Appendix IV: Service Depot Improvement Efforts

Background

We reviewed a number of depot improvement efforts the services have underway. While some officials described these as "leading" or "best" practices, we did not assess the extent to which these efforts made concrete improvements to inventory outcomes, in part due to the difficulty of separating causal factors from the large number of variables involved. In addition, we only visited 7 of the 17 service industrial sites (Anniston Army Depot, Norfolk Naval Shipyard, Fleet Readiness Center East, Fleet Readiness Center Southwest, Oklahoma City Air Logistics Complex, Warner Robins Air Logistics Complex, and Albany Production Plant). Therefore, there may be additional efforts that have not been identified.

Goals of the Efforts

The efforts listed have varying goals, but their overall focus can be grouped into three categories:

1. Inventory management: Providing better accountability, reducing costs, and distilling lessons learned.
2. Collaboration: Improving the level of trust and communication between the service and Defense Logistics Agency.
3. Maintenance throughput: Increasing the rate at which the depot can repair end items.

Listing of Efforts

Table 2: Inventory Improvement Efforts Undertaken at Service Industrial Sites

Name of effort	Army	Navy shipyards	Navy aviation[a]	Air Force	Marine Corps[b]	Description and purpose
Supportability analysis	✓	✓	✓	✓		The service assesses its ability to repair an end item before the end item is accepted into the depot. This allows the depot to identify backorders that will cause production delays, and in some cases, change the schedule to support other repairs while waiting for those parts.
Hot wash/autopsy	✓	✓	✓	✓		Similar to the supportability analysis, except that this occurs after the conclusion of a repair (or series of repairs). This allows the depot to determine what problems were encountered, what could have been prevented, and make improvements going forward.
Joint metrics review	✓		✓	✓	✓[c]	The Defense Logistics Agency (DLA) and the service review their inventory management metrics together. This allows for a more open discussion of problem areas and prevents issues from remaining hidden until they become a serious concern.
Level loading			✓	✓		The depot uses its communication conduits with DLA (such as collaborative forecasting) to "smooth out" spikes caused by sudden increased demand or significant production delays. This prevents automated systems from over-responding to the spikes.
Workaround tracking			✓	✓		The depot collects and monitors at least some data on the extent to which it uses workarounds to cope with parts shortages.
Use of DLA's business processes/systems			✓	✓		The service adopts or makes significant use of the established inventory management business processes and information systems available from DLA.

Source: GAO analysis and observation of service depot operations. | GAO-16-450

Notes:

[a]Navy Aviation includes Marine Corps Aviation.

[b]Includes Non-Aviation Marine Corps Industrial Sites.

[c]The Marine Corps had just begun performing Joint Metrics Reviews at the time of our evaluation.