State of Army logistics—TRANSITION

In his first article since he became the Army's Deputy Chief of Staff for Logistics, General Kornet explains policies, challenges, and goals of Army logistics.

During the past several years, the Army's logisticians have been supporting combat operations in Southeast Asia, coordinating a withdrawal of men and materiel from Vietnam, and simultaneously developing new plans, systems, and techniques for instituting management controls over the existing logistics system. At the same time, and with an eye toward the future, we have been designing, developing, testing, and standardizing automated systems for managing the emerging logistics system.

On 30 June 1973, when Phase III of the LOGISTICS OFFENSIVE terminated, we had completed an evaluation of many of its projects, which showed that we had overcome many of the immediate obstacles to providing efficient logistics support. Additionally, the improvement in the level of logistics unit readiness throughout the world permits us to devote time and energy to the development of solutions to our long term logistics problems. The time has come to consolidate gains, tidy up the logistics battlefield, and improve peacetime logistics readiness to support contingencies. In short, we must take advantage of the benefits of the LOGISTICS OFFENSIVE through deliberate and continuous management efforts to insure that we are moving toward the Army's goal of maximum readiness at minimum cost in dollars and manpower. We can do much to accomplish this by improving our management information systems and simplifying the procedures for providing support at the user level.

The dual requirements to improve the management information system and simplify support to the user sometimes appear to be at odds since the data required for management purposes impose a reporting workload on the user who must provide it. For example, securing better management informaton on the location and condition of assets will require increased and better reporting from the user at the lowest levels of the logistics system. On the other hand, the data reported will permit the commodity manager to reduce costs, redistribute assets in line with priorities, and deliver avail-

TO PEACETIME

by Lieutenant General Fred Kornet, Jr.

able supplies and materiel to the users in the shortest possible time.

If there is a philosophy that emerges from the relationship between those who use the management information and those who report it, it is this: "Data required for a management system must be for overall management benefit or for the benefit of the user; whenever possible, it should be for both." This philosophy is being injected in the various objectives of the Army Logistics System Master Plan (LOGMAP) aimed at standardizing our management systems.

LOGMAP, published in May 1972, established a central direction for improving and controlling the development of the Army logistics system. It provides the required direction and coordination of effort through management by objectives. It complements the Army Management Information System (AMIS) and is the Army counterpart to the Department of Defense Logistics Systems Plan (LOGPLAN).

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There are more than 50 specific objectives in LOGMAP aimed at improving the professional skills of the individual logistician, providing him with automatic data processing management systems to enable him to use those skills and relieve him of masses of manual clerical work, and integrating his efforts with those of fellow logisticians to insure complete, cohesive, and standardized logistics operations from planning and programing through procurement, supply, maintenance, transportation, and ultimate disposal. The main theme permeating the LOGMAP is providing material to users with the simplest requisitioning and accounting procedures consistent with adequate management control. Simplified user logistics must be recognized as the basic goal at all levels of the logistics system. (An article on this subject was published in the May-June 1973 issue of *Army Logistician* magazine.)

The recent reorganization of the Army has provided us with a major organization unit, the U.S. Army Logistics Center, to assist in achieving that goal. Located at Fort Lee, Virginia, it is one of three functional centers under the Training and Doctrine Command (TRADOC). The others are the Combined Arms Center at Fort Leavenworth and the Administration Center at Fort Benjamin Harrison.

The Logistics Center is responsible for the development of logistics doctrine and systems for the intermediate, direct support unit, and user levels of the Army Logistics System. The Army Materiel Command will be responsible for training and doctrine for the wholesale logistics level, but the Logistics Center will insure that wholesale logistics doctrine and training meshes with intermediate and direct support unit/user level doctrine and training.

As a corollary mission, the Center is responsible for monitoring logistics training and education, including the determination of training requirements, at all schools and training centers of the Training and Doctrine Command. This should insure that logistics training will be consistent in all TRADOC schools and will permit the early identification of need for curricula changes whenever new doctrine is developed.

Moreover, the Center also will provide technical guidance and assistance in the personnel aspects of training and education.

