

# DLA Business Systems Modernization/Customer Relationship Management Concept Demo Guide

DL206S1

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# Chapter 1

## Introduction

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The Defense Logistics Agency (DLA), assisted by the Logistics Management Institute (LMI), evaluated the interface between the Business Systems Modernization (BSM) roles and responsibilities and the roles and responsibilities of the strategic Customer Relationship Management (CRM) organization in preparation of BSM Concept Demo.<sup>1</sup> This guide supports the launch of BSM by clarifying the roles and responsibilities, providing business rules and communications guidelines, discussing the customer service level agreement objectives and goals, and reviewing the operational effect on customer touch tools, such as Web Customer Account Tracking System (WebCATS) and PC Logistics Information Network (PCLINK).

## BACKGROUND

The Defense Logistics Agency's mission-critical legacy systems are being replaced with an expanded enterprise information technology (IT) environment and commercial off-the-shelf (COTS) software packages. This business systems modernization strategy will result in a new enterprise business architecture, which will allow DLA to reengineer its logistics processes to reflect best commercial practices. At the core of the new business practices being adopted under this effort is a greater emphasis on understanding customer needs and expectations.

To implement the new customer-centric BSM strategy, DLA created new customer-facing jobs at the strategic and operational levels. Interactions between the various new customer-facing jobs were not clearly defined, however. To successfully launch the first release of BSM—scheduled for July 2002 in a period known as Concept Demo—these interactions must be understood. On March 15, 2002, the Modernization Executive Board (MEB) chartered a BSM/CRM integrated process team (IPT) to address these interactions. The specific objectives of this IPT were to

- ◆ mitigate the risk during BSM Concept Demo by establishing a structure for the BSM/CRM relationships, and
- ◆ ensure a common experience for the customer and DLA personnel so that everyone could expect a consistent reaction by DLA personnel.

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<sup>1</sup> BSM Concept Demo is Release 1.0 of DLA's BSM and includes SAP and Manugistics software. The Concept Demo is part of the initial operational test and evaluation period.

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During April and May, representatives from the Defense Supply Center Richmond (DSCR), Defense Supply Center Columbus (DSCC), Defense Supply Center Philadelphia (DSCP), Defense Distribution Center (DDC), Defense Logistics Information Services (DLIS), and DLA Headquarters held several IPT sessions. The goal of these sessions was to define the interactions, processes, and business rules that DLA requires to begin implementation of BSM and CRM for Concept Demo. Realizing that real-world lessons require modification of this process, the IPT worked toward a solid starting position, from which these interactions could begin and evolve.

## PURPOSE

This process guide provides the necessary procedures and guidelines for interaction within DLA and with the customer. Interactions are among CRM and BSM jobs, BSM and legacy jobs, CRM and legacy jobs, and all jobs with direct interaction with the customer. The overriding goals of this guide are to

- ◆ maintain or improve the level of customer service,
- ◆ minimize impact of transition from legacy systems and business processes to BSM systems and business processes, and
- ◆ provide direction and guidance to DLA personnel during the transition from legacy systems and business processes to BSM systems and business processes.

As it develops experience with BSM, CRM, and their interactions with customers, DLA will likely need to update and modify this guide.

## STRUCTURE

Chapter 2 of this report clarifies the roles of the BSM and CRM jobs. The basis for these roles are the DLA position descriptions and the integrated customer team jobs described in Appendix A, ICT Roles and Responsibilities. This chapter also briefly discusses the interactions among jobs and how the customer can create interactions between the organizations.

Chapter 3 discusses the communications guidelines and protocols between the organizations and jobs. The communications guidelines contain general principles that apply throughout DLA. The protocols are specific to interactions between jobs within DLA that are part of the BSM, CRM, or legacy organizations.

Chapter 4 discusses responses to customer inquiries or requirements. The interactions are summarized and placed into several categories that follow similar patterns to resolution. Scenarios discussing customer interactions can be found in Appendix A.

Chapter 5 discusses DLA customer touch tools. Some of the tools discussed are customer self-service tools. The discussion includes limitations that may apply to some tools for Concept Demo items. Also, we discuss tools that DLA will use internally to support customer service.

The final chapter, Chapter 6, discusses the customer service level agreement (SLA). This chapter summarizes recommendations from the IPT for implementing SLAs. However, a detailed *Customer Service Level Agreement Guide* and SLA Template are being developed separately.



## Chapter 2

# Roles and Responsibilities

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DLA established a new organizational structure to support the new business processes and new software releases during Concept Demo. To give DLA a single face, it will implement processes to coordinate day-to-day customer interactions, as well as meet the challenge to capture and reply to “follow-up” emergency inquiries.

In this chapter, we will review the roles of several jobs that are customer touch points in BSM/CRM and the transition from the legacy systems and processes to the new BSM systems and processes. This is not a redefinition of roles.<sup>1</sup> Rather, this chapter attempts to clarify these roles by providing more specific descriptions and explaining how each role relates when two or more roles overlap. This chapter includes

- ◆ customer touch roles and interactions within the new CRM and BSM environment, and
- ◆ customer touch processes.

## CUSTOMER TOUCH ROLES

*National Account Manager (NAM)*—CRM Role: The NAMs are the corporate face to the military services (Air Force, Army, Marines, Navy). They are responsible for the overall success of the military services’ corporate relationship with DLA, including performance of SLAs, readiness, and customer satisfaction.<sup>2</sup> A service’s NAM is the strategic CRM contact with the service logistics headquarters and is responsible for disseminating DLA policy to the service. The NAM oversees the SLA development to align it with service-specific considerations. The NAM works with the Director of Customer Operations (DCO) at each lead center to represent the center’s capabilities to the service and forward service requests to the appropriate center. The NAM will never commit a lead center for a specific service or support level without the DCO’s support.

*Customer Account Manager (CAM)*—CRM Role: The CAM is the corporate face to the major claimants (Air Force Materiel Command [AFMC], Naval Air Systems Command [NAVAIR], etc.) and reports to the NAM. The CAM is

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<sup>1</sup> The organizational alignment job summaries can be found in the *ICT Roles and Responsibilities* (Final), Appendix A, Organization Alignment Job Summaries, January 18, 2002, p. 13. The individual position descriptions (PD) are the ultimate source of information for these positions.

<sup>2</sup> Ibid., p. 13.

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responsible for the overall success of the customer's relationship with DLA for their customer segment, including SLA performance, readiness, and customer satisfaction.<sup>3</sup> The CAM negotiates the SLA with the major claimant for DLA and works with the lead center's DCO and Customer-Facing Division Chief (CFDC) to determine capabilities and offerings for the SLA. CAMs provide information and intelligence gathered from a major claimant to customer support representatives (CSR), the CFDC, the integrated customer team (ICT), and the weapons system support manager (WSSM).

*Customer Support Representative*—CRM Role: The CSR represents corporate DLA at the customer site (Oklahoma City, Air Logistics Center, Naval Aviation Depot, Cherry Point, etc.) and reports to the CAM. CSRs have a key role of coordinating the ICT's interaction with the customer.<sup>4</sup> CSRs also have the enterprise lead role with the customer when located at the customer site (troop and general support customer account specialists [CAS] will function similar to CSR). CSRs represent the DLA enterprise to the local customer and support the local DLA depot commander in support of the customer. The CSR monitors the SLA performance and, when necessary, identifies or initiates corrective actions as needed to support the SLA. CSRs work closely with CAS during BSM transition to educate customers about BSM and ICT contact.

*Weapons System Support Manager*—BSM Role: WSSMs serve as lead center logistician to their respective program managers for assigned weapons systems platforms.<sup>5</sup> The WSSM works with the NAM, CAM, CSR, and lead center (DCO, CFDC, ICT) to provide weapon system-specific intelligence. The WSSM communicates with the responsible CAM on weapon system issues for major claimants (e.g., with NAVAIR CAM for F/A-18). They also support the NAM and CAM as needed in SLA development and in visits to the major claimants.

*Customer Program Manager (CPM)*—BSM Role: The CPM serves as the senior lead center logistician and program manager in support of major Air Force, Army, Navy, Marine Corps, or troop and general support commodity programs and systems. The CPM coordinates materiel support for designated customer sites, systems, and major programs with the NAM, CAM, CSR, and assigned ICT to provide detailed knowledge for troop and general support items. The CPM communicates with the responsible CAM for major claimants and also supports the NAM and CAM, as needed, in developing SLAs and during visits to major claimants.

*Customer Account Specialist*—BSM Role: The CAS is the customer-facing point of contact on the customer side of the ICT. The CAS is responsible for order processing, maintaining customer data, providing product information to customers, expediting orders, and any other order fulfillment functions for their assigned

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<sup>3</sup> Ibid., p. 14.

<sup>4</sup> Ibid., p. 15.

<sup>5</sup> Ibid., p. 17.

customer base.<sup>6</sup> For BSM items, the CAS provides item-level support to their customer. The CAS ensures SLA metrics for order fulfillment are met and identifies or initiates corrective actions, as required. The CAS acts as the communication link for order fulfillment between the supplier organization of the new BSM organization and the customer. CASs also work with other DLA field activities to support the customer's requirements. The supervisory CAS, who reports to the CFDC, is the Branch Chief and may supervise more than one ICT. For troop support commodities at DSCP, the senior CAS functions in a role similar to a CSR.

*Director of Customer Operations*—BSM Role (“left-side” customer-facing role): The DCO is the lead for customer-facing issues and takes the lead on customer issues related to his or her ICTs. The DCO acts as principal advisor and assistant to the lead center commander responsible for development, implementation, customer relations, and oversight of CRM.<sup>7</sup> The DCO focuses on operations and oversees the performance of the lead center and supporting centers in achieving SLA goals. The DCO represents the lead center's capabilities to the NAM and CAM in support of SLA negotiation and helps align the SLA with lead center-specific considerations.

*Director of Supplier Operations (DSO)*—BSM Role (“right-side” supply-facing role): The DSO supports the lead centers DCOs.

*Customer Facing Division Chief*—BSM Role (“left-side” customer-facing role): The CFDC serves as the division lead of one or more ICTs and ensures customer expectations are met by the ICTs. The CFDC reports to the DCO. The CFDC will vet customer-facing issues from the DCO and ensure the appropriate ICT member carries out specific duties to ensure the customer is satisfied. The CFDC supports demand planners (DP) in creating collaborative and historical demand plans.

*Chief of ICT and Readiness Support (CIRS)*—BSM Role (“left-side” customer-facing role): The CIRS serves as the division lead of WSSMs, business analysts, and market analysts. The CIRS reports to the DCO.

*Demand Planner (DP)*—BSM Role: The DP is the customer-facing point of contact on the ICT who is responsible for developing the demand plan by combining the elements of statistical forecasts, collaborative demand plans and data, product demand intelligence, and prior accurate statistical forecasts or demand plans for their assigned customer base.<sup>8</sup> The DP reports to the Branch Chief and is the DLA contact with the customer for forecasting future demand. In some cases, DLA may choose to improve its forecasting models by using collaborative demand planning. The DP is responsible for ultimately capturing the collaborative inputs from the customer. The CAM, CSR, CPM, or WSSM may provide additional inputs into the demand plan based on intelligence they gather while interacting with

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<sup>6</sup> Ibid., p. 16.

<sup>7</sup> Ibid., p. 12.

<sup>8</sup> DLA BSM Position Description Inventory Management Specialist (GS-2010-11), (Demand Planner).

customers. The CAM, CSR, CPM, or WSSM participate in collaborative demand planning meetings as necessary. The DP is a key player in understanding negotiated SLAs for Concept Demo for demand planning collaboration.

