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NOTES

ON

THE LOGISTICS PLANNING CONFERENCE

30 JULY - 1 AUGUST 1980

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1. The purpose of the Logistics Planning Conference was to discuss long-range (one to five years) plans and goals and to develop a strategic plan for the Office of Logistics (OL). The conference began with opening remarks by Mr. McDonald, the Director of Logistics, stating his views on the OL long-range plans and goals. The primary points of Mr. McDonald's remarks are as follows:

a. The Office of Logistics should:

(1) Think quality of service instead of always thinking quantity.

(2) Think of better ways of doing what we currently do in such areas as testing and inspection, packing and crating, and establishing multiple-year contracts.

(3) Use Annual Work Plans (AWPs) and Management by Objectives (MBOs) to accomplish our goals.

(4) Implement our plan and goals through the AWPs and MBOs but keep in mind that objectives are subject to change and managers shouldn't be embarrassed about not meeting objectives over which they have no control.

(5) Develop a strategic plan that indicates what we should be doing in the next three to five years and then articulate the plan for the next six months to one year. The strategic plan should translate into AWPs and MBOs for FY-81 and into the Program Call for FY-83.

b. Overall OL planning should include:

(1) Personnel:

(a) Do we have the right kinds or mix (talents) of people?

(b) What are future recruitment plans?

(c) What are future training plans?

(d) What are personnel rotation plans?

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(2) Energy:

(a) Each division should look at energy-saving methods.

(b) How will energy-saving programs affect "employee inconvenience?"

(3) Methods to improve communication:

(a) Better interoffice communication so that OL can support its customers' requirements.

(b) Ensure downward communication.

2. After discussing office-wide issues, Mr. McDonald indicated that the individual divisions should address the following goals or objectives:

a. Procurement and Supply Divisions:

(1) Phaseout of GSA-unique SCI procurements.

(2) Decrease dependence on GSA.

(3) Try to develop multiple-year contracts where feasible.

(4) Operate in a "nonbureaucratic" way of doing business.

(5) Convince customers that we are "on their side."

(6) Educate the Agency and get out of continual adversary role.

(7) Respond to customer requirements in a timely manner.

b. Real Estate and Construction Division:

(1) Develop an energy audit. Follow through and push GSA in getting more cost-beneficial, energy-efficient items.

(2) Get "out of bed" with GSA in the operation and space maintenance of our facilities.

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(3) Plan and document actions taken with or in lieu of GSA.

(4) Try to gain better insight into other directorate plans (construction and space requirements).

(5) Become more involved in other directorate construction and space planning.

c. Printing and Photography Division:

(1) Stay on top of the technology in order to improve overall efficiency.

(2) Automate in more areas.

(3) Get the proper mix of people and train them to operate and utilize the automated equipment.

(4) Become more aggressive toward responsibilities and technical approvals for electronic printers.

(5) Evaluate the necessity for personnel with data processing expertise. Is there a need for more ODP careerists or should individuals in OL be trained?

d. Logistics Services Division:

(1) Define a better method to handle the decision-making process for space allocation.

(2) Get a better handle on major space renovations and construction.

(3) Define the impact of the proposed electronic mail system. What will be the impact on the Mail and Courier Branch and the pneumatic tube system?

3. After Mr. McDonald's comments, [redacted] gave a few of his thoughts on the planning process and what should be accomplished. He indicated that the planning process should give everyone a better understanding of what the divisions and staffs would like to accomplish. He also indicated that, in terms of resource impact, the situation will probably get worse and not better, and that we should make planning decisions as an office as a whole. STAT

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4. The following comments were discussed by the group after the opening remarks:

a. OL needs to face up to the personnel resource problem as it pertains to morale and training. The only way we can "do more with less" is to be better trained.

b. OL should be more aggressive and advertise its capabilities and accomplishments.

c. Before we respond to new requirements, we must give consideration to the impact on our personnel resources.

d. We should put more emphasis on recruitment and training of personnel resources that will help us meet our goals.

e. Develop a plan describing our current structure and responsibilities and the direction we are moving in the future.

f. Improve our Personnel Development Plan so we have the resources to respond to future requirements.