Another major mission of the Center is to plan, prepare, coordinate, and conduct the annual logistics exercise (LOGEX) for the Active Army and the Reserve Components. LOGEX has been an invaluable training vehicle for Army logisticians in years past and will

continue to serve that purpose in the future. With the LOGEX mission under the control of the Logistics Center, a closer relationship between current doctrine and exercise material will be possible so that all participants will be exercising the latest in approved doctrine and concepts.

I have referred to the value of better management information. The pressure for better and more management data at all levels is a fact of life and a continuing challenge. The major problem in responding to this challenge has been the variety of automatic data processing systems that we use to collect, compile, and transmit the required data. We have a number of nonstandard or unique systems scattered around the world. Each has its own distinct methods and each does the job for which it was designed. However, these separate systems are expensive luxuries that we really can't afford! We have to go to worldwide standardized systems so that we can transfer individuals and units from one command to another and have them understand the system immediately and fit right into the picture. Users will receive support and report data to the supplier in the same manner, regardless of the command to which they are assigned.

A completely modernized ammunition production base in the early 1980's is the goal.

I want to emphasize that we will not standardize for the sake of standardization itself. We cannot afford to go from a workable unique system to an unworkable standardized system. We have to make them work first; but we are definitely going to standardize systems!

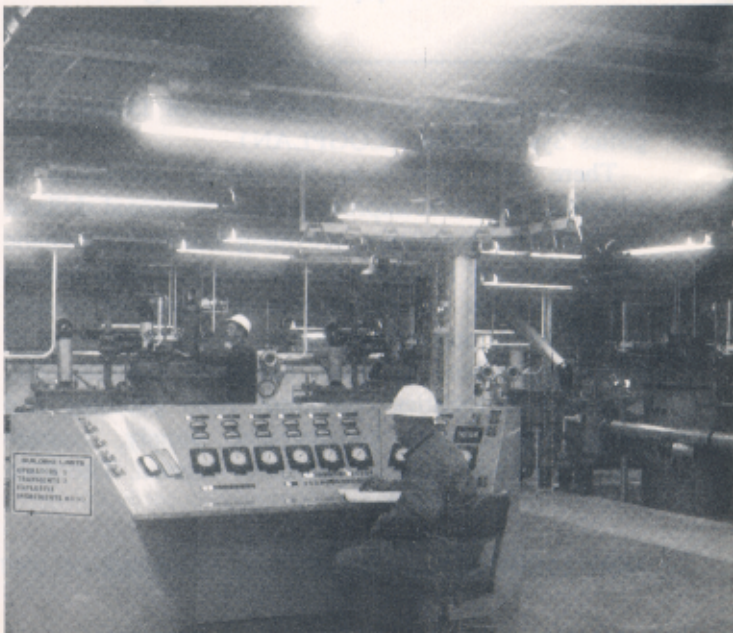
We have spent much time and many dollars in developing, testing, and modifying standard automatic data processing systems to accomplish this purpose during the past several years. It is now time to make them operational. During the immediate future we will begin the installation of standard systems in the national inventory control points and in the intermediate level activities. These two systems are ALPHA (AMC Logistics Program—Hardcore, Automated) and SAILS (Standard Army Intermediate Level Supply Subsystem).

The national inventory control points will use ALPHA to manage and direct such basic wholesale functions as cataloging, provisioning, maintenance, stock control, supply management, and financial management. This is the largest standardization effort in Army logistics. ALPHA also will integrate the international logistics activities of the wholesale system including billing and collecting transactions.

The ALPHA system has been operational at its prototype site, the Aviation Systems Command, since January 1972. The system will be installed at the Missile Command next. It should be fully operational in both commands at the end of this calendar year. Installations at all national inventory control points should be complete by the end of 1975.

The Standard Army Intermediate Level Supply Subsystem (SAILS) is being developed to standardize the present supply and related financial management subsystems at the intermediate level. The developer is the Computer Systems Command.

When fully developed, SAILS will replace the current supply application of Base Operating Information System I at CONUS installations and the several unique intermediate level systems in USARPAC and



Many will be repaired and reissued. Others will be disposed of as excess.

USAREUR. The system for CONUS installations has passed its tests and a prototype operation began at Fort Carson in March 1973. Prototype installations are scheduled for USARPAC in November 1973 and in USAREUR in October 1974.