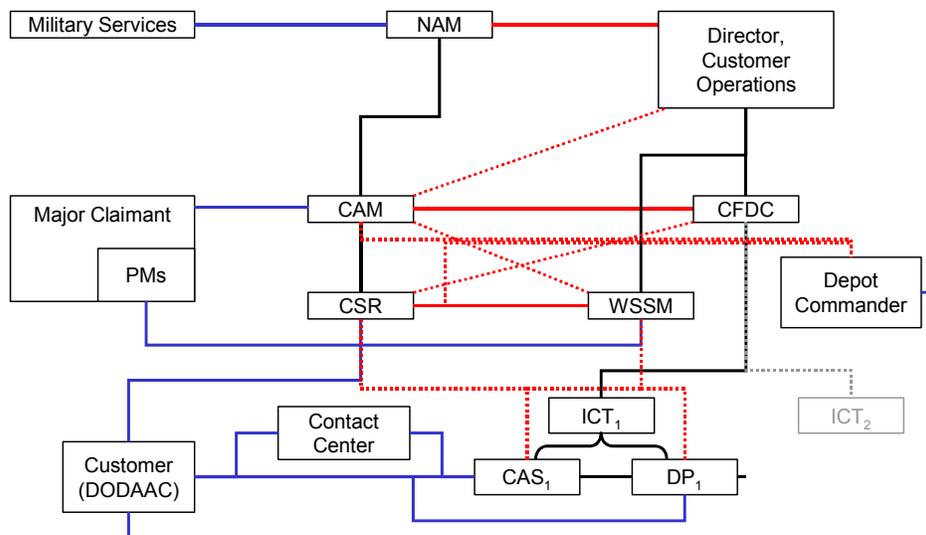
*Defense Distribution Center Commanders*—Legacy Role: While not directly affected by BSM, the DDC commanders have a significant customer touch role. They are the lead in meeting their functional (distribution) goals and are the senior DLA representative at their locations. They ensure execution of depot-specific SLA and local agreements. DDC commanders use their unique “military-to-military” access to gain additional customer insights. They also provide intelligence on the support requirements of local customers to CSRs, if collocated, or to the DDC customer operations directorate for forwarding to the appropriate CAMs, CPMs, and/or CFDC. They resolve conflicts within their functional responsibility (local). DDC commanders elevate issues that they cannot resolve to the supporting ICT, CFDC, or DCO. The DDC commanders forward the same information to the CSR as well.

*Item Manager (IM)*—Legacy Role: IMs currently receive customer request calls regarding order or item status. During Concept Demo, the IM will use tools (namely, WebCATS and Magic) to answer first-level calls if they are mistakenly routed to an IM.

## CUSTOMER TOUCH INTERACTION PROCESSES

Figure 2-1 illustrates the relationship and interaction of the individual customer touch points.

Figure 2-1. Customer Touch Points and DLA Internal Interactions



Note: DODAAC = DoD activity address code; PM = program manager.

Throughout the BSM/CRM interface, personnel in the CRM and BSM organizations interact based on the actions, requests, or needs of the customer. Some of these interactions will be at very high, strategic levels, while others will be at day-to-day operational levels, such as fulfilling orders. In this section, we will discuss some of these interactions and how the CRM and BSM organizations will react and respond to the customer.

At the highest level of these interactions, the NAM and the DCO support the military services and, specifically, the logistics headquarters. The NAM acts as the interface between DLA and the service logistics headquarters. The NAM works with the services and the lead centers to determine the services' needs and the ability of the lead centers to support them. The DCOs are responsible for the operational execution of the SLAs, order fulfillment, and planning support for the services. The NAMs and DCOs must communicate openly about the services' requests and the lead center's capabilities. Neither is effective without this cross-communication.

The next level of interaction is between the CAM and CFDC. This level monitors the specific SLA and the support of the lead centers. The CAM, acting as the corporate face to the major claimant, communicates the major claimant's requirements to the CFDC. The CFDC is responsible for implementing the action plan needed to satisfy those requirements across all the ICTs that will support units that the major claimant represents. For example, if NAVAIR notifies the CAM of an increase in the operational tempo that affects DLA-provided materiel, the CAM informs the CFDC, as well as the NAM and DCO. The CFDC is then responsible for informing the ICTs that support NAVAIR or the affected Navy squadrons of the change. The DPs in the ICTs update their demand plans, and the CASs evaluate the ability of the supplier organization to meet the new requirements. The CFDC must respond to the CAM on DLA's ability to support the requirement.

The roles of the CSR, CPM, and WSSM span operational and strategic roles. The CSR is a strategic link at the customer's site. CSRs are the DLA's local representative to the customer. Their primary roles are those of educator and integrator and they represent an enterprise wide view to the customer. The WSSM and CPM are logisticians who work to support a service program manager. The WSSM is the DLA expert for the specific requirements of the assigned weapon system. The CPM is the DLA expert for assigned troop and general support systems. The WSSM works with the assigned ICTs to provide planning input for Class IX requirements, as well as with the CAM and CSR to support the customer. The CPM works with the assigned ICTs to provide planning input for Class I, II, IV, and VIII requirements.

The ICT members, specifically the CAS and DP, are the operational interface with the customer. ICT members are responsible for day-to-day order fulfillment and planning activities for those customers.

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## Collaborative Demand Planning

The DP coordinates and reviews the inputs for the forecast and decides what information to incorporate into the demand plan. The DP incorporates, as appropriate, intelligence provided by appropriate CAMs, WSSMs, and CPMs when creating a demand forecast. Although the CAM and CSR roles in the collaborative demand planning process are not clearly delineated,<sup>9</sup> these and other customer touch roles have an intimate knowledge of customer requirements and programs that should be considered in the collaborative demand planning process.

During the collaborative demand planning process, the DP should coordinate efforts with others for additional customer intelligence. Along with the WSSM, CPM, and CAM, the CSR and CAS have the most thorough knowledge of customer programs and requirements. The CSR at the customer site may have particularly detailed knowledge of these programs and requirements.

The CAM communicates the demand planning cycle to the customer. The CAM also resolves demand conflicts as they refer to major claimant activities and program support. The NAM and Supply and Operations Planning Chief (SOP) may also need to resolve demand conflicts if higher than the CAM level.

The WSSMs provide insight to weapon system changes and modifications. They may also be the first to know changes to maintenance plans and plans to convert to contractor logistics support (CLS). This is key intelligence information that may be incorporated into the demand plan.

## Order Fulfillment Customer Interface

Operational-level CRM activities manage the interaction points between a customer and an organization. Operational CRM follows the customer life-cycle business process, including order entry, order fulfillment, and managing the customer relationship among internal and external constituents across multiple channels and points of interaction.

To improve customer service, DLA must provide a consistent face to the customer. Best practices suggest enterprises should leverage communications across all channels and maintain processes that capture and view the customer's interaction history. The enterprise that does not integrate its roles and approaches is missing opportunities to satisfy customers.

Although all three roles monitor critical item lists—WSSM, CSR, and CAS—the WSSM is the lead for weapons-system-focused lists. The CSR is poised to deal with the customer on a day-to-day operational basis; however, the CSR should handle transactional (day-to-day) customer issues by exception only. It is the role of the CAS to ensure smooth daily customer order fulfillment. If no WSSM is

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<sup>9</sup> Op cit., *ICT Roles and Responsibilities*.

assigned, the CSR should handle any Class IX weapon-system platform issue (e.g., Critical Item List [CIL]) for their assigned customer. Order fulfillment issues should go to the CAS and not the CSR, and the CSR should maintain an enterprise-wide view of their customer.

## Strategic-Level Customer Interface

The NAM and CAM and the DCO and CFDC are customer-facing roles. Strategic-level customer interaction includes defining the scope and level of customer service. The NAM should be the corporate face to the customer, whereas the DCO is an operational supporting role to the NAM in facing the military service. Both positions have the responsibility to their customers for improving support and monitoring customer activity; however, the NAM should take the leadership role in negotiating memoranda of agreement (MOA) to create parameters for negotiating SLAs, and the CAM should lead SLA negotiations. The DCO and CFDC need to be integral parts of the negotiation to ensure the lead center can support and satisfy the agreements.

Communication is key between these two roles. Customer engagements should be coordinated between strategic CRM staff and lead center personnel when strategic and operational areas overlap.

## WSSM/CPM and NAM/CAM—Information Sharing

The WSSM or CPM will be an important source of weapon system or troop and general support information for the NAM/CAM. The WSSM has insight into weapon system changes and modifications. The WSSM will know the weapon system and can provide critical information during SLA negotiations. The CPM can provide similar insight for troop and general support commodities. For highly visible items and items that require resolution, the CAM will require an updated status from the CAS before customer contact. It is the WSSM or CPM, however, that can ease the communication and information flow between a CAM and major claimant by providing weapon system or commodity-specific information, which is mainly programmatic. As an expert in weapon system activity for their programs, WSSMs can provide the NAM/CAM with information regarding

- ◆ changes to maintenance plans,
- ◆ plans to convert to CLS, and
- ◆ current metrics and CLS information.

Information flow becomes even more imperative when there is no CSR at the customer site. The WSSM may be the first to hear about weapon system issues. To maintain a formal communication plan between the WSSM and NAM/CAM, meetings that include report-outs and updates should be scheduled regularly.

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Informal day-to-day communication is encouraged, especially for elevated readiness issues and any other information that is critical to the NAM/CAM.

## Contact Center

DLA provides many self-service tools that enable customers to perform several order fulfillment activities themselves. The contact center is the preferred initial customer entry point for routine transactions or when the customer cannot complete the request using a self-service tool. As the organization responsible during first-level resolution, the contact center is critical to customer satisfaction.

## IM Response to BSM-Related Inquires

Resolving issues on the first call is key for customer satisfaction. In the current situation, IMs often receive calls from customers regarding situational awareness for certain items. The IM has the tools and the ability to answer customer inquiries using WebCATS; however, for BSM-related items, WebCATS will not provide all the answers. Because the IM position will not continue past full operational capability (FOC), customers should not be directed or encouraged to call an IM for item information. If the IM cannot answer a BSM-related question, the IM should direct the call to the appropriate ICT.

## Overlapping DDC Commander Roles

The DDC commander at a customer site is the senior DLA military representative at that location. As such, distribution center commanders are uniquely qualified to act as customer touch points for DLA. In addition, the distribution center commanders are responsible for executing the distribution portion of any local agreement or SLA under BSM. Although their responsibility is primarily related to distribution, the depot commanders will have many opportunities to gather information and intelligence about the customer. The DDC commander should relay this intelligence to the on-site CSR and the DDC customer support organization for distribution to the appropriate NAM, CAM, or DCO.

The distribution center commander and CSR must share information continuously. The DDC commander should share information regarding non-distribution matters for dissemination to the proper DLA activity. If the customer relays a supply support issue to the DDC commander, they should forward it to the CSR who forwards it to the appropriate ICT. If there is no CSR, the distribution center commander should forward the issue to the DDC customer operations so it can be forwarded to the proper activity. The CSR needs to share any distribution-related issues with the distribution center commander—specifically, opportunities for the DDC depot to increase its support to a customer.

When the DDC commander investigates new opportunities to provide additional services to the local customer, they should inform the local CSR and the DDC CFDC or DCO, who informs other lead centers or ICTs, as appropriate

based on the business initiative. This requirement is not meant to prevent improvements in support. Rather, its purpose is to ensure improvements align with service and major claimant direction and requirements and to ensure improvements do not adversely influence another DLA entity's ability to satisfy other agreements.



