SUBJECT: Continuous Process Improvement

References:

(b) DoD Instruction 5010.43, Implementation and Management of the DoD-Wide Continuous Process Improvement/Lean Six Sigma (CPI/LSS) Program, July 17, 2009
(c) Office of Assistant Deputy Chief Management Officer Memorandum, Department of Defense (DoD) Continuous Process Improvement (CPI)/Lean Six Sigma (LSS) Program Office Practitioner Body of Knowledge and Certification Requirements, March 3, 2009
(d) Director, DLA Memorandum, Director’s Intent Memorandum – Continuous Process Improvement, June 24, 2009
(f) DLAM 5309 Standards for Validating Financial Benefits for Continuous Process Improvement Projects, September 18, 2012 (Administrative Update February 2013)

1. PURPOSE.

a. The Continuous Process Improvement (CPI) deployment initiative is an integral part of the Agency’s commitment to improve the overall capability for developing, optimizing, and maintaining consistent processes throughout the organization. CPI is a focused, sustained effort that builds on the underlying foundation of efficient and effective Agency processes. The Defense Logistics Agency (DLA) is committed to a strategic and structured approach to CPI using Agency, Department of Defense (DoD), and industry best practices to attain these goals.

b. The deployment of CPI provides a mechanism for continuously improving processes and performance to support the DLA mission. Various CPI tools and methods will increase process efficiency through the elimination or reduction of non-value added work and increase the quality of products and services through the elimination of defects and rework. Streamlining business processes, both operational and administrative, are critical to improving and sustaining DLA’s
capability to effectively implement solutions that support the DLA mission, provide the expected and required stewardship oversight, and enhance support to the customer. DLA’s primary customer is the warfighter.

c. The focus of this policy is to ensure CPI practices are implemented in accordance with references (a) through (c) while ensuring the CPI efforts support the delivery of the right solutions at the right place, right time, and right cost for DLA customers. This policy supports reference (d) Director’s intent.

d. DLA’s CPI deployment supports the reference (a) direction that “all DoD agencies shall establish and execute comprehensive CPI programs that employ CPI principles and concepts, output based metrics, and other effectiveness and efficiency methodologies. Such programs shall be focused on all DoD processes. The overall objective is to achieve required readiness by optimizing quality, reliability, and cycle time within the framework of reduced total agency costs.”

2. APPLICABILITY. This Instruction applies to all DLA personnel. Compliance with this instruction is mandatory. The policies set forth in this document are considered minimum requirements and are established to comply with referenced DoD Policies. DLA J-code, D-code, DLA Installation Support and Primary Level Field Activity (PLFA) organizations, hereafter referred to collectively as the “organizations,” may apply or require compliance with stronger implementation approaches that augment these minimum requirements.

3. POLICY.

   a. This change supercedes DLAI 5309 dated July 2010, incorporates and supercedes the Director’s Intent Memorandum-Continuous Process Improvement dated June 2009, and asserts HQ J5’s authority to establish and evaluate policy and procedural adherence of CPI for DLA.

   b. Organizations shall employ the fundamental concepts and core competencies of CPI methodologies as part of a structured and continuous approach for analyzing and improving their processes to accomplish their organizational mission more efficiently and effectively. The DLA CPI initiative will leverage the appropriate tools and methods for problems being addressed, including but not limited to lean, six sigma, theory of constraints, and business process reengineering.

   c. Leadership shall actively support all DLA employees in applying CPI to their jobs to produce qualitative and quantitative improvements.

   d. Organizations shall participate in defining, implementing, and sustaining CPI efforts.

   e. Each organization shall use CPI concepts and tools to improve the full range of processes and activities that comprise their operations, including decision-making processes, stewardship responsibilities and appropriate engagement with external stakeholders, which include industrial base suppliers.
f. CPI efforts shall be used to support Agency strategic objectives as identified in the DLA Strategic Plan, Director’s Guidance or other objectives issued by the Director.

g. Organizations shall implement CPI programs to improve overall effectiveness and efficiency across missions and functions to gain the broadest possible range of organizational improvements.

h. DLA will ensure Champions and Sponsors (defined under “Roles”, paragraph 4) are identified at the appropriate level and will review local and Agency-level CPI opportunities on a routine basis.

i. DLA shall establish and maintain CPI education, training, and certification capabilities consistent with industry and DoD-wide guidelines and standards.

