

DEFENSE LOGISTICS AGENCY (DLA) REINVENTION CELEBRATION – NOVEMBER 2000

On September 6, 2000, the Director DLA signed a proclamation declaring November DLA Reinvention Month for the purpose of recognizing reinvention labs and past Hammer and Scissors Awards received by DLA personnel. The National Partnership for Reinventing Government (NPR) Office under the Vice President is closed with the change of administrations. The DDC has played well since this program's inception, through the initiation of three invention labs, and the receipt of both the Hammer Awards for exceptional innovative team effort and the DLA Scissors Awards for noteworthy individual and team initiative. The overarching NPR principles that drove this reinvention are as follows:

1. **Put Customers First**—Insist on customer satisfaction; use market dynamics such as competition and customer choice to create incentives to put customers first.
2. **Empower Employees**—Decentralize authority and empower frontline employees to make decisions and solve problems.
3. **Cut Red Tape**—Make people accountable for results; strip away unnecessary, innovation-stifling layers of regulations.
4. **Cut Back to Basics**—Produce better government for less – reengineer processes, abandon the obsolete, eliminate duplication.
5. **Achieve Results Americans Care About**—Improve those areas that enhance the welfare and security of the American people.

During his visits to the DDC depots, DDC Commander, BG James Pillsbury, USA, is presenting a cer-



BG James Pillsbury, Ms. Phyllis C. Campbell, and COL Gary Harris, displaying one of the plaques at a DDC Townhall meeting at the Susquehanna Club in New Cumberland, PA.

emonial plaque honoring the tremendous efforts of all employees in support of making the DDC a more efficient and effective organization.

REINVENTION LABS

DDC applied for and received approval for three *reinvention labs*:

1. **Defense Distribution Center Operation (DDC Headquarters and all depots)**. Its objective is to improve distribution processes to provide better service at reduced costs; streamline the organization and create a direct link between customer workload and human resource requirements; create a cultural change and environment that fosters entrepreneurial management, innovation, and employee empowerment.
2. **Closed-Loop Wood Recycling (Defense Distribution Depot Susquehanna, PA (DDSP))** which demonstrates the potential for 100% closed-loop recycling of wood waste from all industrial operations and solid waste generators at a Defense Depot.
3. **Reengineer DoD Packaging Specifications (DDSP)** which reduced packaging and handling procurement expenses, saved trees, eliminated landfill costs, and will decrease future landfill requirements, generate income for depot environmental and morale/welfare/recreation programs and provide an example for DLA's commitment to pollution prevention.

HAMMER AWARDS

Hammer Awards presented by former Vice-President Gore to DDC teams of people recognized for making a government that "Works Better and Costs Less" have been:

**Defense Distribution Depot—Columbus, OH
1994—Reinvention of Depot Business Practices Team**
Reductions in budget, staff, and work orders caused Defense Distribution Depot Columbus to reengineer their business processes. The result was an 83% reduction in the time required to process orders (from 12 days down to 2 days). Overall first year savings exceeded \$7,000,000 in reduced inventory and \$1,750,000 in carrying charges.

**Defense Distribution Region East (DDRE)—
New Cumberland, PA
1995—Office of Civilian Personnel Team**
DDRE's Office of Civilian Personnel reengineered its processes to improve, streamline and redesign its support. A strategic plan was developed to include a "Formula

for Success” for a top quality, customized product at the lowest possible cost in the fastest time possible. The program became the Agency model for all DLA Civilian Personnel Offices.

**Defense Distribution Depot—Warner Robins, GA
1996—Reinvention of Distribution Processes Team**

Defense Distribution Depot Warner Robins dramatically reengineered its operating procedures in FY 1995. This resulted in an 80% improvement in depot processing times, eliminating 5 days of delay, and generated \$6 million savings in operating costs. Customer service is now measured in hours, not days.

**Defense Distribution Region East—
New Cumberland, PA**

**1997—Solid Waste Management/Composting
Partnership Team**

DDRE personnel partnered with local Fairview Township, Pennsylvania citizens to form a composting project. The township brings collected waste to the DDRE composting area, which also contributes waste and manages and cultivates the mixture. The final product is ready within three months for use by both township and the installation as mulch and landscape covering. This process avoids disposal costs and decreases purchase costs for compost and mulch.

**Defense Distribution Depot—Susquehanna, PA
1997—100% Closed Loop Wood/Fiberboard
Recycling Team**

This was also designated a Reinvention Laboratory. Defense Distribution Depot Susquehanna developed a process to handle tons of wood and paper waste from its

industrial operations. Two reinvention labs were established to recycle products, with the goal of stopping landfill of wood and scrapping of fiberboard. Recycled wood is used to repair and make new pallets and wood cartons. Excess and waste fiberboard is used to make recycled cartons that are new, clean, cheaper and of better quality.

**Defense Distribution Depot—San Joaquin, CA
1999—Consolidation and Containerization Point**

The Consolidation and Containerization Point Team formed smaller teams to reengineer processes and procedures. These reinvented processes improved timeliness in responding to customer requirements, increased communications with customers, shared new technology and innovative business practices with them and other DoD activities, and improved all aspects of distribution management. Significant savings/cost avoidance resulted from these improvements.