## Chapter 3

# Communications Guidelines and Protocols

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Protocols and rules of engagement must be followed for all customer interactions. The BSM/CRM roles are new and, in some cases, overlap in responsibility; therefore, role interactions and customer touch points have been defined to develop communication guidelines and protocols.

Previous experience with communications protocols may not be sufficient during the initial stages of BSM/CRM Concept Demo. New roles have been created within the DLA structure so DLA responds more effectively to customer requests and needs. Until this structure is fully deployed, DLA needs a common set of communications guidelines and protocols. This chapter describes what protocols and rules of engagement to use when crossing the overlapping roles between CRM and BSM. Specific examples are used to illustrate particular scenarios.

## 1-UP/1-DOWN RULE

The basic tenet of communication within DLA is that everyone can communicate across chains of command up or down one level without having to pass through chain of command. For example, the CSR can communicate with a CFDC, WSSM, and CAS.

## INFO AND GO

“Info and go” means going directly to an individual in a different chain of command outside the “1-up/1-down” rule. The individual will provide an information copy of the requested action to the individual’s chain of command. This protocol applies to situations that require immediate action. For example, if the CAM is contacted about an urgent problem of a specific customer, the CAM can contact the responsible CAS to direct action and provide an information copy to the CFDC.

## CSR RULE

The CSRs are located with the customer and give DLA strategic access to the customer. Their job is to educate the customer on DLA systems and procedures. The CSR will use tools that answer first-level calls for emergency situations. If a customer has a transactional, day-to-day question that the CSR cannot answer, the CSR will direct them to the appropriate DLA contact (contact center, ICT, etc.). If necessary, the CSR will help the customer establish the contact in order to educate the customer. Troop and general support CASs function in a similar way. If there

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is heightened management attention, the CSR may call the CAS on behalf of the customer or the ICT chief for situational awareness or execution.

## RESOLVE AT LOWEST LEVEL (FIRST-LEVEL CALL RULE)

All DLA personnel should try to resolve customer issues at the lowest possible level of the organization. For instance, if the contact center receives a customer call, the contact center should try to resolve the issue by identifying and answering customer requests or issues. Contact center personnel should forward the call to the ICT only if they cannot resolve the issue. In addition, all customer contacts should be directed to the lowest-level group that is capable of resolving the issue. For example, if the inventory manager receives a call about a BSM item, they should try to answer the customer with the tools available for first-level call response before forwarding it to the appropriate ICT.

## AMBASSADORIAL PRIVILEGES

The NAM and CAM have the primary tasks of managing, coordinating, and facilitating DLA communications with a service or customer segment, including the customers in that service or segment. To accomplish the objective of a “single voice” in communications, NAMs and CAMs are given “ambassadorial privilege.” Just as a U.S. government representative does not visit a foreign country on official business without gaining clearance from the U.S. ambassador, no DLA personnel initiates negotiations or visits with the customers in a service or segment without clearance from the NAM for that service or CAM for that segment and coordination with the appropriate DCO. Clearances may be granted as long-term “licenses” or for shorter engagements at the discretion of the NAM or CAM. Certain positions (e.g., DCO) have, by definition, standing licenses and require only good communications between the DCO and NAM. It is recommended that all customer interactions and transactions, including visits, be logged and tracked in Magic. Before taking ambassadorial privileges, a person should check Magic to see if there are any outstanding customer issues.

## HORIZONTAL BEFORE VERTICAL

If an issue crosses two DLA organizations, the responsible personnel should try to resolve the matter at the same organizational level. The issue should only be sent up the chain of command for resolution if the matter cannot be resolved at the initial level. For example, the CAM should go to the responsible CFDC to resolve an issue with an ICT before elevating the problem to the NAM or DCO.

## ALL RESOLVE IF POSSIBLE

The DLA representative who receives the original customer inquiry should attempt to resolve the issue with the DLA tools at their disposal. If this is not possible, the DLA representative should follow the appropriate protocols and rules of engagement.

## MILITARY TO MILITARY

Due to the unique military-to-military bond, the customer may often communicate with DLA military personnel who are not the preferred customer touch point. This relationship should be expected, and the CRM and BSM organization must actively communicate the information gained as a result of this relationship.

## HOT (OR WARM) TRANSFER

A hot transfer involves forwarding a customer call to another department or person. The initial receiver of the call should wait until the contact answers the phone, introduce the customer to the new contact, and briefly describe the issue before hanging up. This is the preferred transfer method for DLA. If no one answers the phone, the DLA personnel transferring the call should stay on the line as the customer leaves a voice mail. Transfers and call routing will be necessary contact center capabilities. Contact center tools should have this capability.

## CLOSE OUT A CUSTOMER REQUEST

The DLA personnel who receives the first customer contact should ensure that the customer's request is satisfied. This can be accomplished three ways:

1. DLA personnel who receive the original request answer the customer's question or issue.
2. Before transferring the call, DLA personnel who receive an initial request, but forward it to other DLA personnel for action, asks the customer to re-contact if they are not satisfied.
3. DLA personnel who resolve a request, close out with customer and close Magic ticket, copying originator on resolution.

The critical point is to ensure the request is acted upon and resolved to the customer's satisfaction.



## Chapter 4

# Business Rules

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This chapter addresses the appropriate responses to situations that may arise during Concept Demo. Some of these responses are at the basic operational or transactional level, while others are at strategic levels. These scenarios (which can be found in Appendix A) provide general guidelines on how to react to different situations. They do not represent all possible situations during Concept Demo. While the guidelines may help DLA personnel route specific issues to other DLA personnel for resolution, DLA personnel should use common sense and good judgment in responding to customer issues.

## GENERAL TENETS

Aside from the communications guidelines and protocols covered in the previous chapter, several tenets should apply when responding to customer-reported issues or requests.

- ◆ The CAS is the order fulfillment communications conduit from the customer to the supplier operations, and vice versa. As the DLA customer-facing entity responsible for order fulfillment, the CAS is the primary face to the customer for day-to-day order fulfillment issues. If a customer has an issue that the right side (supply) of the BSM organization needs to respond to (by either the supply planner [SP] or buyer), the communication from the right side should flow through the CAS. There are two reasons for this:
  - The first is to ensure the CAS maintains a complete picture and level of control over what DLA communicates to the customer.
  - The second reason is to encourage the customer to work through the CAS in order to foster a focused relationship with the entire customer segment ICT.
- ◆ Whoever answers the call should ensure closeout of the issue. Even if the DLA person directs the customer to contact a different party, the initial contact is responsible for ensuring the customer receives a satisfactory answer. The scenarios in Appendix A discuss this in three ways:
  - One approach is to have the answer communicated back to the DLA person who initiated the flow within DLA so that they may respond to the customer. This is often dependent upon the seniority of the customer.

- 
- The second approach is to ask the customer to reestablish contact with the original DLA person if the customer does not receive a satisfactory answer from the second DLA party the customer was directed to contact.
  - The third approach is to have the DLA person who resolves the issue close the Magic ticket, and then copy the originator.
  - ◆ The premise followed by the IPT was to direct the customer to the DLA party responsible for completing those actions in SAP™ or Manugistics and assigned to that role by the organizational alignment process. Most of the process flows in Appendix A trace the flow from the customer's initial contact with a DLA representative, who directs the customer or the issue through the DLA organization (BSM, CRM, and legacy), to a DLA representative, who can take action. If there are conflicts between the flows in the appendix and the BSM blueprints, *ICT Roles and Responsibilities*, or other BSM guidance, this information should be forwarded to the CRM process owner (DLA J-34) for resolution.
  - ◆ The local chain of command may require some flexibility in how it responds internally to an issue. Therefore, we do not dictate how the lead center should determine the answer. Rather, the center representative (DCO, CFDC, CAS, etc.) receives the action; and their organizations are responsible for providing the resolution.

## ISSUES

The IPT identified several related issues that need resolution. Several groups are working on the following issues.

### Magic Guidelines

As the use of Magic contact management software extends throughout the enterprise, DLA needs to develop guidelines for its use and define, by position, the customer contacts that require entry and tracking. Currently, the Contact Center Program Managers IPT is working to define these requirements. The minimum expectation is that, for customer contacts requiring resolution by a second DLA representative, the DLA representative who received the request enters the contact into Magic for tracking. Until the Magic database synchronization (by October 1, 2002), tasking outside the local organization may require the use of e-mail. In addition, training requirements and plans need to be developed for implementation.

## WebCATS

During Concept Demo, WebCATS will be the primary self-service tool for the customer to retrieve customer data. DLA is currently working to configure WebCATS to receive and display SAP data that is similar what is provided by SAMMS. However, not all data fields are directly comparable. Therefore, some of the data may have different meanings for SAP and Standard Automated Material Management System (SAMMS). In addition, some of the troop and general support commodities (Medical and Subsistence Prime Vendor) cannot be found in WebCATS.

## Heightened Management List, CIL, and Supply Assistance Request Workflow

DSCC and DSCR need to identify the exact routing and responsible parties for the Heightened Management List (HML), CIL, and Supply Assistance Request (SAR) concerning BSM and coordinate with DSCP.

## Emergency Supply Operations Center Responsibility in ICTs

On May 23, 2002, the MEB agreed that each supplier operations group must have a designated emergency buyer to support procurement actions required by the ICT when it acts to fill the current Emergency Supply Operations Center (ESOC) responsibility.

## BUSINESS RULES

In this section, we discuss the specific business rules that emerged from the scenarios based on the groupings. Again, these rules are meant to support a consistent DLA reaction for the customer and DLA personnel. These business rules assume that the DLA personnel will use the communications guidelines and protocols from the previous chapter. The following guidelines are essential:

- ◆ All resolve if possible
- ◆ Resolve at lowest level
- ◆ Hot (or warm) transfer
- ◆ Close out a customer request.

## CRM Staff

- ◆ If the NAM or CAM receives a routine service request and cannot provide the answer, they should direct the customer to the contact center (or ICT if appropriate) for service.

- 
- ◆ If the NAM or CAM receives an emergency service request and cannot provide the answer, they should contact the appropriate lead center DCO or CFDC. The NAM or CAM tasks the DCO or CFDC to answer the customer and provide the NAM or CAM with a courtesy copy, or the NAM or CAM tasks the DCO or CFDC to respond back to the NAM or CAM and the NAM or CAM closes out with the customer. When the lead center has completed the required actions, the center should inform the originating NAM or CAM, who then closes out the issue with the customer.
  - ◆ If the CSR receives a routine service request that they cannot resolve, they should direct the customer to the contact center or ICT, as appropriate.
  - ◆ If the CSR receives an emergency service request that they cannot resolve, they should direct the customer to the appropriate ICT, DDC, or contact center. The receiving activity (DDC, ICT, or contact center) is responsible for closing out.

## Contact Center and ESOC

### CONTACT CENTERS

During Concept Demo, the contact center continues to be the primary initial customer touch point for issue resolution. In addition, the contact centers implement a Virtual Contact Center concept. This concept merges the four separate centers into a single center in which all contact center personnel will have equal ability to support all customer requests. This drives the requirement that all contact centers have the same capabilities and tools by October 1, 2002, the go-live date for the Virtual Contact Center. The MEB agreed to support this, and all contact centers will have SAP available to all seats within the contact center by October 1, 2002. Between July 31, 2002 and October 1, 2002, the contact centers will use WebCATS, web requisitioning (WEBREQ), DSS, or DESEX if they do not have SAP available.

A separate initiative that is part of the Virtual Contact Center is the standard use of Magic as the contact center tracking and record-keeping software. This web-based software allows DLA contact centers to record and track customer inquiries and requests. A DLA policy letter is in staffing at this time.