1) DLA Strategic Plans and Policy (J-5), CPI Branch, shall process and certify DLA Agency-level CPI certifications, to include both Green Belt and Black Belt (defined under “Roles”, paragraph 4), based on industry and DoD bodies of knowledge (BoK). The reference (c) DoD-issued certification standards and BoK provides the minimum standard for course instruction and requirements for certification. J-5 shall develop, maintain and support DLA education and training curriculum for CPI. When training is not provided using the Agency-level curriculum, organizations shall provide a curriculum crosswalk with the DoD BoK for employees requesting DLA certification. DLA shall only provide certifications when the training is deemed compliant with the DoD BoK certification requirements. Organizations may establish a local certification process to support local needs. DLA certifications for employees will be maintained in CPI Administrative Project and Event Repository (CAPER). When certifications are granted to employees by non-DLA sources, the certification will be recognized by DLA and the providing institution or organization will be identified as the source provider.

2) DLA shall train and maintain at least 1 percent of the current total civilian and active military population as Black Belts (Level 2). The Level 2 term is recognized as the equivalent as a Black Belt relative to CPI understanding and proficiency. Black Belts: facilitate and complete at least two Black Belt/level (2) CPI projects/events. within two years of the initial publication date of this policy or training completion; whichever is later. Certification standards shall be reviewed and updated periodically to ensure consistency with industry and DoD best practices. Therefore, trained Black Belt candidates are encouraged to submit each project for certification review shortly after completion. To further develop Black Belts after certification, supervisors are encouraged to utilize Black Belts on at least one project every 24 months and support participation in CPI teaching and mentoring. For details of the certification process, please refer to the DLA CPI Training & Certification Process located on the J-5 CPI webpage.

3) DLA shall train and maintain at least 5 percent of the current total civilian and active military population as Green Belts (Level 1). The Level 1 term is recognized as the equivalent as a Green Belt relative to CPI understanding and proficiency. Green Belts: facilitate and complete at least one (1) CPI project/event. within two years of initial publication date of this policy, or training completion; whichever is later. To maintain their proficiency after certification, Green Belts are encouraged to complete one (1) project each year.

4) Organizations may set forth local policies which may require compliance with stronger implementation approaches than those established below:
a) Supervisors shall ensure DLA Black Belt candidates shall have the following prior to training start date:

1. A Sponsor-generated Suppliers, Inputs, Processes, Outputs and Customers (SIPOC) template and Charter, and

2. Supervisor’s commitment to allow the employee to facilitate and complete at least two (2) CPI projects/events within two years of training completion, in lieu of a reasonable proportion of current duties based on project requirements, and

3. Agreement that candidate shall be a CPI change agent for their organization, and

4. Completed Green Belt certification requirements,

5. Organizational confirmation to the CPI Board member that requirements 1-4 above have been met.

b) Supervisors shall ensure DLA Green Belt candidate shall have the following prior to training start date:

1. A Sponsor generated Project Definition Worksheet, and

2. Supervisor’s commitment to allow the employee to facilitate and complete at least one (1) CPI project/event within two years of training completion, in lieu of a reasonable proportion of current duties based on project requirements, and

3. Agreement that candidate shall be a CPI change agent for their organization,

4. Organizational confirmation to the CPI Board member that requirements 1-3 above have been met.

5. Each organization shall complete and submit to J-5 a baseline maturity assessment within 90 days of policy publication. Each organization shall complete a CPI Deployment Plan within 180 days of policy publication. Deployment plans will include a deployment timeline in their own organizational Deployment Plan to clearly demonstrate operational nesting of CPI with support of the three strategic objectives. Completed deployment plans shall be submitted to J-5 within 180 days of policy publication. J-5 shall continually assess and periodically update the Agency CPI Deployment Plan that includes an agency maturity assessment model within 7 days of policy publication to model and inform organizational deployment assessment and plan development. Additionally, organizations shall continually reassess their plans and incorporate changes and updates.

