

FACT SHEET

SUBJECT: DORRA Analytic support for the Tiger Team

BACKGROUND:

- During 2013, DORRA supported multiple Tiger Team initiatives, particularly in the areas of coverage duration (COVDUR) changes, Lead Time (LT) of record adjustments, and declining demand analysis.

DISCUSSION:

- COVDUR changes – DORRA used the SIMAN simulation model to analyze the impact of increasing COVDURs to 720 days for low-dollar (< \$25 unit price) items. Impacts were measured in terms of Material Availability (MA), number of Purchase Requests (PRs), Obligation Authority (OA), and Cash.
- LT adjustments – DORRA used SIMAN to analyze the impact of changing the LTs of record. The Tiger Team's plan was to make a one-time change to the LTs of record and set them to the average observed LT over the past two years. DORRA measured the impacts of this proposal in terms of MA, PRs, OA, and Cash, for items with overstated PLTs and over- and understated ALTs.
- Declining Demand Analysis - DORRA developed a demand analysis tool in support of an effort to improve DLA forecasting and to ensure our inventories are right-sized as the DoD transitions from war time to peace time. The demand analysis tool provides a method to analyze NIIN demand patterns as a means to identify items where we can tailor forecasts.

RECOMMENDATION:

The COVDUR proposal was enacted and low-dollar items had their COVDURs increased to 720 days (assuming approval from the Supply Chains). The LT adjustments were put on hold and are currently being re-assessed, with a targeted implementation of the beginning of February.

As a pilot project, we worked directly with our Marine Corps embedded Customer Support Representatives (CSRs) who would use the demand analysis tool for focused customer collaboration. The pilot project was put on hold following an in-depth review of DLA Land Customer Operations' internal processes, which revealed on-going actions, and future plans to address Marine Corps' changing demand patterns were already in place. These on-going and future actions may be sufficient to meet the objectives of our HQ's planned focused reviews.

Attachment: None