When the Contact Center receives a BSM-related call, the contact center agent will perform the following tasks:

- ◆ Try to resolve the issue using the tools available (e.g., WebCATS, WEBREQ, DSS, SAP [when available]). The agent also opens a Magic ticket. If the agent can resolve the issue, that agent closes the Magic ticket.
- ◆ If the agent cannot resolve the issue, the agent conducts a hot transfer to the appropriate ICT. The agency provides an ICT look-up table to all

customer touch personnel to identify the appropriate ICT based on the customer's DODAAC. The agent also forwards the open ticket to the ICT. The lead centers have ICT telephone numbers and e-mail addresses to facilitate this process.

- ◆ If a hot transfer is not possible, the agent tells the customer that an ICT member will contact them as soon as possible and forward the ticket to the ICT. The Magic ticket remains open. When the ICT resolves the issue and informs the customer of the action taken or status, the ICT closes the Magic ticket.

## ESOCs

The current vision has the order fulfillment role of the ESOC migrating into the ICT as particular items move from legacy systems into BSM systems. The goal during Concept Demo is to have the ICT perform the responsibilities for BSM items that the ESOC performs for legacy items. The current plan, however, does not have the ICT staffed around the clock as the ESOC is currently. Therefore, the ESOC may have to answer some BSM questions during normal working hours, per the "all resolve" and "first-call" guidelines, as well as (at some sites) after hours.

The basic tools for the ESOC remain the same. However, these tools will not necessarily be used under BSM. In addition, the ESOC will begin using Magic by October 1, 2002 (see J-3 policy letter). The vision and the use of Magic support the recommendation that all ESOCs standardize their policies in regards to the following requirements:

- ◆ Standard definition of items and priorities worked, including all response times
- ◆ Work reactive items (supply assistance request [SAR], heightened material list [HML], and Critical Maintenance Repair Program [CMRP]) in accordance with *official DLA policy*
- ◆ Work proactive items within new standards (item priority group [IPG] 1 with 999, Joint Chiefs of Staff [JCS] project code or mission-impaired capability awaiting parts [MICAP] designator)
- ◆ Use of government purchase cards
- ◆ Standard hours of operations.

In response to BSM-related calls and issues, the ESOC will perform the following:

- ◆ Try to resolve the issue if possible. Beginning no later than October 1, 2002, ESOC agents open Magic tickets for customer calls.

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- ◆ If the ESOC agent cannot resolve the issue and it is during normal business hours, the agent hot transfers the call to the appropriate ICT, who performs the required actions.
  - ◆ During normal business hours, the ESOC resolves the issue, if possible, enters the information into Magic, and copies the appropriate ICT on the Magic ticket. The ICT is responsible for any follow-up action once the ICT returns during normal business hours.
  - ◆ ESOC should transfer calls to contact center only after normal ICT business hours if contact center can take immediate action on customer's request that ESOC is not capable of performing.

## HML/CIL/SAR

- ◆ HML and CIL routing is still being discussed.
- ◆ SAR will flow from the contact center or ESOC to the appropriate ICT. The CAS will be responsible for tracking any required actions until SAR is answered.

## Performance Issues

- ◆ In the case of issues directed originally to the ICT, the CAS informs the on-site CSR of the issue.
- ◆ Lead center personnel inform their CRM counterparts of customer issues and vice versa.
- ◆ ICTs and CSRs inform the DDC CFDC or ICT representatives of all distribution-related issues.

## Strategic Issues

- ◆ Issues involving demand and supply alignment require joint lead center, NAM and CAM support for communication and resolution with the customer.
- ◆ DLA NAMs and CAMs or DCOs must explain to the customer the effect of funding changes on DLA's ability to execute SLAs.

## BSM/LEGACY TRANSITION BUSINESS RULES

- ◆ During transition, the customer is likely to contact the legacy or BSM organization for an issue that lies with the other organization. The two obvious incidents are contacting the IM for a BSM-related item or contacting

the ICT for a legacy item. This section addresses the reaction for the DLA agent who is the initial receiver of such a call.

## Item Managers Responding to BSM Issues

While the IM position is a legacy role, customers will likely continue to contact the IM for status and assistance even after the specific item has migrated to BSM. The IM will have two roles to play in response to these inquiries: educator and responder. As an educator, the IM will need to inform the customer that the specific item in question is now in BSM and that the ICT will support that item and other migrated items. In addition, the IM should inform the customer that this transition will take place for all items over a 3-year period, and that the goal of the ICT is to provide better customer support by focusing on particular customer.

As a responder, the IM should use WebCATS to respond to the specific issue, if possible. The IM should also open a Magic ticket, once Magic is available to IMs. If the IM cannot answer the call, they should forward it to the contact center, if it is an order placement issue, or to the ICT, if it is to expedite an item or a more in-depth status inquiry. The IM should use the ICT look-up table to identify the appropriate ICT.

## ICT Response to Legacy Issues

Just as customers will call the IM on BSM items, it is likely the customer will call the ICT, specifically the CAS, with non-BSM issues. Again, the basic tenet of “resolve if possible” continues to be the primary response. Following that, the CAS uses tools such as WebCATS to resolve questions from the customer for legacy items (the CAS creates a Magic ticket per the guidelines). If the CAS cannot resolve the issue, they will transfer the call to the contact center for order placement, shipping status and tracking, and expediting a shipment via hot transfer. The CAS forwards all other information requests to the IM. In both cases, the DLA recipient is responsible for closing the Magic ticket when they supply the required information or service to the customer.

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## SUMMARY

The following points are overriding principles that DLA will apply during the Concept Demo:

- ◆ *All resolve if possible.* This maintains the existing business practice and reduces the likelihood of a call being lost, which would result in a dissatisfied customer. The ultimate goal is to encourage the customer to use DLA-provided self-service tools or the contact center.
- ◆ *Create Magic ticket.* Following the policy letter and the guidelines established for the specific position, DLA customer touch personnel will create a Magic ticket to track and record the call to completion and ensure that the call is not lost.
- ◆ Attempt a hot transfer when transferring the call to the ICT to support the customer.

The overriding goal is to minimize the impact of the transition on the customer. By following the guidelines in this chapter, the impact of the transition from the legacy systems to the new BSM systems and business processes, while not transparent, will be less obvious to the customer.

## Chapter 5

# Customer Touch Point Tools

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Enterprises that do not allow the flow of information between individuals or departments risk miscommunication. Knowledge is effective only when it is communicated to the ones who need it most—in this case, the customers.

DLA is designing a strategy for superior customer service. One way an enterprise can create superior customer service is to give the people who deal with customers daily the information they need. For the initial operational capabilities, DLA must provide adequate tools to the customer touch point roles. The following is a recommendation for providing good information to DLA customers in a timely manner at the first call level.

## SAP™

SAP is the selected enterprise resource planning (ERP) system to be used for BSM order entry and processing, inventory, and financial data. The MEB approved the IPT recommendation to implement SAP at all contact centers, which supports the Virtual Contact Center concept and maintains a consistent face to the customer.

SAP implementation is preferable, but is not necessary to begin Concept Demo; however, implementation should follow as soon as possible. In addition, SAP implementation into the contact centers depends upon DLA's ability to effectively train all contact center personnel on the entire order fulfillment process without negatively affecting the BSM program.

## WEBCATS

WebCATS is DLA's Oracle-based Internet product that is used to view logistics information from SAMMS/Decision Support Data (DSD) as well as logistics information on Concept Demo NSNs from SAP, Manugistics, and PD2.

The MEB approved the IPT recommendation that all touch point roles have equal capabilities. Therefore, the CAS, contact center personnel, and IM should have access to WebCATS. The DSD interface will not be available for BSM items, but a workaround plan will map BSM items to WebCATS. Data elements are not the same and some may not be available or have the same definition. As a result, training will be required on new data elements and their definitions.

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WebCATS functionality will not be the same across all lead centers because WebCATS can be used by Clothing and Textile Directorate and Medical Directorate at an NSN level only, and the Subsistence Directorate does not have an interface with WebCATS.

## MAGIC

Magic is an off-the-shelf customer contact-tracking tool. The IPT recommended that all customer touch points use Magic for customer contact logging, call routing, and call transfers. The MEB supported that position pending a successful conclusion of an analysis of the costs and requirements to implement Magic for all customer touch points.

The rollout plan for Magic will be important in understanding what capabilities will be available to which groups and when:

- ◆ July 1: Contact Center, ICT
- ◆ October 1: ESOC, CSR
- ◆ To be decided: IMs (risk of BSM items not being transferred and received by ICT).

## WEBREQ

WEBREQ is a solution designed and developed by Defense Automatic Addressing System Center (DAASC) that allows customer input of requisitions, cancellations, modifications, and material obligation validation (MOV) documents. The MEB approved the IPT recommendation that all Contact Center personnel have access to WEBREQ. The Contact Center PM group is the lead for Contact Center implementation.

## DSS

Distribution Standard System (DSS) is a tool that supports wholesale and retail distribution for DoD inventory control points. The MEB approved the IPT position that all contact centers should have access to DSS. The Contact Center PM group is the lead for contact center implementation and training.

## ICT DODAAC LOOK-UP TABLE

A lookup table is being designed for use by all internal customer touch points to determine the customer's appropriate ICT. At first, this tool will be used within the DLA only. Customers will be given access at a later date. The location of this

look-up table has not been determined, but it will likely be on each activity's intranet.

## ICT TELEPHONE/E-MAIL

A central e-mail address and phone number should be created for each ICT.

## PC LOGISTICS INFORMATION NETWORK

There is no DSD for BSM NSNs.

Non-WebCATS users (e.g., foreign military sales (FMS) and foreign nationals) cannot access BSM item information and cannot access NSN-specific information. This needs to be part of communications plan.

## VISUAL LOGISTICS INFORMATION AND PROCESSING SYSTEM

Users cannot access NSN-specific information on BSM items. This should be part of customer communications plan.

## DEFENSE SUPPLY EXPERT SYSTEM

The Defense Supply Expert System (DESEX) is an automated telephone response system. DESEX allows the customer to interface directly with SAMMS by responding to prerecorded instructions. Also, DESEX interfaces with e-mail and routes phone calls. The current understanding of the system is that DESEX will be capable of supporting BSM items.



## Chapter 6

# Customer Service Level Agreements

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As part of their re-engineering process, DLA is beginning to use customer SLAs to communicate expectations and capabilities with their customers. During Concept Demo, DLA will negotiate 11 SLAs with selected customers to begin this process. In this section, we will discuss the scope of the SLA for Concept Demo, who within DLA will be responsible for the different aspects of executing and monitoring the SLA, how potential contingencies will be addressed in the SLA, and DLA's plan to use lessons learned during the Concept Demo period to develop the SLA. This is a summary of the IPT's recommendations. J-32 and J-34 are jointly developing a *Guide to Customer Service Level Agreements*. This guide should be seen as the process guide for customer SLAs.

## SLA CONTENT

The goal of the SLA is to clearly delineate DLA's capabilities to the customer. Because of the new business process being implemented with BSM, the Concept Demo SLAs will contain only limited offerings. Those offerings, based on a MEB decision from December 2001, are collaborative demand planning and metrics reviews. The following metrics will be included:

- ◆ Order fulfillment
  - customer wait time
  - stock availability
  - order line fill rate
  - order quantity fill rate
- ◆ Planning—demand plan accuracy
- ◆ Financial—sharing of cost data.

DLA will use the Concept Demo period as a means for establishing customer targets for these metrics for use with post-Concept Demo releases.