j. Categorizing Benefits. Categorizing projected benefits into financial and mission benefits. Organizations shall DLA will collect and report benefits resulting from CPI activities in the CAPER using the following financial and mission definitions:

a) Financial (for a complete discussion see reference f). A monetary benefit that can be identified as a result of a CPI project and/or event. The three primary sub-categories are:
(1) Cost savings: Cost reduction in the number of dollars needed to meet a customer requirement by improving a process or function. Cost savings are cost reductions wherein funds can be removed from a budget line item or moved elsewhere in the program/budget, such that the money can be moved elsewhere in the program or budget. The sponsor organization for each project/event retains cost savings. Cost savings are also referred to as Type I metrics, and the benefits of each project/event shall be submitted to CAPER into the “Metrics Financials” worksheet, using J-8, Financial Operations, approved categories.

(2) Cost avoidance: Any cost reduction which is not a cost savings. This can be because funds have been previously removed from the budget, or they do not exist in the budget as an explicit line item, or they result from process improvements that prevent a future unbudgeted cost. Cost reduction that does not enable a manager to move funds elsewhere or potential cost reductions from planned project/event improvement efficiencies, not tied to specific budget categories in the Future Years Defense Program (FYDP). The sponsor organization for each project/event retains cost avoidance—the sponsor will have the ability to reallocate cost avoidance savings within their organization. Cost avoidance is also referred to as Type II metrics, and the benefits of each project/event shall be submitted to CAPER into the “Metrics Financials” worksheet, using J-8 approved categories.

(3) Revenue generation: An increase in revenue received by the Agency, over and above appropriated funds or from the expected amount of customer funding. This could be through billing of external parties for supplies and services, or through Public Reimbursable efforts, or through the Defense-wide Working Capital Fund. A net increase in resources over and above appropriated funds and over and above the normal influx of revolving fund work. Revenue sources can be internal or external to DLA.

b) Mission. A mission-related benefit, not captured in financial format, which can be identified as a result of a CPI project and/or event. Mission benefits, however, may translate to financial benefits. The four Primary sub-categories are:

(1) Productivity. A CPI project and/or event that results in improved productivity, such as reduced cycle time, fewer hours spent on a process, increased throughput, or quality improvement (defined as variation, rework/defect reduction).

(2) Operational. A CPI project and/or event that results in an improvement in readiness level, safety posture, security posture (physical, personal, information), positive change in Service capability, or increase in reliability (the probability that an asset will perform its intended function for a specified period of time under specified operating conditions) or other operational improvement.

(3) Energy and Environment. A CPI project and/or event that results in improvement to the infrastructure, buildings, roads, energy, utilities, transportation (non-operational) or other energy or environmental improvement.

(4) People. A CPI project and/or event that results in improvements in the workplace. Categories can include recruitment and/or retention rates, employee development and skills levels, quality of life or any other people improvement.

(5) Safety. A CPI project and/or event that results in improvements to safety.
k. **Project Tracking.** DLA shall implement the capability to systematically track CPI project activity from project identification to completion and to maintain an accessible, transparent, and archived record of each project approved and executed under the auspices of the DLA CPI initiative. The CAPER tool will serve as the authoritative source for DLA CPI project, event and resource information since it will be the authoritative source for metrics supporting compliance to OSD CPI policy.

a) **Consistent with DoD guidance (reference b),** project tracking elements shall include sufficient documentation supporting an auditable historical record and at a minimum has addressed:

1. A description of the project, its purpose, objectives, participating organizations, planned and actual costs, planned and actual benefits (business case), scope of functions involved, and expected results. The sponsor will be responsible for tracking the actual benefits received for 36 months,

2. Planned activities and related milestones as directed by J5,

3. A documented assessment of achieved results against planned improvement activities,

4. Project costs occurring over the actual project timeline period (per reference f),

5. Projected ROI validated against actual ROI as data becomes available through the project, to include savings, as defined and approved by the local financial analyst (per reference f). ROI savings should normally be calculated using a 36 month period of performance following project completion.