5. Following the opening session, each division and staff chief gave a presentation on his component's current status and future plans. There was open discussion among the attendees during all the presentations. The following comments or points of discussion were addressed during these presentations: STAT

a. Plans and Programs Staff (P&PS) - [redacted]

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(1) [redacted] gave an overview of previous planning in OL and then went on to say that the current planning should be a "commitment to action and courses of action." He went on to say that planning should cause change, but we must know exactly what change we want. Planning is necessary and should be integrative, with consideration given to OL as a whole rather than to specific divisions. It should be flexible, creative, and dynamic, and must not degenerate.

(2) The following considerations should be addressed in the OL plan:

(a) Should the plan be five years and less or five years and more?

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(b) Should planning be from bottom up or top down?

(c) Should planning be management or foreign policy oriented?

(d) Should planning be functional/specific versus general?

(e) The common theme throughout the plan should be increases in professionalism, response, productivity, and efficiency to counteract reduced resources.

(3) Because OL is a support activity, it is difficult to plan for over five years. Present planning is bottom up, management oriented, and functional general. OL is a more diverse office when compared to other offices such as Communications and Data Processing, which are monolithic. Our primary objective is to provide maximum support with the minimum amount of resources. In order to meet this objective, we must develop measurements and standards of productivity. Anything you can't measure, you can't control. The Logistics Integrated Management System (LIMS) will be a Logistics-wide system that can be used to develop standards and provide measurements of service.

(4) There are two types of objectives with which OL deals. One type is the strategic, and the other is current interest. The MBOs, AWPs, and budget all have to be linked together in long-range planning.

(5) In the draft OL strategic plan, sections one and two are vehicles to get to section three. Section three is the working portion of the strategic plan and should contain the divisions and staffs' major objectives. Every MBO and AWP should be linked to section three of the strategic plan. The detailed information of the objective should be contained in the MBO.

b. Procurement Division (PD) - [redacted] STAT

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(1) [redacted] gave a current overview of his division which indicates that there is an increased requirement for procurement services in both contract actions and dollars spent. He indicated that the trend is for more programmatic acquisitions similar to the Office of Communications (OC) life cycle system. One of the major PD problem areas is personnel. These problems include:

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(a) Rapid turnover:
- 100 percent in one branch.
- One out of seven in another branch.

(b) Keeping a balance of trained personnel in PD and the contracting teams.

(c) Meeting new requirements for contracting personnel in the Agency:

- Hire from outside instead of moving people from PD to satisfy requirements?

(d) Trying to identify resources to support programs at the earliest possible time.

(e) Keeping people moving in an orderly fashion through the PD training profile.

(2) Procurement Division goals for the coming years are as follows:

(a) Plan at least three years in advance.

(b) Become more aggressive with the requirements officers.

(c) Develop a Procurement Division Management Information System (PD/MIS). This MIS will acquire data from other systems from the Office of Finance and Logistics. It will be a subset of LIMS. Information from the PD/MIS will be useful to Supply Division and RECD as well as to PD.

(d) Extend Automation in Procurement:

- Increase the usage of word processing for contracts, cover letters, and executive summaries.

- Use electronic mail.

- Automate 2420 activity.

- Interface/utilize Army PADS System.

(e) Develop Acquisition Procedural Tools:

- Standardize Statements of Work to make acquisition people more professional and consistent in their operations.

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- Combine service contracts where possible.

- Develop procedure manuals specifications.

(f) Establish Training and Rotational Contracts:

- What do people need in terms of attributes and training in order to be promoted?

- Develop a consistent policy on training and rotational assignments.

(g) Reassess Organizational Structure:

- Location or organization of procurement structure.

- Legality issues of procurement procedures.

- Contracting officers have to have guidance as to their responsibilities.

- Have senior management continue to validate requirements.

(3) Some of the problems facing PD at the present time and in the future are:

(a) Having positions to meet new requirements from other components.

(b) Not being made aware of new requirements being developed or existing requirements being canceled.

(c) Not getting a fair share of recruitment.

c. Procurement Management Staff (PMS) - [redacted] STAT

STAT [redacted]

(1) Procurement Management Staff (PMS) has several concerns, plans, and/or problems when trying to develop a long-range plan. These various items are as follows:

(a) Automation:

- CONIF:

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Do we maintain and improve it?

Will it be a subsystem of LIMS?

Do we make it compatible with the FIAS?

- Boiler Plate Information:

Currently done manually.

Drain on resources.

Large volume project.

Do we automate it?

(b) Procurement Organization:

- Organize for the 80s.