While the management systems I have described will assist us in the more distant future, we have immediate problems that we must resolve within our current capabilities. These relate to such specific and concrete questions as—

- How can we improve our maintenance program?
- What should we do with current and potential excess materiel?
- How do we maintain an adequate industrial base in view of reduced procurement requirements?
- How will the Army respond to civilian programs for gun control and environmental improvement? These and other questions touch on all logistics functions and major commodities. While each of these questions could be the subject of a separate article, a brief look at our plans for answering them is interesting.

Maintenance costs for aeronautical materiel required as much as 45 cents out of every depot maintenance dollar spent during the height of the Vietnam conflict. To reduce the impact of aircraft maintenance costs on the overall Army maintenance program, we are implementing a new maintenance concept for Army aircraft called On-Condition Maintenance. (See separate story beginning on page 28 of this issue.) Under this concept, we are no longer bringing aircraft in on a cyclic basis, i.e., depot overhaul every five years. Instead, we are inspecting the entire fleet of Army aircraft to establish an aircraft condition profile. Based on this condition profile we are scheduling aircraft, by serial number, into depot maintenance facilities for only that work which must be done at depot level and only that which is needed on each aircraft to keep the aircraft safe and reliable.

In the past, our aircraft scheduled inspections in the field have followed a routine schedule associated with calendar or operational intervals. That is, inspection was made daily, monthly, or after operating for 25 hours or 100 hours. We are developing phased scheduled inspections for Army aircraft. The new inspection procedures should increase operational readiness and decrease maintenance man-hours per flying hour. Importantly, phasing inspection schedules for each aircraft system should preclude having maintenance work pile up at the expense of operational readiness.

Historically, we have had four to five echelons of maintenance for aircraft similar to that for most other materiel in the Army. In Vietnam we found that it was more efficient to move about 70 percent of direct support maintenance forward into operational units. The direct support tasks accomplished in the forward area consisted principally of inspections, diagnosis, and component replacement. We also found that general support maintenance was primarily required for airframe work rather than for engine and component overhaul and repair as originally envisioned. Based on this experience we are planning to realine the organization for air maintenance into three echelons: aviation unit maintenance (AVUM) which will have an integrated direct support maintenance capability assigned to operating units, an intermediate field maintenance level consisting of an amalgamated direct support/general support maintenance, and backup depot maintenance. The AVUM will perform scheduled and special inspections and will diagnose and replace complete modules such as the aircraft engine. The intermediate level of maintenance will be principally oriented toward keeping aircraft operationally ready through airframe and sheet metal repair as well as repair and overhaul of the hot end sections and accessory packages for gas turbine engines and other such submodules. Overhaul repair of the complete engine will be accomplished at CONUS depots.

The report of the Wheels Study Group approved in late 1972 recommended that the Army's wheeled vehicle requirements be reduced by approximately 25 percent. This will result in the turn-in of many vehicles to the supply system in 1974 when the new TOEs

"Simplified user logistics must be the basic goal at all levels of the logistics system."

become effective. We have been and are planning for the receipt and utilization of those vehicles.

In order to prevent a massive turn-in at one time, we have placed a moratorium on the issue of any additional tactical wheeled vehicles from the wholesale system. Commands have been very cooperative in this program and excesses in the field should be at a minimum by the time the revised TOEs are distributed.

Large quantities of unserviceable vehicles are now at the USARPAC overhaul facilities. An active effort is underway to provide as many serviceable vehicles as possible to the Reserve Components and provide for the requirements of allied nations through the various International Logistics Programs. Also, we have established projects in Okinawa and Taiwan to cannibalize the assets not required for the Reserve Components or allied nations to support rebuild programs and to provide parts for national inventory control point stocks. Most of the excesses in USAREUR and CONUS will be reduced to the older models that are candidates for washout because of age and mileage. Many of these will be disposed of through property disposal sales.

One of the fiscal year 1974 requirements in the transportation program is to complete the removal of the self-elevating cargo piers from Vietnam and determine the best peacetime use for these expensive items. Current plans are that those scheduled for CONUS storage will be used by the Corps of Engineers in various hydraulic dredging operations by the Wilmington, New Orleans, Chicago, and Detroit Engineer Districts. Four barge elements of these piers will be assigned to the Pacific Ocean Division, Corps of Engineers, at Kwajalein for a dredging and landfill project. The recovery and use of these barges for these civil works purposes will expedite the accomplishment of the work and substantially reduce its costs.