6. Credible benefit target for each approved Rapid Improvement Event or DMAIC project and/or event. Characterized by an established baseline, quantifiable targets, a mix of readily attainable and challenging benefits targets, and a means to regularly assess project progress.

7. Financial and mission validation shall be conducted per reference f and shall be completed for any project having (a) financial benefits that exceed reference f financial threshold and/or (b) mission benefits if the champion requests.

b) **Long term tracking.** Projects requiring three fiscal years financial tracking shall comply with the information requirements outlined in reference f. The Sponsor will be responsible for ensuring that benefits are tracked for a period of 36 months following the close of a project (i.e., the end of the Control phase of a Define, Measure, Analyze, Improve Control (DMAIC) project). This will ensure that actual benefits are tracked covering the period of time also used to compute the return on investment (ROI) benefits described in (j)(5) above. The 36-month financial benefits are aggregated in CAPER by Fiscal Year, the 36-month mission-related benefits are aggregated in CAPER by Quarter.
c) Project termination. DLA shall establish indicators for terminating CPI projects when successes and/or progress are not being achieved. For DLA projects input into CAPER, such indicators include the project status (i.e., off track), gate passage, financial and agency metrics. These indicators can be used to determine when a project is not achieving success or sustained progress and should be evaluated for restructuring or cancellation. CPI practitioners needing a CAPER license should contact their CPI Board member. Practitioners working at a site not represented by a member of the CPI board or are unaware of who to contact, may send a request via email to HQ J5 CPI cpitools@dlaim.

1. Reporting. Demonstrated performance improvements and results achieved as an outcome of CPI projects/events shall be documented, validated, and maintained by DLA organizations in CAPER. an automated, transparent fashion for purposes of management review, assessment, research, knowledge sharing, and archived reference. Data reported should be current, complete and consistent.

1) Status for each DLA CPI project/event shall be reported by DLA organizations in the CAPER tool and to DLA organizational Champions, from the establishment of a project charter through the improvement and control of all process changes.

2) Consistent with reference b, every CPI project/event will forecast estimated financial and/or mission benefits prior to completion of the Control phase or project closeout. Estimates will be documented in CAPER. Estimated and actual cost savings and cost avoidance benefits will be tracked in CAPER in financial metric tables. Estimated and actual, quantifiable mission benefits will be tracked in CAPER in agency metric or performance metric tables.

3) Progress in achieving performance objectives shall be reported by DLA organizations on a bi-monthly basis to J-5. Aggregated data from CAPER will be summarized in the DoD Enterprise Performance Management System (DEPMS) DLA metric table. The decision whether to upload data for individual DLA CPI projects and events from CAPER to DEPMS will reside with each DLA organization.

m. Organizations that primarily sponsor a project/event shall retain the financial benefits generated by the CPI activity unless explicitly directed to meet efficiency targets in accordance with DoD or DLA Director’s guidance.

m. Benefit Retention. Consistent with reference b, organizations shall implement J5 procedures to take full advantage of senior leadership commitment to permit documented and validated benefits (financial and/or mission) resulting from CPI to be retained by the sponsoring DLA organization, unless explicitly directed to meet efficiency targets in accordance with DoD or DLA Director’s guidance’s.

n. Financial and CPI Engagement. Organizations shall:

1) Continuous Liaison with financial staffs to assist with and support the structuring and validation of CPI resource benefits and investments,

2) Documenting validated financial benefits generated from CPI projects in DLA organization programming and budget submissions,
3) Linking planned initiatives to reinvest, recapitalize, or further strengthen operational capability, using CPI generated resources, in DLA organization programming and budget submissions,

4) Specifically Identifying CPI projects/events, replicated within a DLA organization or across multiple organizations or collaborative projects among multiple organizations, in programming and budget submissions as a basis for increasing the fiscal priority of such projects in programming, budget development, submissions, and reviews. Increasing fiscal priority is justified since such projects cost less and produce more.