- Options:

° Office of Procurement to include:

Industrial Security
Audit Staff
Legal Staff

(This would put Procurement on compatibility with line organization.)

° Leave the organization as is but move PMS and ACRB to higher level in the organization.

° Status quo.

(If proposed rules of Commission on Government Procurement are adopted, the Agency could be legislated to put Procurement at another level.)

(c) Develop professionalism among Procurement Officers:

- Develop a certification program for Procurement Officers.

(d) Implementation of Security Policy in contracts:

- New security requirements should be coordinated with contract officers.

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- Problems with APEX.

- No third party privity of contracts.

(e) Confusing Policy Signals:

- Modifying reporting requirements.

- Different opinions from OGC.

(f) Legal Issues:

- Compliance with Federal laws.

- Minority contracts.

- Write a coherent procurement policy for DDA approval.

(2) The problem of OL not receiving information on Agency advance planning was discussed. It was felt that if the OL was to do an effective job, it must have access to advance planning. In order to have an effective advance planning process, what actions need to be taken?

(a) Can we get the necessary information from a Comptroller Group?

(b) At what point in time should an integrated logistics process be brought into the programs?

(c) Can we convince Agency managers that they will benefit from providing OL with advance planning information?

(d) Can OL be part of the project approval process?

(e) The DDA should get involved at the highest level of the large project advance planning and be more aggressive.

(f) There is a need for an Integrated Logistics System (ILS) or support annex approach in order to support large programs. For this type of support, OL would have to have knowledge of:

- Large procurements.

- Duration and dollar levels of programs.

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- Space and utilities requirements of programs so they can be included in OL Program Calls.

- Extent of programs in order to identify people for Integrated Logistics System types of planning.

(g) Does OL need to be restructured to meet current and future requirements?

- Institute a new study to look into reorganization. The study could look at combining some functions in Supply and Procurement. Should Procurement be elevated to an office level?

d. Printing and Photography Division (P&PD) - [redacted] STAT

STAT [redacted]

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(1) [redacted] indicated that P&PD was making long-range plans to become more efficient and to "do more with fewer people." The following is a list of items in which P&PD will be involved in the near future and long range:

(a) Plan and identify areas where P&PD can improve service to all components.

(b) Automation - Get into direct printing, automation of address labels and dissemination, automation of graphics production.

(c) Keep abreast of all technology changes and try to incorporate a total systems concept into printing and photography.

(d) Train and rotate personnel for better manpower utilization.

(e) Plan for major organizational changes. Combine current printing operations into Prepress, Press, and Finishing operations.

(f) Plan and implement better materiel utilization and acquisition.

(g) Plan better space utilization. Pursue renovating 10,000 square feet of unused space under P&P Building.

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(h) Get a better handle on job tracking, job costing, productivity, work standards, budget data, personnel costs, equipment utilization, and materiel waste through the P&PD Management Information System (MIS). This information will provide for better management and more efficient operation.

(i) Provide more training for automated systems and ensure that training meets the needs of the division.

(j) Provide training positions to ensure that personnel have the time to be properly trained.

(k) Be more aggressive and promote the division and OL.

(l) Study the feasibility of providing in-house maintenance for P&PD ETECS system and for Agency-owned copiers.

(2) One problem is the fact that there is no Agency incentive for becoming more efficient. If you cut positions, you do not derive any benefit such as the dollar equivalent of the salaries saved for the purchase of new equipment. There should be some incentive for Agency managers to operate their component more efficiently.

e. Real Estate and Construction Division (RECD) - [redacted]

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(1) The nature of RECD is to accomplish its work through other organizations such as GSA. RECD capital expenditures have declined from [redacted] FY-77 to 300[redacted]FY-81. The division is currently understaffed and morale is low because of the lack of GSA response to projects. By RECD doing more work themselves, morale problems may be resolved. The items that will affect RECD long-range planning are as follows:

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(a) Real estate leasing authority for up to 5,000 square feet:

- Delegation of authority from GSA.

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- Decentralization effort in GSA to push responsibilities to the Agency.

- RECD goal is to take over responsibilities from GSA.

(b) Total leasing authority for [redacted] STAT

STAT [redacted]

(c) Planning and implementation of new authorities:

- More market surveys.

- Lease negotiations.
- Lease law.

} Require more training.

- Property appraisal.

(d) Workload will increase with new authorities:

- Reallocate manpower.

