

## **DSPO Perspective on Parts Management** *(A paraphrased summary)*

**The Defense Standardization Program Office was organizationally realigned within the Department of Defense earlier this year. While it didn't relocate physically, in March DSPO moved functionally from the Logistics side of AT&L to the Acquisition & Technology side under Systems Engineering, which falls under the Director, Defense Research & Engineering (DDR&E). As a result of this realignment, some positive things are happening in the Department in the standardization area.**

**The Defense Standardization Council is being reenergized. The Council is composed of the Standardization Executives from the Military Departments, DLA, DISA and NSA. The Director of Systems Engineering has made a commitment to serve as the Defense Standardization Executive. In that capacity, he chairs the Defense Standardization Council. As a direct result of his interest in our business and his understanding of the importance of standardization, we are holding more frequent Council meetings, and taking a fresh look at the way we are doing business.**

**There is also an effort to breathe new life into some old military standards that were cancelled during mil-spec reform. It's a short list, and we don't have time to discuss which ones are being considered at this time. The good news is that the earlier mindset about mil-standards being "bad" no longer seems to prevail. Where it makes sense, old standards are under consideration for being brought back to life, not exactly as they were before, but revamped and updated to meet today's needs.**

**If you've been reading the papers, you are aware that the Secretary of Defense and the Under Secretary who heads up AT&L, have been putting out new guidance to improve the way DoD does business. It's impacting the way contracts are being written (to increase competition), and budgets are being scrutinized and approved, and in general it's an effort to cut costs within the Department without impairing efficiency and productivity and without negatively impacting**

**Warfighter support. This recent emphasis on the importance of affordability provides an opportunity for us to “sell” parts management as a way of reducing total ownership cost and increasing operational readiness.**

**At the Spring PSMC, attendees were asked to send DSPO data for building a strong business case on parts management. At the spring conference a lot of people spoke up and said they knew of good examples from their organizations’ experience that illustrated the benefits of parts management, and they would be glad to send them. To date DSPO has not received any information. Therefore, DSPO still needs good examples of how parts management reduces total ownership costs, mitigates risk, increases operational readiness by improving reliability, availability, and maintainability, supportability, thereby providing better support to the Warfighter.**

**Having said that, we’re learning that the Director of SE is not fond of putting out directive memos, because he doesn’t think they go far enough. So that may not be the end goal that we thought it was earlier. Our new leader prefers that important policy be incorporated into the appropriate guidance documents like the DAG and into training courses and effectively become part of the defense culture, so that users can find the direction in the guidance they use on a regular basis. He has a point. DoD has probably put out many policy memos that have been largely ignored because they didn’t always filter down to the working level.**

**A strong business case still needs to be built to sell parts management in whatever form the policy eventually takes. The only way we can sell the idea that parts management reduces life cycle cost is by having data that proves that--good stories that we can package that show parts management does what it says it does. Depending on what is submitted, a case study on parts management could be developed, or a presentation that would need to get to the right people. But getting the information is the first step. So please send DSPO your examples that illustrate why parts management is a worthwhile practice.**

**DSPO is sponsoring several things related to parts management in this new fiscal year, including: an update of the parts management executive overview and the development of a new practitioner level course. Also, we're sponsoring PinPoint user group sessions and training sessions, some of which may be held in conjunction with the Spring PSMC Conference in April 2011 or the next DMSMS/STDZ conference in August 2011. The training sessions are for teaching people how to use the tool, and the user group sessions are for getting user feedback, so the tool may be tailored to better meet user needs.**

**Later in the week, there will be an opportunity to hear both DSPO's second-level leader, the director of Systems Engineering, and first-level leader, the head of SE/Mission Assurance, talk about some things that are going on in the Department, and in Systems Engineering that will be of interest to this parts management community. Also, the head of OSD Materiel Readiness will be talking about Product Support. Please take advantage of the opportunity to hear what our leaders have to say about changes that are taking place.**

**The head of SE/Mission Assurance is going to be chairing a Systems Engineering Standards Working Group. The plan is to develop an overarching Systems Engineering standard. It will not be a revitalization of MIL-STD-499, Engineering Management; instead it will be a look at what is needed enterprise-wide.**

**A new DTM (directive type memo) on Reliability is currently in coordination. Systems Engineering hired a reliability expert from a military department to lead a reliability standards working group that will develop an enterprise-wide approach to reliability to be put on contract.**

**With the strong senior leadership in place in logistics, readiness and acquisition, the whole enterprise is being energized. Parts Management needs to be right in there as an important element of this next form of acquisition reform. One real benefit of DSPO being under Systems Engineering is that Systems Engineering has a seat at the table during design reviews.**