o. Change Management. Organizations shall implement effective change management techniques as an integral part of their local CPI effort. Activities shall include:

1) Reviewing current performance and measuring it against the standards set by leadership for the organization,

2) Understanding and clearly communicating the ideal condition and future direction for the organization, (i.e., determining the priorities of the organization and identifying the environmental factors, internal and external, that support or inhibit attaining organizational goals),

3) Identifying available and realistic opportunities for process improvement,

4) Communicating priority opportunities for change to all organizational members who will be involved in executing selected solutions,

5) Implementing and validating a balanced set of metrics to measure the progress and success of each CPI project/event,

6) Establishing an effective information feedback mechanism to permit open communication among all members of the CPI leadership, project teams, stakeholders and customers.

p. CPI Infrastructure. Each Organizations shall establish a CPI deployment infrastructure with the resourced to:

1) Act as a cadre of practitioners proficient in CPI principles and methodology.

2) Execute effective CPI program implementation and long term successes built on fact-based decisions.

3) Provide organizational CPI Awareness and local Green Belt education using the DLA programs or instruction and facilitate CPI project management.

4) Provide strong and continuously visible leadership throughout all levels of the organization to promote a CPI culture of innovation and teamwork.

5) Accept process ownership and employ CPI tools to help execute and accelerate process improvement.
6) Identify, execute, and communicate CPI project replication or collaborative opportunities by sharing documented guidance, (e.g., standard operating procedures, regulations, checklists, deployment guidebooks) that defines how or when action should be taken by DLA personnel.

q. Human Performance. Insofar as practical and consistent with professional education and licensure requirements, DLA shall develop and adopt standard elements and language for position descriptions and position classification documentation for CPI positions for purposes of maximizing consistency of approach, organizational mobility, and cross fertilization of CPI certified personnel resources to support mission accomplishment. By: Additionally, organizations shall:

1) Applying standard CPI core competencies, position descriptions, and performance objectives in personnel management documents in accordance with reference (e),

2) Developing common, shared recruitment documentation to enhance DLA efforts to attract employees with CPI skill levels appropriate to support organizational projects,

3) Reducing recruitment fill time by applying standard CPI position classification templates, language and placement guidelines.

r. DLA shall implement the capability to identify, track, and fully utilize CPI professionals throughout the workforce by: Organizations shall continually:

1) Identifying and track military and civilian CPI personnel across the agency by specific DLA organization through CAPER providing visibility of CPI practitioners, defined as Belts/Level I & II, training and certification,

2) Establishing the requirement to Recruit or train CPI practitioners as part of all process improvement teams and/or organizations,

3) Ensuring sufficient levels of investment in organizational training programs and budgets to develop and maintain sufficient numbers of CPI trained personnel to satisfy organizational requirements.

s. Workforce training. A well trained workforce will help ensure successful implementation and sustainment of the application of CPI tools and methodologies that contributes resulting to improved organizational performance. DLA Organizations shall use workforce training and certification programs to provide individuals and improvement teams the requisite training and experience to effectively apply CPI to their improvement projects. By: Organizations shall:

1) Implementing a hierarchical program of advancement for military and civilian professionals to attain a more successful, comprehensive knowledge of CPI concepts, tools, and experience,

2) Incorporating CPI training and/or certification into individual employee development programs,
3) Ensuring leadership emphasis on employee CPI knowledge, skills, and abilities to apply core competencies to close organizational performance gaps and improve mission performance,

4) **Periodically** Revisiting CPI plans, programs, and projects to be revised as necessary.

t. **Awards and Recognition.** DLA and DLA organization leadership shall leverage existing rewards, awards, and recognition programs to demonstrate commitment and appreciation of project teams and organizations achieving positive results applying CPI. Specifically, leadership shall:

   1) Reward successful teams and key individuals to encourage management and employee interest and commitment to CPI,

   2) Gauge CPI organizational progress and maturity based on a defined maturity model,

   3) Recognize CPI project Sponsors and Champions and organization leaders for exceptional use of CPI tools to achieve organizational results,

   4) Highlight new ideas and recognize innovation among the DLA workforce.