**Defense Distribution Center, Defense Distribution
Depot—Susquehanna, PA, Defense Distribution
Depot—Tobyhanna, PA, and Tobyhanna
Army Depot**

**2000—Central Depot Concept Implementation
Team**

The team reinvented the overall supply/distribution support provided to Army maintenance depots that are physically co-located with one of the Defense Logistics Agency’s distribution depots. The team’s objective was to achieve a significant reduction in the cost of supply/distribution services while maintaining a high level of Army customer satisfaction.



Mr. Dave Barninger, Mr. Gerry Clemens, Mr. Alex Radkiewicz, Mr. John Gula, RADM Raymond Archer, SC, USN, Mr. John Heuberger, Ms. Liz Millard, Mr. Mike Henry, Ms. Peggy Sanders, Ms. Sandy Shortridge, and Ms. Kathy Harder Martin.

CDC Implementation Team received the Hammer Award on January 19, 2001.

SCISSORS AWARDS

DLA Scissors Awards received by DDC individuals and teams include the following:

Express Delivery (Defense Distribution Depot—Memphis, TN (DDMT) 1994)—A coordinated effort by the Air Force, DLA and US TRANSCOM to adapt and apply state-of-the-art express delivery practices to increase responsiveness and efficiency of defense logistics activities to support operational needs. Used Mail-like Matter Movement of classified material (M3), Repair and Return Packaging (R2P), and Standard Transportation Industry Information Processor (I2P), Inbound Receipt Processing (IRP) and Time-Definite Air Sustainment.

Office of Public Safety—Fire Department (DDRE 1997)—Empowered members developed an innovative strategic plan to improve services and reduce manpower without jeopardizing safety. The plan involved cross training, designing more efficient, multi-functional equipment, and procuring newer, high tech equipment requiring less manpower. The changes produced immediate results: quick reaction to a multi-alarm fire which threatened to destroy a complex of WWII style structures containing key operations, saved \$470,000 and returned the Marine Corps Recruiting Station, New Cumberland to full operations within two hours of the fire.

Administrative Support Center East (ASCE) Personnel Office (1997)—Reengineering efforts began in 1995. The Personnel Office has continued streamlining processes and cost reduction. New initiatives include (a) service ratio of 1:144 through a reduction to 56 employees; (b) supervisory ratio of 1:20; (c) strong emphasis on customer satisfaction by focusing on production of a final end product required by the customer; (d) emphasis on process analysis to reduce unnecessary steps which directly result in improved customer service, reduce time and fewer labor relations problems.

Breakthrough PC Applications—Mr. Edward Earp (DDSP 1997)—Mr. Earp has been a pioneer in information systems changes and new applications at the DDSP Systems Management Division. His programs have saved money, time and effort in getting materiel from the warehouse to the customer. Examples of his efforts are the incorporation of laser scanners in the Receiving Division to track shipments; use of uninterruptable power supplies (UPS) in buildings which use radio frequency (RE) technology; and incorporating use of a PC application program called Max Cube, which allows an easy to use weight and measurement system. Mr. Earp has also developed hardware applications such as PMS Data base, which enables technicians to quickly correct problems with ADPE.

Operation Joint Endeavor/Guard Donations Team (DDSP – 1997)—Nominated by DLA Headquarters for the Bosnia Donations Team, includes as team members DDSP employees Denny Small, Belinda Barnes, and Cheryl Reardon. At the request of the Joint Staff in Decem-

ber 1995, DLA established a team to handle public offers of donations to troops serving in the Bosnia region. The team established policy and procedures for publicizing, accepting, and transporting the donated items, acknowledging gifts, and accounting to OSD and Congress. Donors include individuals, organizations, members of Congress, state and local political organizations, and schools.

Defense Distribution Depot, Ogden, Utah—Rapid Response Team (DDOU 1998)—As the DDOU distribution mission was phasing down in anticipation of scheduled closure, it was apparent that resources would become available to perform other work. Depot management had done an enviable job in moving resources to fill voids created by priority placements, Voluntary Separation Incentive pay/voluntary Early Retirement Authority, resignations, etc. A requirement existed to perform a myriad of tasks associated with the closure. With this in mind, a Rapid Response Team was created to perform these tasks.

100% Closed-loop Wood Recycling Program—Mr. Thomas Shea (Tobyhanna Army Depot (TYAD) Partner 1998)—USAMC employee, Mr. Thomas Shea, was nominated by DDC for his technical support to the recycling program. He was instrumental in expanding on the idea of effectively utilizing reclaimed lumber while insuring quality of wood pallets.

Radioactive Material Inventory Database Team (DDC-West 1998)—This award focuses on actions taken to provide a “user friendly” method, via “off-the-shelf” software, for monitoring compliance with Nuclear Regulatory commission guidelines. This initiative automatically updates and standardizes the accounting and report summation system for radioactive material; and generated an avoidance of \$4,000,000 in alternative automation related costs.

Packaging Management Team (DDC – West 1998)—The Packaging Management Team was formed to take on the challenge of lowering the packaging costs of operations throughout the Western business area of operations. Through the lead of this team, savings were brought about through standardization of operation, redistribution of packaging material based on demand patterns, and various other cost reduction initiatives. These efforts were focused in the following areas: container reclamation; pallet repair recycling; excess containers/packaging; and supplies reuse of packaging material. Reported cost avoidance for the Western depots totaled \$7.2 million (FY96).

Warehouse Division V West Team (DDSP 1998)—Developed a traceability program for T-Ration and B-Ration consisting of a spreadsheet of menu items identifying all components within a particular meal such as date of pack, manufacturer’s lot number, contact number, etc.