Before the BSM reengineering effort, DLA used SLAs, MOAs, and memoranda of understanding (MOUs) to define levels of support for weapons systems programs or units. As DLA transitions to the new business process with BSM, the goal is to capture these agreements under the new SLAs. During Concept Demo, however (and for some additional releases), it is not realistic to expect the SLA to

capture all of these agreements. For this reason, DLA will continue to support existing agreements until the new SLA can accommodate them.

Furthermore, during this transition, DLA’s customers may want to add other agreements that the BSM is not ready to include. The NAM or CAM of the customer, in conjunction with the appropriate lead center(s), will have the flexibility required to entertain and possibly add additional offerings for support not covered by the BSM SLA. For non-BSM items, the lead centers must coordinate among themselves to ensure services offered are standard throughout the organization and do not conflict with other non-BSM initiatives underway.

Agreements that cover both BSM and non-BSM items must clearly delineate the differences in key performance indicators (KPIs) and metrics between BSM and legacy items. Furthermore, BSM-specific provisions must be tied to the new business process using the new tools and management capabilities. Legacy items will not be tied to the new tools and management capabilities.

## SLA ROLES

There are many more players in the new SLA process than in the legacy business process. Table 6-1 lists the roles of the different positions during SLA negotiation, monitoring, and execution. Some roles are supporting while others are actively involved.

*Table 6-1. SLA Roles*

Position	Negotiation	Executing	Monitoring
Lead Center D/DD	Approves lead center commitments to SLA process	Ensures execution for lead center and support for other lead centers' SLAs	Oversees lead center support and support for other lead centers
NAM	Initial opening for DLA to service HQ, oversees SLA development; aligns with service-specific considerations	Coordinates with service HQ, identifies and initiates corrective action if necessary	Oversees customer support
DCO	Teams with NAM, CAM, oversight of lead center executability; aligns with center-specific considerations	Ensures execution of the SLA (lead center)	Oversees performance of their lead center and supporting center against the SLA
DSO	Capabilities assessment, providing information, lead center support to DCOs, agreement to SLA	Ensures supplier operations execution	Supplier operations performance responsibility

Table 6-1. SLA Roles (Continued)

Position	Negotiation	Executing	Monitoring
CAM	Overall SLA process owner for assigned segment	Coordinates with major claimant; identifies and initiates corrective action if necessary	Oversees performance of DLA enterprise or major claimant against SLA, and directs need for action to field activities
CFDC	Orchestrates ICT inputs to SLA development, supports DCO as required	Ensures execution of ICT support for SLA; may identify issues and take corrective actions	Focused customer responsibility for their ICTs
WSSM	Provides weapon system intelligence to process, ensures PM agreement	Identifies issues and initiates corrective action when necessary for their weapon systems	Monitors performance of weapon system support component of SLAs (industrial and operational) with PM
CSR	Provides customer-specific details and requirements	Identifies issues and initiates corrective action when necessary for supported customers	Primary responsibility for their supported customers, to ensure progress is on track daily
CAS	Provides input on SLA executability; where there is no CSR, supports CAM with specific customer site input	Ensures daily order fulfillment and meeting SLA metrics; identifies issues and takes corrective action	Order fulfillment responsibility at their lead center for their location
DP	Identifies collaborative items to be included in negotiations	Ensures DP SLA metrics are met daily and identifies issues and takes corrective action	Demand planning responsibility at lead center for their location
Business analyst	Provides input on financial feasibility of SLA commitments from lead center perspective	Ensures SLA metrics are met daily and identifies issues and takes corrective action	Reviews performance KPIs
Financial analyst	Provides input on financial feasibility of SLA commitments from J-8 perspective	Ensures financial SLA metrics are met daily; identifies issues and takes corrective action	Budget responsibility at HQ
DDC commander	Intelligence on local customer distribution support requirements	Ensures depot executes SLA	Monitors depot support of SLA

One significant change the DLA is now introducing is the shifting of responsibility for negotiating, tracking, and monitoring of all customer agreements to the NAMs and CAMs. This shift enables the NAM and CAM to maintain a strategic overview of how DLA is supporting the customer.

## EXECUTION AND MONITORING

Ultimately, for SLAs to have meaning, DLA needs to execute the SLAs to support the customer. While the CAM negotiates the agreement for DLA with the major claimant, it falls to the lead centers to execute the agreement. As shown in

Table 6-1, the roles dealing with execution all lie within the lead center. The NAMs, CAMs, and CSRs are responsible for monitoring the performance to the SLA. These positions initiate an action plan only when the lead center is not meeting the SLA and has not initiated an action plan on its own.

A significant advantage to BSM is that the KPIs should be available on a much more real time basis than they were with the legacy systems. This enhancement will allow ICTs, CFDC, DCOs, and CSRs to see performance degradations much more rapidly than before. Table 6-2 delineates the periodic external performance reviews. The current intention is to leverage the blueprinted BSM meetings for internal performance reviews. However, if these are inadequate vehicles with which to address performance issues, new meetings will be institutionalized to more effectively address these issues.

*Table 6-2. External SLA Meetings*

Group/level	Forum	Frequency	Lead	Others involved
Service	TBD (Service Day?)	Semiannually	NAM or service lead	MAJCOMs, CAMs, D/DDs, DCO, DSO, SOPs
Major claimant	Enterprise Performance Review	Quarterly	CAM or MAJCOM lead	Service PMs, SOP, DCO, DSO, CFDC, WSSM, CSR
WS	WS Review	Semiannually	WSSM or PM	Service customers, ICT lead, CSR
ICT level/ DODAAC	EPR	Quarterly	Cust. lead or ICT lead	Cust. reps., ICT, CSR, DDC rep., other right-side representatives as required

While the IPT included frequency guidelines in this table, it is likely the scheduling will be more frequent at the start of Concept Demo as all parties become familiar with the new systems and processes. For additional guidance on performance issue resolution, refer to the process flows in Appendix A.

## CONTINGENCIES

The SLAs must have a contingency clause that states that specific contingencies may require modifications to performance standards for a limited time. This clause should become standard within all SLAs (BSM and non-BSM) and include the contingencies covered, as well as who within DLA can invoke the clause. Some of the contingencies that the clause may include are military contingencies, national emergencies, natural disasters, “Acts of God,” changes in Office of the Secretary of Defense, congressional, and executive policy; service budget

changes; or mission changes. DLA should establish these clauses at the outset, even if the Concept Demo offerings do not require it, because they are easier to include at the beginning than to add later.

## CAPTURING LESSONS LEARNED

During the SLA negotiation and execution phases, DLA will gain experience in SLA process and content. J-34X, as the CRM process owner, will need to establish a method of capturing these lessons learned. The different participants in the process within the J-34 organization and the Lead Centers should forward their lessons learned to their respective chain of command. The NAMs and DCO at each lead center should forward this information to J-34X for consolidation. J-34X needs to establish a forum to review these lessons learned and modify the SLA process to reflect these insights. J-34 should use this forum to adapt the process and SLA to reflect any new offerings that may be included in future releases of BSM (or other DLA capabilities to be included in the SLA).

J-34X needs to communicate any changes made as well as update the *Guide to Customer Service Level Agreements*. To support BSM Release 2.0, J-34 needs to adhere to the timetable in Table 6-3 (all timing is relative to the assumed date of Release 2.0 which is July 1, 2003):

Table 6-3. BSM Release Timetable

Process	Content
Change discussions need to begin in July 2002.	Template change discussions need to begin in July 2002.
BSM needs to identify national stock numbers and lead centers need to identify ICTs for Release 2.0 by October 2002.	J-34 needs to hold major SLA review meeting between DCOs, NAMs, and CAMs, in November 2002.
Changes need to be in place by January 2003.	J-34 needs to finalize template by January 2003.

This timetable should allow the full negotiation process to take place between the strategic CRM staff, the lead centers, and the customer before Release 2.0.

## SUMMARY

The SLA in Concept Demo is the first step in a long journey to developing SLAs that accurately reflect the customer’s requirements and priorities while also reflecting DLA’s ability to satisfy those requirements. The BSM content of the Concept Demo SLA reflects the new ability to more accurately manage a specific customer’s requirements. The process contained here reflects the “learning” required to make the SLA a meaningful part of DLA’s customer engagement philosophy. As the SLA and SLA process matures, it will show the narrowing gap between the customer’s expectations and DLA’s capabilities.



# Appendix A

## Process Workflows

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### PROCESS FLOW ORGANIZATION

The IPT used scenarios to provide paths for resolving specific situations. During the discussions and the creation of the process flows, recurring actions became business rules. We grouped the process flows into five broad categories:

- ◆ HQ CRM: What is the proper flow of issues given to strategic CRM (NAM, CAM, CSR) positions?
  - How does the CSR, CAM, or NAM respond to routine service requests?
  - How does the CSR, CAM, or NAM respond to emergency service requests?
- ◆ ESOC-contact center: What is the proper flow or reaction of issues given to ESOC or the contact center, for BSM-only issues or BSM and legacy issues? How do ESOCs and contact centers support BSM-related requests?
- ◆ Heightened Management List (HML), Critical Item List (CIL), and Supply Action Request (SAR): What is the proper handling of these lists/requests for BSM items?
  - How do the Lead Centers support BSM-related HMLs and/or CILs?
  - How does DLA support a BSM-related SAR?
- ◆ Performance Issues: What is the expected reaction to performance issues within BSM/CRM?
  - How does a lead center respond to an ICT performance issue?
  - How do the lead centers and CRM organizations ensure all parties maintain current information on issues?
  - How does DLA respond to a BSM-related quality issue?

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- ◆ Strategic Issues: What is the reaction to strategic issues within BSM/CRM?
    - How does the new organization react to major contingencies or disasters?
    - How does the new organization recognize and communicate funding impacts to the customer?

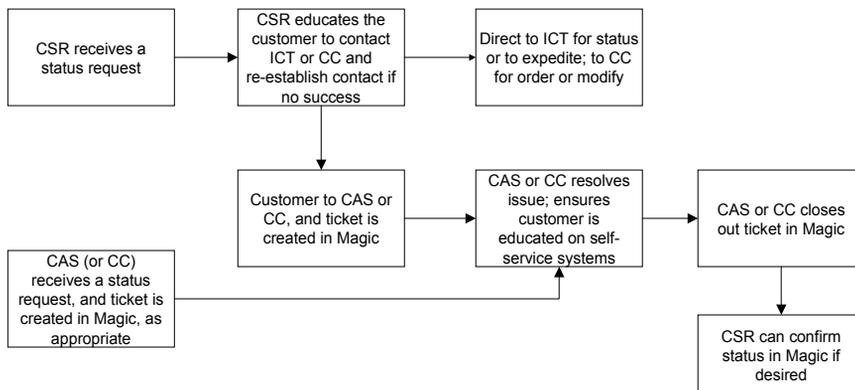


## HQ CRM Staff



## Will Routine Service Requests be handled as they are today? Who is involved in the process, and how will CRM/BSM/DLA roles interact?