u. **Collaboration.** Encourage greater collaboration from people or organizations by linking incentive and honorary awards programs to continuous process improvement program results, especially when the results are seen to be greater than the sum of their individual efforts or capabilities. DLA Organizations shall implement enabling capabilities to accomplish maximum sharing and reutilization of successful CPI projects among organizations with similar process improvement objectives and requirements. DLA Organizations shall work collaboratively whenever practicable to combine resources and expertise into single CPI teams to achieve common-use project outcomes. J5 will assist in the identification of resources to support agency-level projects if required. Actions to facilitate such cooperation include: *Additionally J5 shall:*

   1) Ensuring CPI guidance, briefings, training materials, and user documentation are developed and disseminated with commonly accepted CPI terminology,

   2) Implementing a shared on-line reporting process to enable each organization to communicate and disseminate projects in planning, project results, and replication opportunities across DLA organizations and functional areas,

   3) Working together to enable organizations to Stress the use of CAPER as the CPI data repository to allow transparent visibility of replication or collaborative opportunities across the DLA,

   4) Ensuring integration of CPI lessons learned and best practices into CAPER and DLA workplace to facilitate sharing and collaboration at the practitioner level.

v. Organizations shall benchmark improvement efforts and replicate best practices across organizational boundaries. These efforts are achieved by:

   1) Placing high priority on adopting industry best practices,
2) Using common CPI processes and tools across all DLA organizations,

3) Maintaining ongoing liaison with CPI practitioners throughout DoD and Federal communities, and Industry.

4. RESPONSIBILITIES.

a. J-5: The development, implementation and management of the DLA agency-level deployment of CPI is supported by J-5. J-5 is responsible for identifying and supporting Agency CPI training requirements and certifications, establishing and updating CPI policy and deployment documentation that includes Agency CPI standards and templates, and facilitating Agency CPI activities throughout DLA and certifying Belts. J-5 is responsible for maintaining a functional, working data repository and metrics system such that it contains all CPI practitioner resources, proposed and completed projects/events, best practices, and financial/mission benefit information. J-5 will be prepared to brief the agency CPI Deployment Plan and current Maturity Model assessment in update Agency leaders on all aspects respective to the initiative, at the enterprise level. executive forums and assist in the identification of resources to support agency projects, if required. Additionally, J5:

1) As functional proponent for CAPER J5 shall:

   a) Incorporate CAPER training into established CPI curriculum,

   b) Offer to organizations quarterly training classes for both basic and advanced practitioners and report participation rates and,

   c) Review the accuracy of project status and track-report discrepancies and corrections.

2) As functional proponent for training and certification J5 shall:

   a) Training Material, Templates and Tools: The DoD CPI BoK will Provide a minimum standard of training, tools and templates to ensure consistent and sustained execution of events and delivery of results and benefits.

   b) Provide standardized training which meets the DoD CPI BoK requirements for Green Belts and Black Belts. will be developed, maintained, and made accessible by J-5.

   c) Provide standardized templates and tools to support each phase of the DMAIC process as well as templates for project summary, metrics and other forms of reporting. will be developed, maintained, and made accessible by J-5. J-5 shall maintain CAPER and the DLA CPI website for collaboration and information sharing.

   d) Conduct periodic reviews and update existing training.

3) Standardized tools to support tasks such as analysis or archiving or reporting project information will be made available for use via the web. J-5 shall ensure that standardized tools are available and approved for CPI usage across the Agency.
b. Alignment Group: The Alignment Group is chartered by the Director to govern and enable the execution of transformational efforts. They provide leadership to guide an Agency-wide CPI culture focused on improving operating effectiveness and efficiency in providing warfighter support. The Alignment Group champions, guides and accelerates use of CPI tools and methodologies throughout DLA. Members will ensure the appropriate application of CPI tools and methodologies to agency strategies and local DLA organizational needs. The Group:

1) Aids and identifies improvement projects affecting primary aspect of business at an enterprise-wide level,

2) Provides oversight for CPI projects impacting cross-process, cross J-code, or cross-Agency activities.