- Better use of automation to keep track of services and rents.

- More travel (larger budget).

- Develop new procedures and processes (HR's) for building leases.

(e) Influence the establishment of Agency policy on acquisition and utilization of space.

(f) Consolidation of the Agency on the Headquarters compound:

- Measure of efficiency.

- Office backing in the Agency.

- Establish Building Planning Staff.

- Decide whether we need a new building or should continue in the leasing mode.

(g) Continue to enhance the utilities support program:

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- Upgrade and enhance.

- Construct new facilities.

- Expand computer preventive maintenance facilities.

- Provide a new power vault for Headquarters.

(h) Influence the establishment of Agency policy to design, maintain, acquire, and operate Agency facilities.

(i) Identify and make projections of facilities related projects and general facility support that can not be done by GSA in a timely fashion.

(j) Lack of responsiveness of GSA;

- Develop a joint RECD/LSD study that would answer whether or not we really want all of GSA's responsibility and what the cutoff point to GSA service is.

- Control or redefine what is or is not an operational requirement.

- Do we want to restrict ourselves to what is uniquely important to us?

- What is the cost of doing GSA's work? (positions and money)

- Should we get rid of SLUC?

(k) Establish proactive traveling teams (worldwide) to determine logistical support requirements.

(l) Conduct review of other components engineering function.

(m) Establish new A&E staff to respond to projects needing timely support. (Key staff papers, Exceptions Tasking Staff).

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(n) Work toward establishing a direct interface between OL staff chiefs on projects that cross divisional lines.

(o) Continue to monitor, test, develop, and/or recommend more efficient energy systems:

- One such project is the heat output from the computers to heat the building at NPIC.

- Chilled water loop to better serve small areas of the Headquarters building.

f. Supply Division (SD) - [redacted] STAT

STAT (1) [redacted] outlined the following major factors which impact on Supply Division (SD) long-range planning:

(a) Personnel:

- Twelve new positions that SD has been required to fill outside of OL.

- Three more positions to be filled.

- Five people concurrently out on TDY.

- Loss of Professionals.

- Should OL open slots to MG careerists?

- Open OL slots to GS-07/09 vacancy notices.

- Developed 17 paraprofessional positions. (These positions do not close off access to professional positions.)

- Have to have the personnel resources to respond to operational requirements.

(b) Training:

- Establish training to certify people as accountable officers.

- Cross train personnel at [redacted] STAT
[redacted] STAT

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- SD takes six new EOD's each year and does not slot them for six months. Instead, they cross train them in the various SD branches.

(c) Change the CMR:

- Conform to the paperless office/station.

- Become more dependent on LIMS.

(d) Changes in Overseas Operational Support:

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(e) [redacted]

- Should it expand?

- Should we support [redacted] STAT

STAT [redacted]

- Can we support additional requirements without getting additional personnel resources?

- Should we provide direct support of [redacted] STAT

(f) Operational Support:

- Reorganize OSB, Covert Procurement, and Safe House (all need to coordinate more closely).

- Should the three functions mentioned above be joined under one operational control? Should this control be OSB or P&PS?

(g) Direct deliveries with no testing and inspection:

[redacted] STAT

- Currently tried with [redacted] and STAT

STAT [redacted] (No feedback thus far).

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(h) Federal Automated Requisition System (FARS):

- In operation in late 1980.

- Permit tracking and follow-up on requisitions.

(i) Enhancement of Inventory Control System (ICS):

- Enhancements are necessary because the Logistics Integrated Management System (LIMS) is three - four years away.

(j) Vendor Payment:

- Currently providing direct distribution of appropriate paperwork to Finance for vendor payments. This has cut five - six days out of payment time.

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g. Logistics Services Division (LSD) - [redacted]

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(1) [redacted] said that LSD's primary function is to provide service to the Agency. This service is provided in response to others who do not do planning. The following are the problems that LSD is currently encountering in order to provide service to the Agency.

(a) Employee Frustration:

- When doing more with less, quality suffers.

(b) Personnel Problems:

- Shortage of couriers (30 - 35 percent turnover rate).

- Morale problems.

(c) LSD doesn't control assets of what they are responsible for:

- Subject to dealing with GSA.

(2) Future planning for LSD will incorporate the following items:

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(a) Automation:

- Mail and Courier Branch.
- Motor Pool.
- Building Services Branch.

