

Defense Logistics

Streamline procurement process, reduce excessive stocks, improve asset visibility, drive performance.

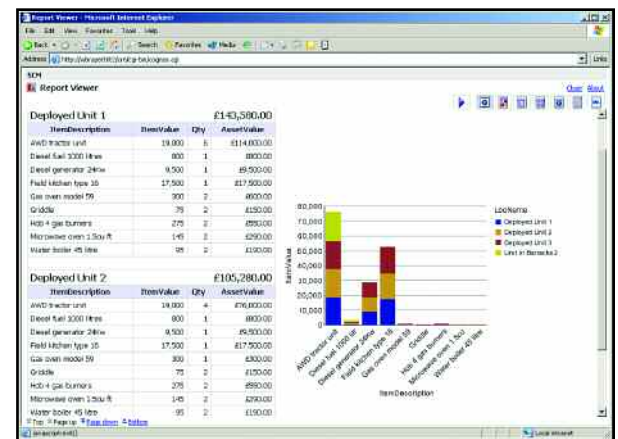
The business of defense is evolving. How our armed forces fight dictates how they are to be serviced and supported. The changing nature of potential threats has a profound impact on defense logistics. Global expeditionary operations now define the principal role for the majority of armed forces, encouraging a transition from a threat-based force to a capabilities-based force. Consequently, military forces are now directing their efforts towards being highly responsive, deployable, lethal, and sustainable, and the associated logistics required.

The challenge

Effective logistical support is critical to operational effectiveness. The challenge is to move away from the static, complex, and slow-moving systems and processes that maintained a cold war army, to a more agile and responsive end-to-end support chain that can sustain intensive globally dispersed operations. This transition will require a balance of near-term readiness and force modernization in an environment of fewer resources and financial limitations. Value for money and increased efficiency remain the ultimate objectives, but these cannot be achieved by simply maximizing the performance of existing systems and processes. Instead, you require new capabilities that enhance current operations, and increase flexibility and adaptability in both supply and distribution.

More than ever information drives logistics, and more than ever it is the profusion of information—fast-moving, ever-changing, dauntingly complex, and frequently contradictory—that threatens to undermine future strategies for improvement. Yet information is a strategic asset. Logisticians must capture, process, analyze, and manage disparate data sources to understand operational performance and identify strengths and weaknesses. With this knowledge you can streamline and improve processes, and drive costs down. When you can analyze and share information across the logistics support chain, armies can manage individual items throughout their life-cycle, from requirements definition, procurement, usage and support,

to disposal. A precise, real-time understanding of the disposition of assets—people, equipment, and spares—makes the key logistics processes of engineering, procurement, inventory, transportation, and material flow more efficient. Senior commanders gain an unprecedented insight into the operational readiness of individual units, equipment shortages, and availability. With a 360 degree view of the logistics environment, commanders can commit with confidence to future operations.



Measure the performance of individual suppliers



Analyze and report on inventory levels

The approach

IBM Cognos 8 BI provides defense logisticians with new visibility into command and material management. Integration with the processes of supply and demand planning, transportation, and distribution management will help identify potential inventory reductions, improvements in order and ship times and the provision of a faster, more responsive and reliable service to individual units. Rather than relying on historical data you will have real-time, predictive information to support intelligent decisions and improved operational readiness. The technology can work with your culture of continuous performance improvement, driving greater efficiency, streamlining processes, and spreading best practice, while eliminating activities that don't add value. With information as a key asset in its own right, you will have a better understanding of past, present, and future performance.

Past: By analyzing historical data, you can highlight and correct persistent problems and issues. At the highest level, this information can reveal historical demand for individual items, those continually 'out of stock', late deliveries, transport backlogs, and staffing shortages. By analyzing procurement patterns, you can accurately predict demand and lower inventory levels without affecting future capabilities. In addition, you can anticipate the impact of operational 'surges', identify spare capacity, and set plans to minimize disruption. The sustainment process also benefits. By analyzing the usage of an individual asset, for example, a main battle tank—mileage, ammunition fired, and other metrics—you can plan maintenance schedules in advance with precision.

Present: Cognos, an IBM company, offers a sophisticated management scorecard to measure key performance indicators. You can present operational metrics like inventory level by location, percent on-time delivery, shipping accuracy, budget, training, and operational readiness in dashboard reports to senior commanders. This data indicates the efficiency of current logistics processes and provides a comparative base for what-if analysis. You can trigger alerts if any metric reaches a pre-defined threshold level, and notify the relevant person automatically. The user can then 'drill-down' to analyze the cause, and take corrective action.

Future: The combination of past and present data supports demand and supply forecasting models. Your unit's demand forecasts and supply schedules can then be converted to cubic feet and summarized by facility to plan storage capacity, labour requirements, and transportation. With proactive, forward thinking, you can resolve problems in advance—detect potential stock-outs and request early shipments before inventory levels drop to zero. You can compile plans according to future operational commitments, and in much shorter time scales. The core financial processes of budgeting, planning, consolidation, reporting, and analysis can be managed in an integrated fashion over the Web.

The result

- Consolidated, timely and accurate information
- Insight into costs and performance
- Greater efficiency
- Improved planning and forecasting.

About Cognos, an IBM company

Cognos, an IBM company, is the world leader in business intelligence and performance management solutions. It provides world-class enterprise planning and BI software and services to help companies plan, understand and manage financial and operational performance. Cognos was acquired by IBM in February 2008. For more information, visit www.cognos.com.

Armed forces worldwide rely on Cognos to enhance logistics and ensure mission readiness. The U.S. Army, Navy, Marine Corps, and Air Force all use Cognos to improve operational performance.

For more Information

For more information on Cognos solutions for defense, please visit www.cognos.com/defense.

Request a Call

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