c. **Organizational CPI deployment personnel** CPI Board will implement and institutionalize an Agency-wide CPI culture and strategy that improves operating effectiveness and efficiency in support of the warfighter advance CPI in a collaborative fashion. Members are expected to participate in monthly meetings. They shall:

1) The CPI Board will champion, Guide and accelerate the use of CPI tools and methodologies in the individual members’ activities and across the Agency. Will act as the primary liaisons between their local organization and the Agency-level CPI initiative. and be empowered to make decisions/recommendations in furtherance of these activities. Further, they will assist in the coordination of resources of Agency-level projects for their organization. And are responsible for tracking the status of trained resources that belong to their organization.

2) Voting membership for the CPI Board includes representatives from J-5, DLA Distribution, DLA Energy, DLA Land and Maritime, DLA Troop Support, DLA Aviation, DLA Disposition Services, DLA Installation Support, DLA Human Resources, DLA Logistics Operations, DLA Information Operations, DLA Acquisition, DLA Finance, and DLA Joint Reserve Force. J-5 is the chair of the CPI Board.

3) Prior to candidates attending training, CPI Board members will

   a) Verify an employee’s supervisor is aware of employee’s intent to attend training; and

   b) Verify that an employee (BB/Level II candidate) has obtained supervisor commitment to facilitate and complete at least two (2) CPI projects/events within two years of training completion. Verify an employee (GB/Level I candidate) has obtained supervisor commitment to facilitate and complete at least one (1) CPI project/event within two years of training completion

d. Customer: Identifies CPI improvement opportunities for DLA. Customers may participate in value stream analysis and mapping activities for CPI projects or events to clarify their customer requirements, assists in determining whether process steps are value or non-value added, and discuss expected outcomes required by the organization.

e. Policy Owner: Maintains responsibility, accountability and authority for DLA policy and compliance with DOD and Federal laws, regulations and policies in a specific functional area.
f. Process Owner - The accountable owner from an agency perspective, who is responsible for business units/personnel for specific process steps and/or functions within a business cycle. The process owner is the person who is rated for performance of this function. The process owner can drive or significantly impact change to DLA policy, process, controls, systems, data, and human capital, as necessary, to increase DLA effectiveness.

g. Champion: Supports the implementation and management of local CPI deployments throughout DLA organizations, and is actively engaged in the DLA CPI initiative. Owns their local CPI portfolio of projects, events and resources. Communicates standards and guidelines across their local organization and develops associated execution strategies to ensure adherence with DLA and DoD CPI policy. Eliminates obstacles for the CPI project teams when the Sponsor has difficulty resolving issues that impede progress. May be the process owner. **Duties, as outlined, imply organization senior leadership assignment as Champion.**

h. Sponsor: Identifies CPI improvement opportunities for their local organization implementing the guidance and priorities of their Champion, conducts project identification and selection events, develops project or event SIPOCS & charters, and sponsors the execution and implementation of a project or event with sustainable control measures. Accountable for business results being addressed by the defined and chartered project or event. Works with the Champion to match CPI facilitators to lead selected projects or events, and ensures commitment of team members to support a project or event. Provides active and on-going advice and support to project teams. Responsible for project or event direction and execution, on-going tollgate reviews, removing barriers, identifying resources and implementing improvements. Acts as the primary change agent to notify personnel impacted by process improvement activities. Ensures that project information is captured and updated in CAPER both during the project phase (i.e., during a DMAIC effort) and subsequent to the closeout of a project (i.e., the end of the ‘Control’ phase). Ensures a CAPER user is appointed to continue capturing results of a process improvement in CAPER. **after the Black Belt may have moved on to other projects.** The sponsor may also be the process owner.

i. Team Lead: Directly supports the activities of the CPI project team as the lead government representative. Works on behalf of the Sponsor to ensure the project or event is progressing to deliver desired improvement benefits. Acts as a change agent to assist personnel impacted by process improvement activities to fully understand the change and resulting benefits. May be the process owner.

