

FACT SHEET

SUBJECT: Time to Award Team (TTAT) Analyses Support

BACKGROUND: The TTAT, originally led by RADM Wolfe, was formed in April 2013 as a response to the DLA Director's goal to reduce administrative lead-time (ALT) by 50%. RADM Wolfe requested that DORRA be a member of the TTAT to provide analyses and data. The TTAT is now headed by Ms. Burke and DORRA continues to provide the bulk of their analyses and data.

DISCUSSION: Some of DORRA's deliverables include:

- Developed and provide all TTAT metrics, which include administrative lead-time (ALT) and aged purchase order (PR) statistics, and the rate of automated buys. DORRA provides these metrics at the Enterprise and Supply Chain level and also provides the backup data. We're now developing metrics to track post award actions.
- DORRA provided analysis regarding PR cancellations that showed the frequency of cancellations, the number of days the PR existed before being cancelled, and the trend of cancellations. We also interviewed some of the buyers that had the most cancellations to better understand why PRs were being cancelled and to identify possible remedies.
- We identified No-Quotes (solicitations that suppliers don't provide, or are slow to provide, bids) and showed that these typically occur for slower moving less expensive items. One possible solution is to increase DLA's minimum buy value, to better entice suppliers to quote, and we simulated several scenarios to determine the impact on stock on-hand and materiel available. Using this information the TTAT decided that DLA's minimum buy value should be increased from \$100 to \$300 and possibly higher in the future.
- Provided statistics related to PRs that get rejected out of the automated system due to pricing reasons. We showed that most price rejects occur for slow-moving non-forecastable items, and 90% of price rejects occur for one of two reasons: the quote received was 25% higher than the previous; or there was no competition or history to establish a competitive price.
- We created a technical database that tracks how PRs get delayed for various technical reasons. The database is massive, representing FY13, but gives the TTAT fundamental statistics of why and how often PRs get blocked, which presents great areas of opportunity for decreasing ALT.

RECOMMENDATION: none

Attachment: none