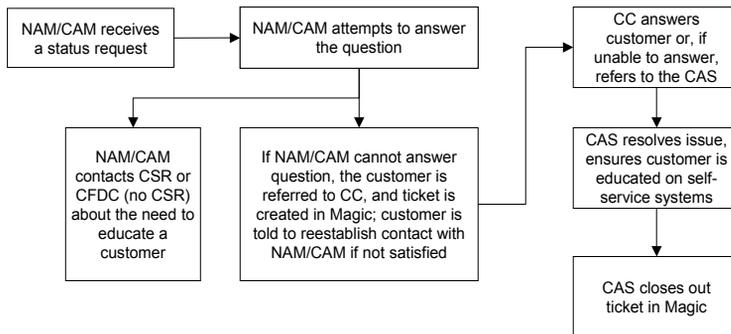
**Routine Service Request comes in at the *Customer Site level***





**Will Routine Service Requests be handled as they are today? Who is involved in the process, and how will CRM, BSM, and DLA roles interact?**

**Routine Service Request comes in at the Headquarters level**

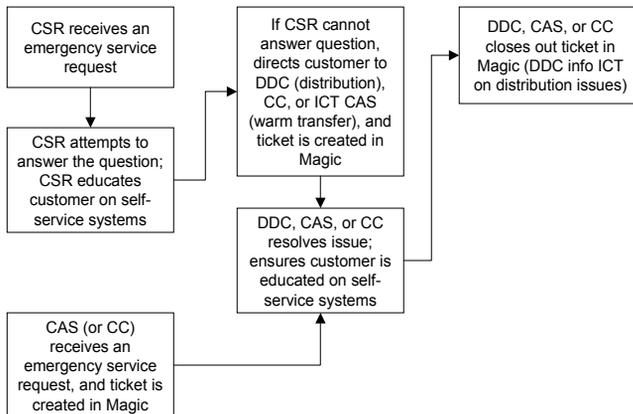


**Assumption:** NAM/CAM is most likely a target of opportunity.



**Will Emergency Service Requests be handled differently than Routine Service Requests? How do emergency requests change with timeliness?**

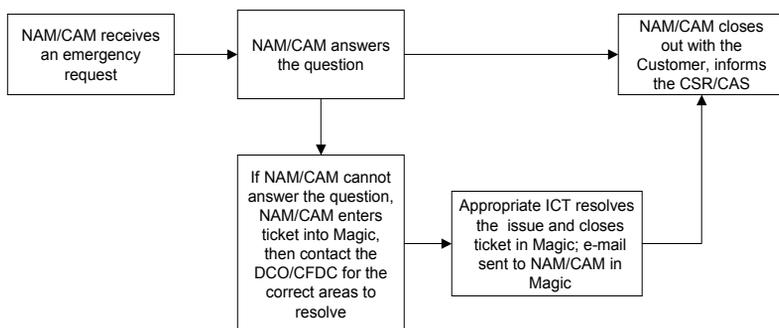
**Emergency Service Request comes in at the Customer Site level**



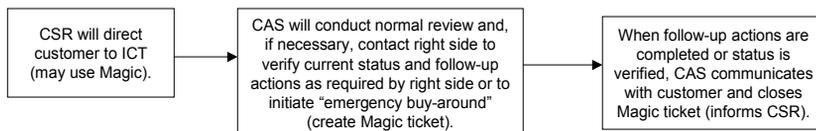


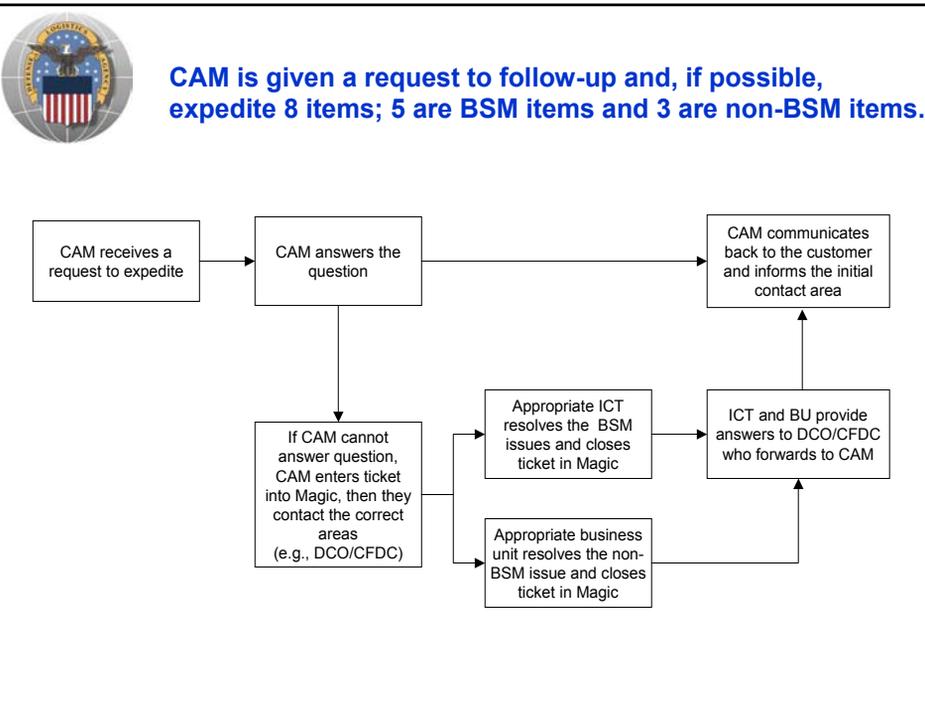
**How will an Emergency Service Requests that comes from service headquarters or a major claimant to NAM/CAM be handled?**

**Emergency Service Request comes in at the Headquarters level**

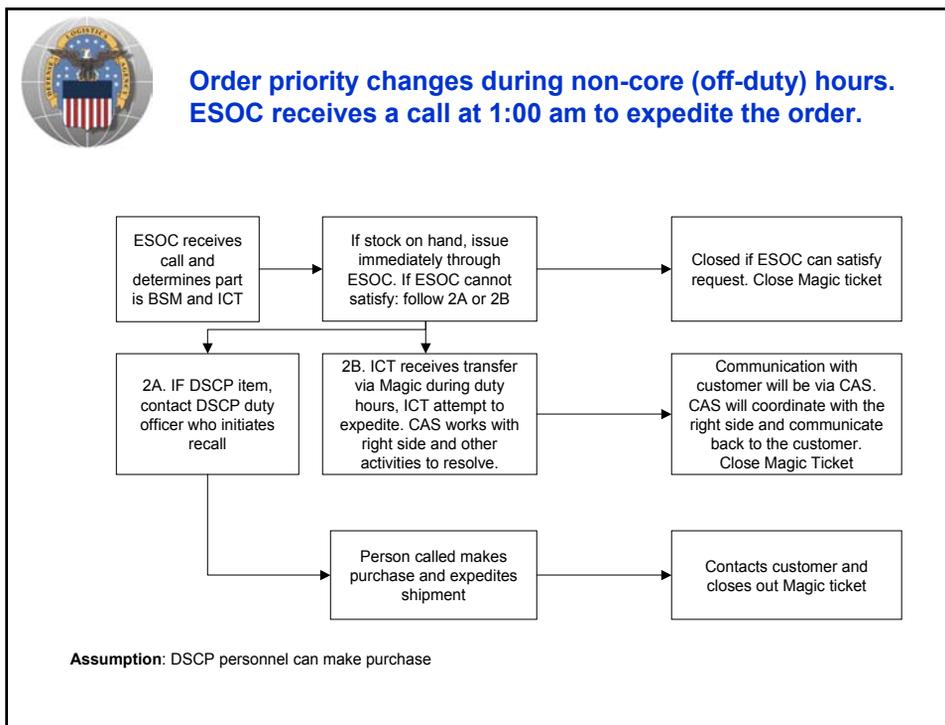
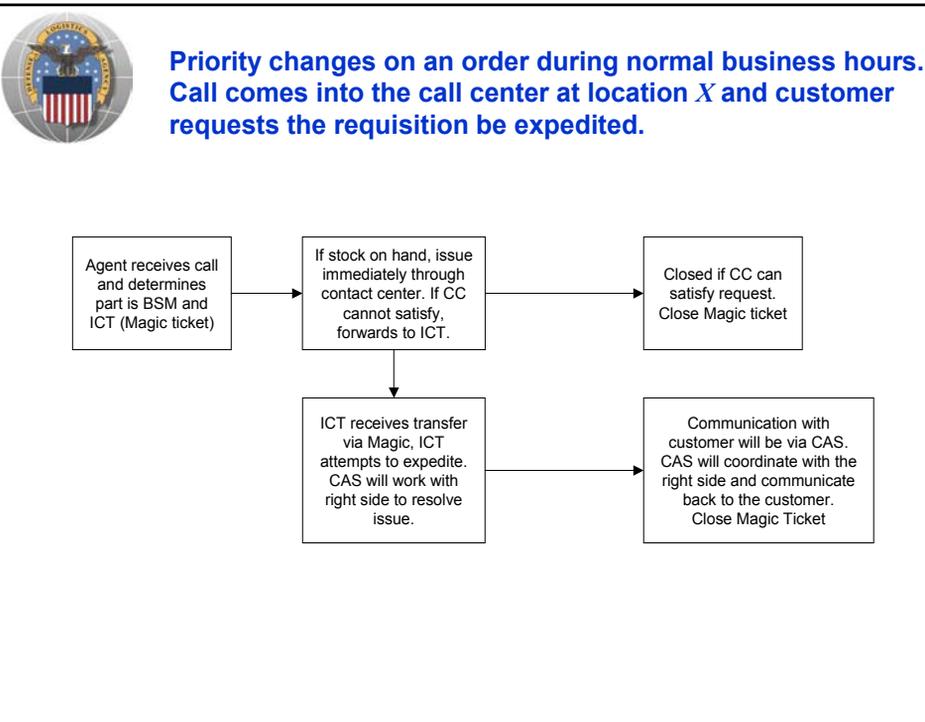


**Customer goes to their on-site CSR for order status information on an expedited shipment. CSR checks order status for this Concept Demo item that is not in stock (critical item on backorder) and evaluates course of action and communication process.**



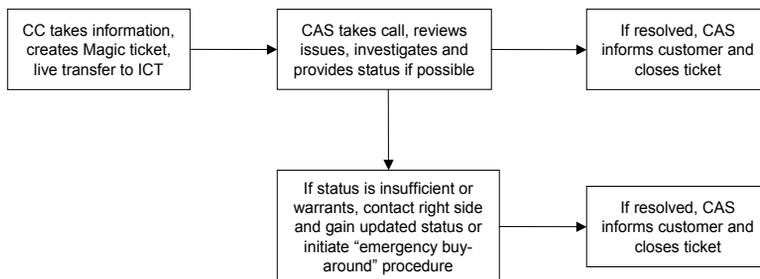


## ESOC-Contact Center





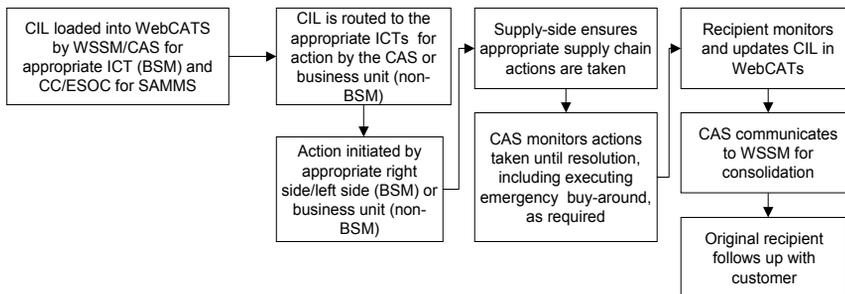
**What is the appropriate course of action if a customer calls contact center for an update on a requisition (for a Concept Demo part that is not in stock)?**