j. Facilitator: Responsible for facilitating CPI projects or events, deployment support, curriculum development and instruction, individual project mentoring and coaching, and just-in-time training. Identifies and propagates best practices and lessons learned throughout DLA. Leads project teams to deliver the value and benefits defined in the project charter. Receives training as a GB/Level I, BB/Level II or Master Black Belt (MBB) in lean, six sigma and theory of constraint methods and techniques, and utilizes the training to bring value to their organization through the facilitation of CPI project or events. Responsible to input required “tags” and fields in CAPER, uploading required documents, ensuring Gate Keeper received required information, documents project results to ensure informed decisions are made at each gate.

k. Subject Matter Expert: Participates on project teams to provide functional and technical expertise in a specific area.
5. PROCEDURES.

  a. Details for the CPI framework, structure and each core activity supporting each phase of the approach will be found in the CPI Deployment Plan located on the J-5 CPI website.

  b. Details for the practitioner certification process can be found in the Training and Certification Process document located on the J-5 CPI website.

  c. Approach: DLA will use a three-phased strategic approach to deploy CPI throughout the Agency and ensure compliance with the DoD and DLA CPI policy. The approach elements are to develop the foundation, institutionalize CPI into the DLA culture and finally to continually optimize DLA processes and CPI tool usage. Each phase supports the undertaking of core activities aimed at transforming and improving the DLA business using CPI principles and tools.

    1) FOUNDATION: The objective of the foundation phase will be to implement the CPI framework and structure to set DLA on the path of a sustainable, long-term agency deployment of CPI principles and tools.

    2) INSTITUTION: The objective of the institution phase will be to transform the DLA business and culture through successful, consistent and sustained execution of events with the delivery of benefits and results using an active workforce and effective change management.

    3) OPTIMIZATION: The objective of the optimize phase will be to continuously improve and refine DLA’s CPI capability to deliver greater value to customers and employees.

6. RELEASEABILITY. UNCLASSIFIED. For Public Release

7. EFFECTIVE DATE. This Instruction:


  b. Must be reissued, cancelled, or certified current within 5 years of its publication in accordance with DLAI 5025.01, DLA Issuance Program. If not, it will expire effective July 22, 2020 and be removed from the DLA Issuances Website.

PHYLLISA S. GOLDENBERG
Director, DLA Strategic Plans and Policy
### ABBREVIATIONS AND ACRONYMS

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<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>BB</td>
<td>Black Belt</td>
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<tr>
<td>BoK</td>
<td>Body of Knowledge</td>
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<td>CAPER</td>
<td>CPI Administrative Project and Event Repository</td>
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<td>CPI</td>
<td>Continuous Process Improvement</td>
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<td>DEPMS</td>
<td>DoD Enterprise Performance Management System</td>
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<td>DLA</td>
<td>Defense Logistics Agency</td>
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<td>DMAIC</td>
<td>Define, Measure, Analyze, Improve, Control</td>
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<td>FYDP</td>
<td>Future Years Defense Program</td>
</tr>
<tr>
<td>GB</td>
<td>Green Belt</td>
</tr>
<tr>
<td>LSS</td>
<td>Lean Six Sigma</td>
</tr>
<tr>
<td>MBB</td>
<td>Master Black Belt</td>
</tr>
<tr>
<td>OSD</td>
<td>Office of the Secretary of Defense</td>
</tr>
<tr>
<td>PLFA</td>
<td>Primary Level Field Activity</td>
</tr>
<tr>
<td>ROI</td>
<td>Return of Investment</td>
</tr>
<tr>
<td>SIPOC</td>
<td>Suppliers, Inputs, Process, Outputs, Customers diagram</td>
</tr>
</tbody>
</table>

### DEFINITIONS

**a. Agency-level project/event:** Any project or event that is:
- Actively sponsored by a member of the DLA executive board; and
- Crosses DLA organizations, or has DoD Services/Components executive visibility; and
- Results in a change in established DLA policy; or has projected cost savings benefits of greater than $1M annually.

**b. Local-level project/event:** Any project or event that either is:
- Intended to improve only local DLA organizational operations/performance; or
- Does not meet Agency definition criteria.