The huge decrease in military operations coupled with the reduction of military strength of the Army will make it extremely difficult to maintain active production lines that can be accelerated readily in an emergency. We are examining ways to merge our materiel requirements and procurement programs with those of allied nations in the International Logistics Program in order to keep the active production base as large as possible.

This will require more and better coordination with allied customers in forecasting requirements and production planning. There are many potential benefits, however, to both the U.S. Army and the customer nation in this approach. As examples—

- The high costs and delays inherent in production startup are avoided when continuous production can be sustained.
- A going production line permits add-on procurement of limited quantities that would otherwise be uneconomical.
- Diversion from Army assets to meet unforeseen foreign military requirements can be reduced and early "payback" can be made when such diversions are necessary.
- In those instances when the need for a warm production base is a major factor in the decision to procure, the burden of financing the production can be shared and the Army can use funds that would have otherwise been required for these costs for other unfinanced requirements.
- Perhaps more important to the Army than any other factor is that a nucleus of management teams, labor forces, and facilities capable of producing the equipment needed to meet U.S. security objectives can be retained intact.

Fiscal year 1974 is the fifth year of a long-range plan for modernizing our Government-owned ammunition

Improving Army maintenance is a continuing goal.

A going production line permits add-on procurement of small quantities that would otherwise not be economical.

production base. The modernized facilities emerging from this program will give the Army a responsive, efficient, and automated production base ready to meet future contingencies. They will also provide for improved working and safety conditions and significant reductions in environmental pollution. The estimated total cost of the program is about $3.5 billion.

Through fiscal year 1973, slightly more than $601 million have been provided for the modernization plan. The fiscal year 1974 budget request contains an additional $137 million. If approved, approximately 20 percent of the costs of the program will have been funded at the end of this year. We expect to develop and apply new technology and processes at prototype facilities in the near future. This should allow the modernization effort to proceed at a more rapid rate toward the goal of a completely modernized production base in the early 1980's.

In the past, law enforcement agencies usually have experienced difficulty in tracing Army weapons used in criminal activities to the proper source because there was not always a serial number record to assist in locating the actual Army unit or individual from which the weapon was taken. To assist investigative organizations, and to improve the visibility of our assets, we are developing a system to record the serial numbers and control the distribution of man-portable small arms.

In addition to the areas I have discussed, there are many other challenges facing us. We have established goals in all logistics areas that we must do our best to achieve during the current year. Examples of the major logistics goals for fiscal year 1974 are—

- Achieve a logistics readiness for equipment on hand so that 95 percent of Active Army units reach a readiness condition (REDCON) equal to assigned authorized level of organization.
- Attain a logistics readiness of REDCON 3 for all early deploying Reserve Component units.
- Increase the use of containers for shipment of cargo from CONUS from 50 percent in fiscal year 1973 to 60 percent in fiscal year 1974.
- Achieve by end of fiscal year 1974, 90 percent of the total program forecasted for use of long supply and excess Government-owned assets in new procurement of aircraft.
- Enhance professionalism of civilian employees in the logistics career executive development program.
- Construct or modernize bachelor housing facilities for 71,000 individuals.
- Complete the construction of new commissaries at Forts Hood and Knox and the addition to the existing commissary at Schofield Barracks.
- Secure congressional approval in fiscal year 1974 funding for the construction of three new commissaries.

The plans and goals I have discussed and the many additional ones which we need to achieve in fiscal year 1974 to support the long-range objectives of LOGMAP and manage the logistics system on a daily basis are contained in the recently published "Logistics Program Goals and Management Review." That document, informally known as the Gold Book, is one of the basic parts of our system for programing, analyzing operations, and identifying needs for special management action. It will be distributed quarterly throughout the Army so that individual logisticians can see what we are doing collectively and what progress we are making in response to the challenges to the development of the future logistics system. Only through the active assistance of logisticians at every echelon can that system emerge as the most economic, efficient, and effective means of providing logistics support to both U.S. and allied units throughout the world. ALOG

Lieutenant General Fred Kornet, Jr., became the Army's Deputy Chief of Staff for Logistics on 1 January 1973. At the time of his appointment General Kornet was commander of the U.S. Army Aviation Systems Command. He is a graduate of the Army War College and holds a M.B.A. degree from the University of Chicago.