**HML/CIL/SAR**



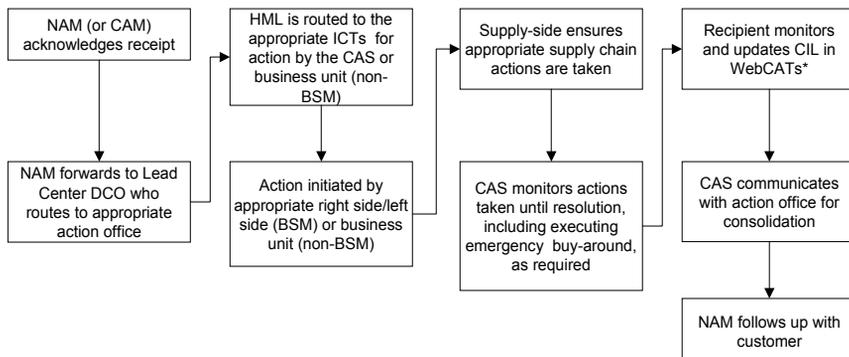
**On July 2, WSSM receives critical items list. What is the appropriate workflow?**



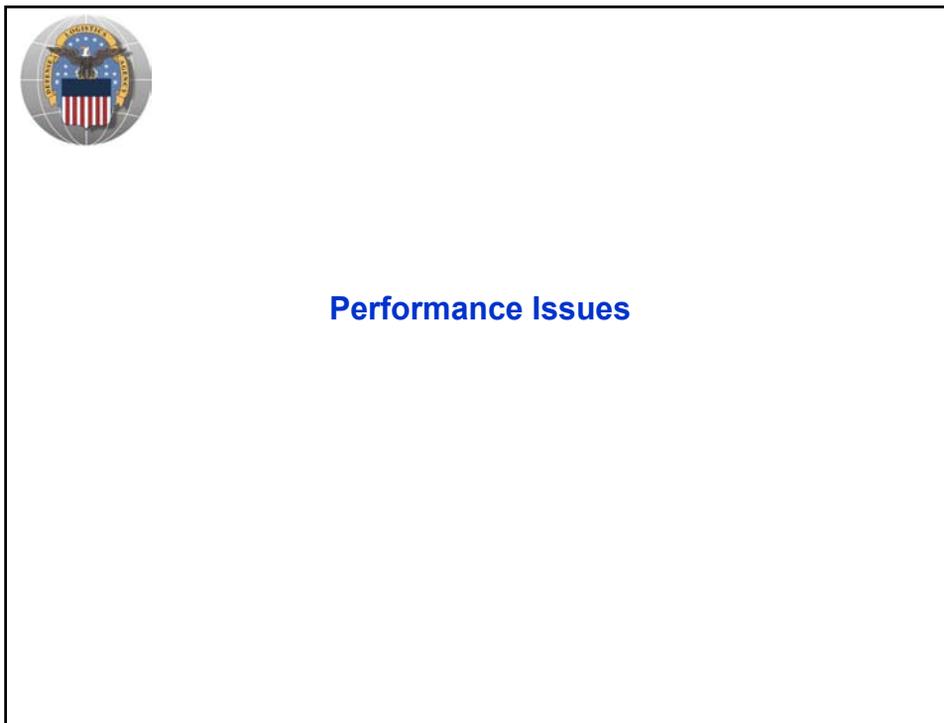
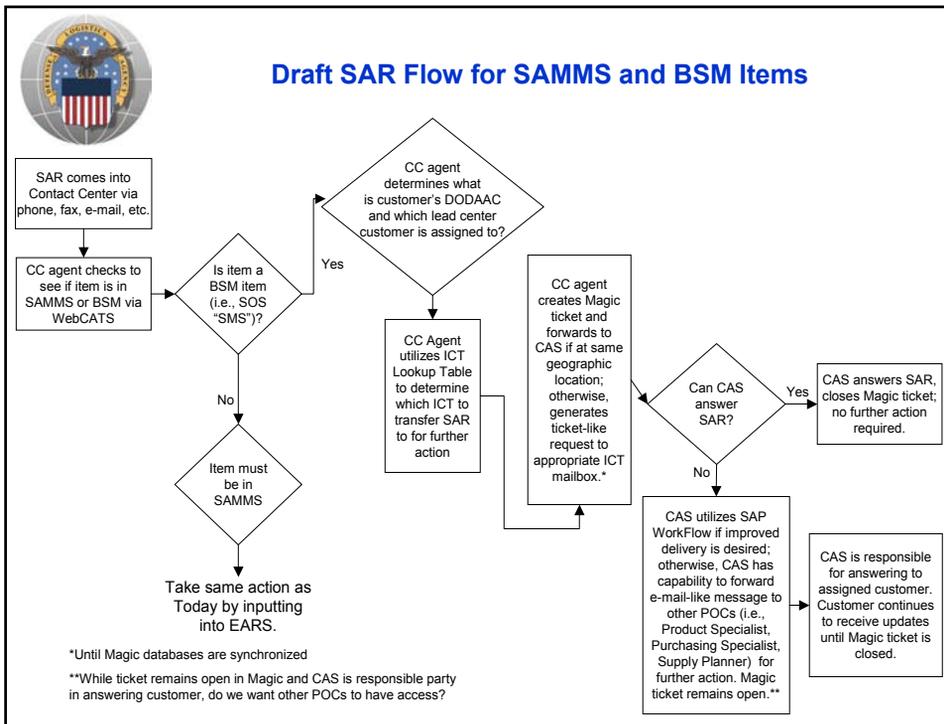
**Assumption:** BSM is automated to maximum extent possible in WebCATS

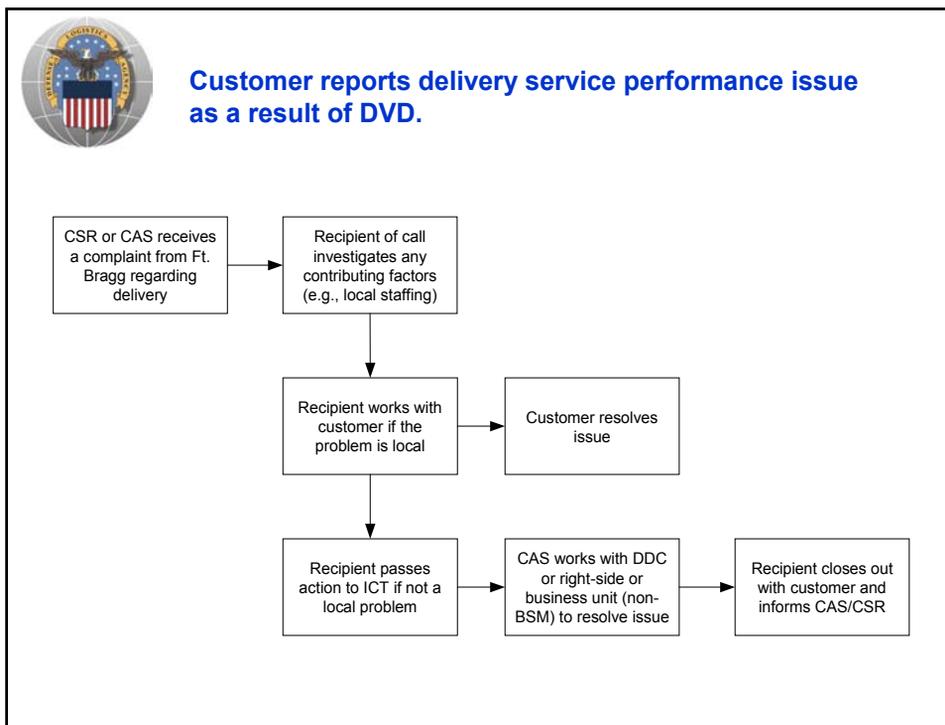
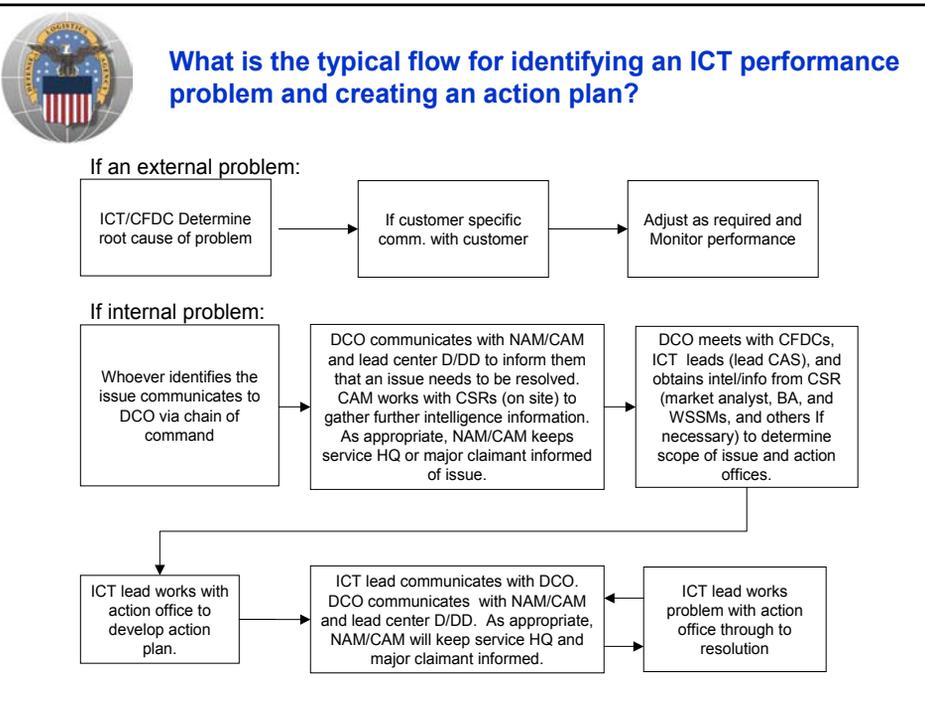


