climate, energy, water, environmental factors, natural resources, direct physical or cyber attack
  - Integrate resilience on front end of plans/processes
  - Infrastructure built to address vulnerabilities
  - "Black start" exercises test energy resilience
  - Energy systems & Facility Related Control Systems protected

- Resilient and adaptive fuel logistics (bulk, last mile)
  - Defend from kinetic threats and cyber attacks
  - Include fuel logistics into wargame scenarios
  - Ensure energy sources for future capability – directed energy, high-powered sensors, etc.

Resilient installations project & sustain combat power

- Think differently. To achieve the results we need, we can't think the same way.

- Success in the future based on the past is no longer viable… the environment has changed.