(b) Vanpooling:

- Promote and support of vanpool program.
- Keep abreast of area activities in vanpools.
- Paid parking may force vanpool issue.

(c) Leasing vehicles from GSA:

- Improves security, cover, and maintenance.
- Better control and responsiveness.

(d) Conversion of Agency vehicles to Gasahol;

- Will be completed with new vehicle turnover.
- Diesel buses are an exception.
- Conversion is on schedule.

(e) Using waste paper to heat steam boilers.

(f) Support for [redacted] STAT

- Taxing of resources.
- Support will include:
  - o Furniture
  - o Supply Room
  - o Shuttle Service
  - o Snack Bar
  - o Courier Service
  - o Signs

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(g) Second phase of SAFE Project:

- Renovation of 9,000 square feet.

- Repeat of the first phase of SAFE.

- Holdout of components scheduled to move out of Headquarters.

(h) Safe replacement program:

- LSD has stocks and procedures to arrange for Mosler safes to stay behind.

- No response back from components or Security on Safe replacement program.

(i) Interface with LIMS.

(j) Electronic Mail System:

- How will electronic mail impact Mail and Courier Branch?

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h. Personnel and Training Staff (P&TS) - [redacted]

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(1) [redacted] gave an overview of personnel factors to be considered in long-range planning. Those factors are listed below:

(a) Divisions and staffs should have a proper mix of junior versus experienced personnel and a proper supervisor/technician mix.

(b) Training:

- Tie training in with job qualifications.

- Pattern and analysis of training will be reviewed in terms of EEO.

- Training appears to be OK at upper levels but is lacking at lower and middle levels.

(c) Must meet Agency EEO goals.

(d) More difficult to come up with personnel solutions to requirement problems.

(2) There are several constraints in personnel planning. These constraints include the following:

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(a) Increasing ceiling but no slots to go with people.

(b) Problems with present personnel recruitment and hiring system.

(c) Present applicant priority list:

- Components had no input.

- Task force making decisions.

(3) Possible solutions to some of the OL personnel problems include the following:

(a) Reorganization within the divisions and staffs.

(b) Reapportion of positions between divisions and staffs.

(c) Do more planning of personnel requirements when designing new systems and programs.

(d) Give greater attention to training plans.

(e) Define Office and EEO requirements.

(f) Deal with the imbalance between officers and clericals.

(g) OL should consider a letter to office directors asking for future logistics requirements to facilitate better personnel planning.

(h) Consider personnel as a resource.

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6. At the conclusion of the OL Planning Conference, [redacted] from the DDA Management Staff gave a presentation on the DDA long-range planning process.

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7. [redacted] began her presentation by discussing first the Agency planning process and then the DDA planning process. The Agency planning process started with a DDS&T recommendation to the DCI. This was reinforced by the Senate Select Committee and by the Comptroller because he had no guidelines. The Executive Committee (EXCOM) asked for a guidance document to see if there were gaps in the plan. There is an Agency advanced planning committee for discussing long-range planning. The

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committee appears to be further along in the planning process than the other directorates. DDA is ahead of DDS&T and DDO. Planning in NFAC and DDO is 180° off. The differences are in what foreign policy issues should be addressed. If there is a detailed analytical program, it is at the directorate level. In July, the planning committee tried to synthesize 56 planning issues to present to the EXCOM. These were foreign policy and management issues that EXCOM can deal with. The EXCOM is to meet on 13 August to discuss the issues and decide future direction. They are to publish a guidance document in November. They will then develop a long-range plan and tie it into the FY-83 budget.

8. The DDA started earlier than the Agency on a strategic plan. Those items from the office level and the DDA level will feed the Agency plan. There will be more meaningful MBO's in the DDA. These MBO's will consist of strategic, operation, and conversation objectives. There will be a plan developed to evaluate objectives which will describe how the objective was satisfied and if it was finished, what did it accomplish. Objectives should be integrated into the budget and offices should be more firm on budget requirements. There will be an October meeting with DDA planning officers to discuss long-range planning. There needs to be decisions on how we select, report on, and evaluate objectives. DDA planning and objectives will feed the Agency process only when required.

9. There is a commonality of all the planning issues. The common thread presently is information handling. The DDA is in the middle of the Agency planning process. Planning the first year will be hard. The 83 programs are really what we are doing with the long-range plans.

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