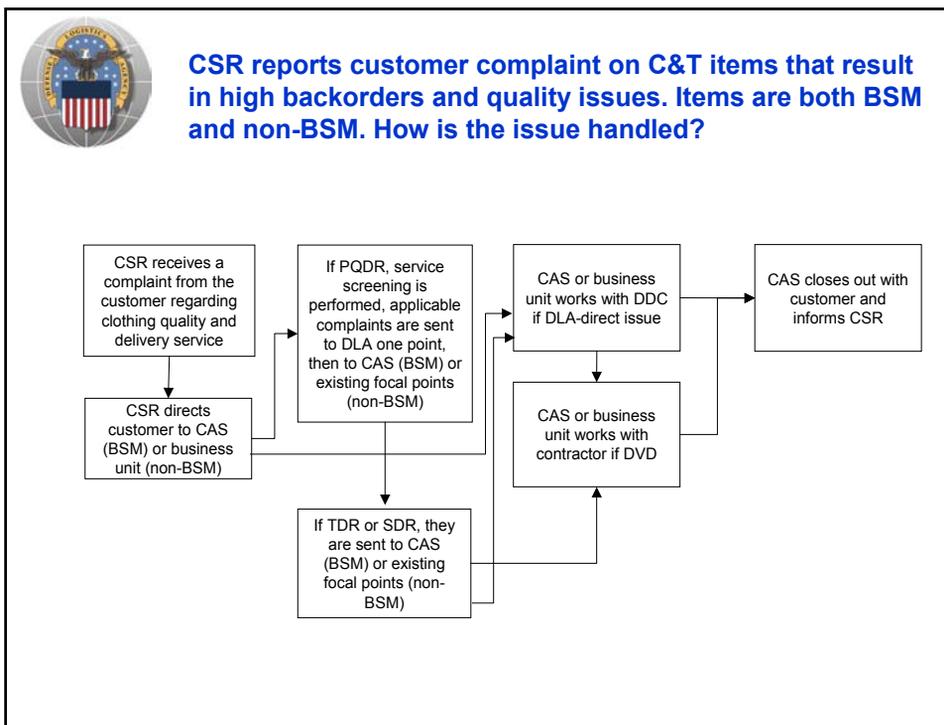
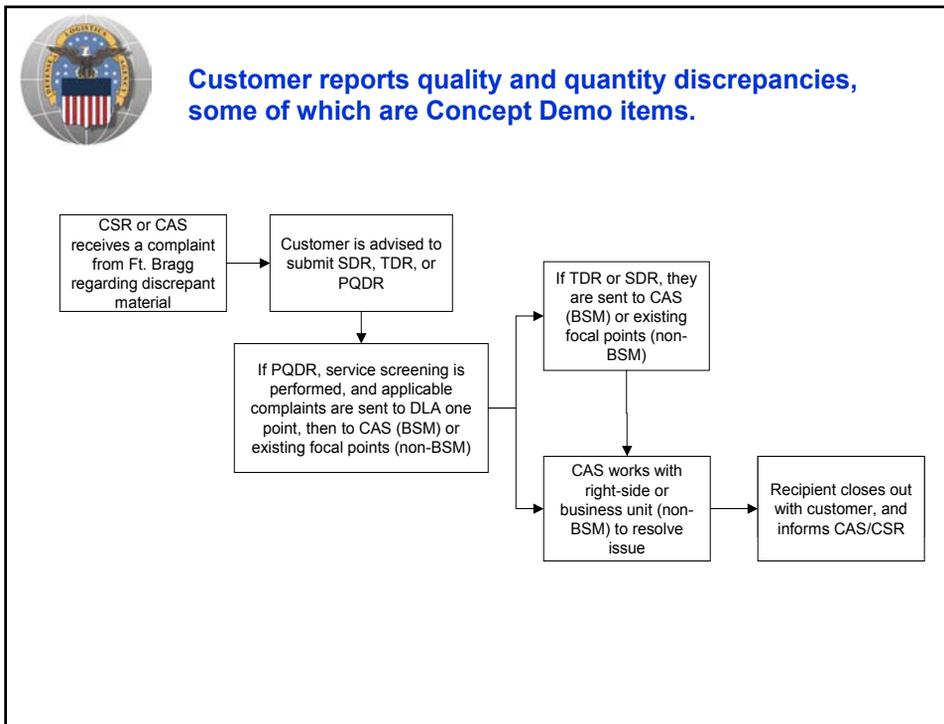
**What is the correct routing of a customer list (HML- or WS- specific) that is received by HQ CRM staff and going to the appropriate lead center?**



\* DLA 1 Look will replace in the 4Q02.





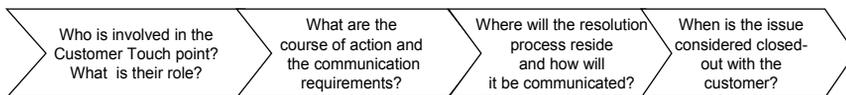




## Strategic Issues



### How does DLA react to Service reduction in funding or change in mission?



**Participants**

•NAM/CAM

Advise the DCO/readiness officer

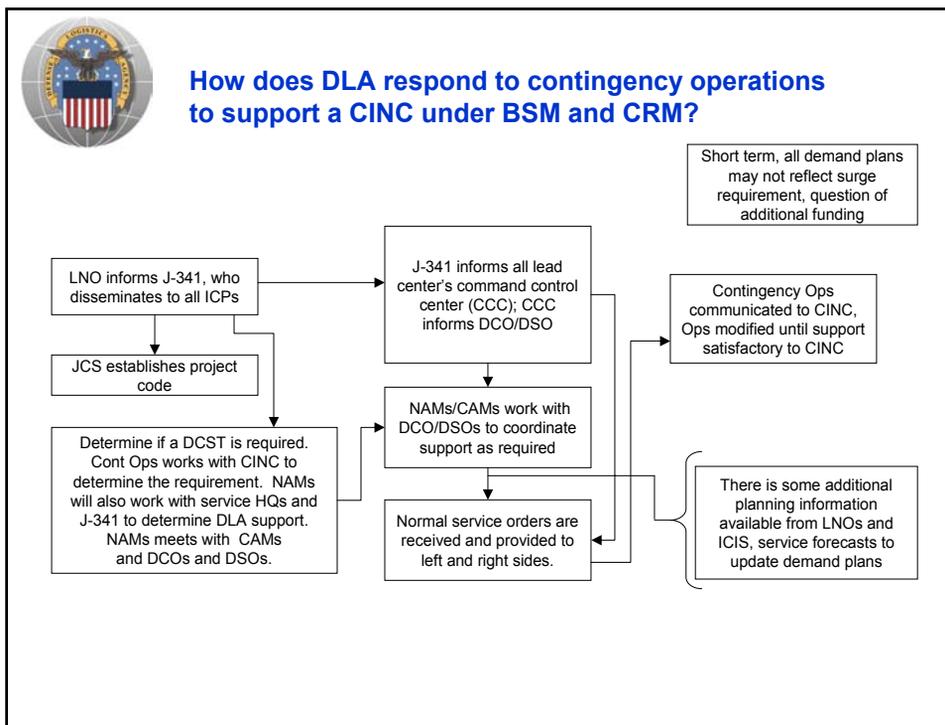
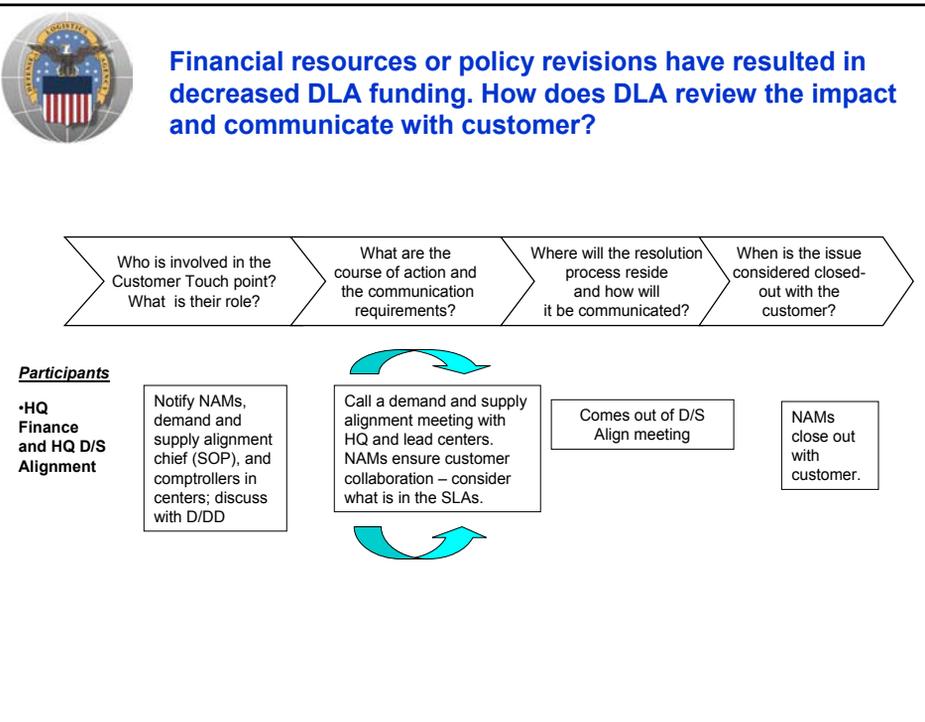
For BSM items, determine which ICTs use this WS. Communicate with ICT and business analyst. Consider SLA.

For non-BSM items, notify WSSM.

Demand plan (collaborate with the customer), Supply plan revisions according to ICP business rules

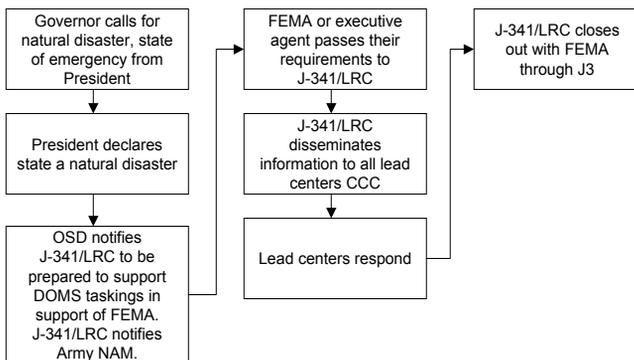
Adjust stockage objective and procurement plan

Revised plans are complete

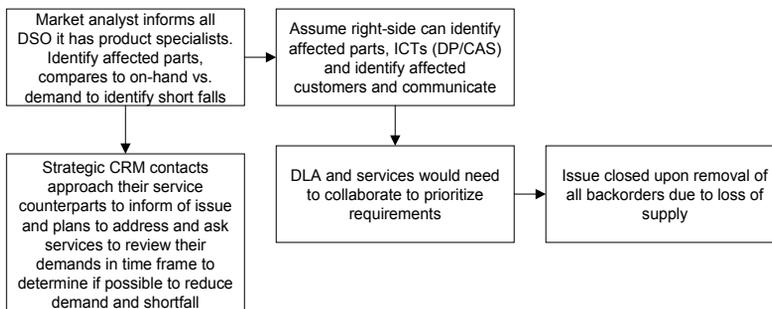




### How does the new DLA organization respond to a natural disaster to support FEMA requests for food, material, clothing, and medical supplies?



### How does DLA respond to a significant loss of multiple supply sources?





# Appendix B

## Abbreviations

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AFMC	Air Force Material Command
ALC	Air Logistics Center
BSM	Business Systems Modernization
CAM	Customer Account Manager
CAS	Customer Account Specialist
CFDC	Customer Facing Division Chief
CIL	Critical Items List
CIRS	Chief of ICT and Readiness Support
CLS	Contractor Logistics Support
CMRP	Critical Maintenance Repair Program
COTS	commercial off-the-shelf
CPM	Customer Program Manager
CRM	Customer Relationship Management
CSR	Customer Support Representative
DAASC	Defense Automatic Addressing System Center
DCO	Director, Customer Operations
DDC	Defense Distribution Center
DESEX	Defense Supply Expert System
DLA	Defense Logistics Agency
DLIS	Defense Logistics Information Service
DODAAC	Department of Defense Activity Address Code

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DP	Demand Planner
DSCC	Defense Supply Center, Columbus
DSCP	Defense Supply Center, Philadelphia
DSCR	Defense Supply Center, Richmond
DSD	Decision Support Data
DSO	Director, Supplier Operations
DSS	Distribution Standard System
ERP	enterprise resource planning
ESOC	Emergency Supply Operations Center
FMS	foreign military sales
FOC	full operational capability
HML	heightened material list
HQ	headquarters
ICT	integrated customer team
IM	item manager
IPG	Item Priority Group
IPT	integrated process team
IT	information technology
JCS	Joint Chiefs of Staff
KPI	key performance indicator
LMI	Logistics Management Institute
MEB	Modernization Executive Board
MICAP	mission impaired capability awaiting parts
MOA	memorandum of agreement
MOU	memorandum of understanding

MOV	material obligation validation
NADEP	Naval Aviation Depot
NAM	National Account Manager
NAVAIR	Naval Air Systems Command
PCLINK	PC Logistics Information Network
PD	position description
PD2	Procurement Desktop Defense
PM	program manager
SAMMS	Standard Automated Material Management System
SAR	Supply Assistance Request
SDR	Supply Discrepancy Report
SLA	service level agreement
SOP	Sales and Operations Planning Chief
SP	supply planner
VLIPS	Visual Logistics Information and Processing System
WebCATS	Web Customer Account Tracking System
WEBREQ	web requisitioning
WSSM	weapons system support manager

