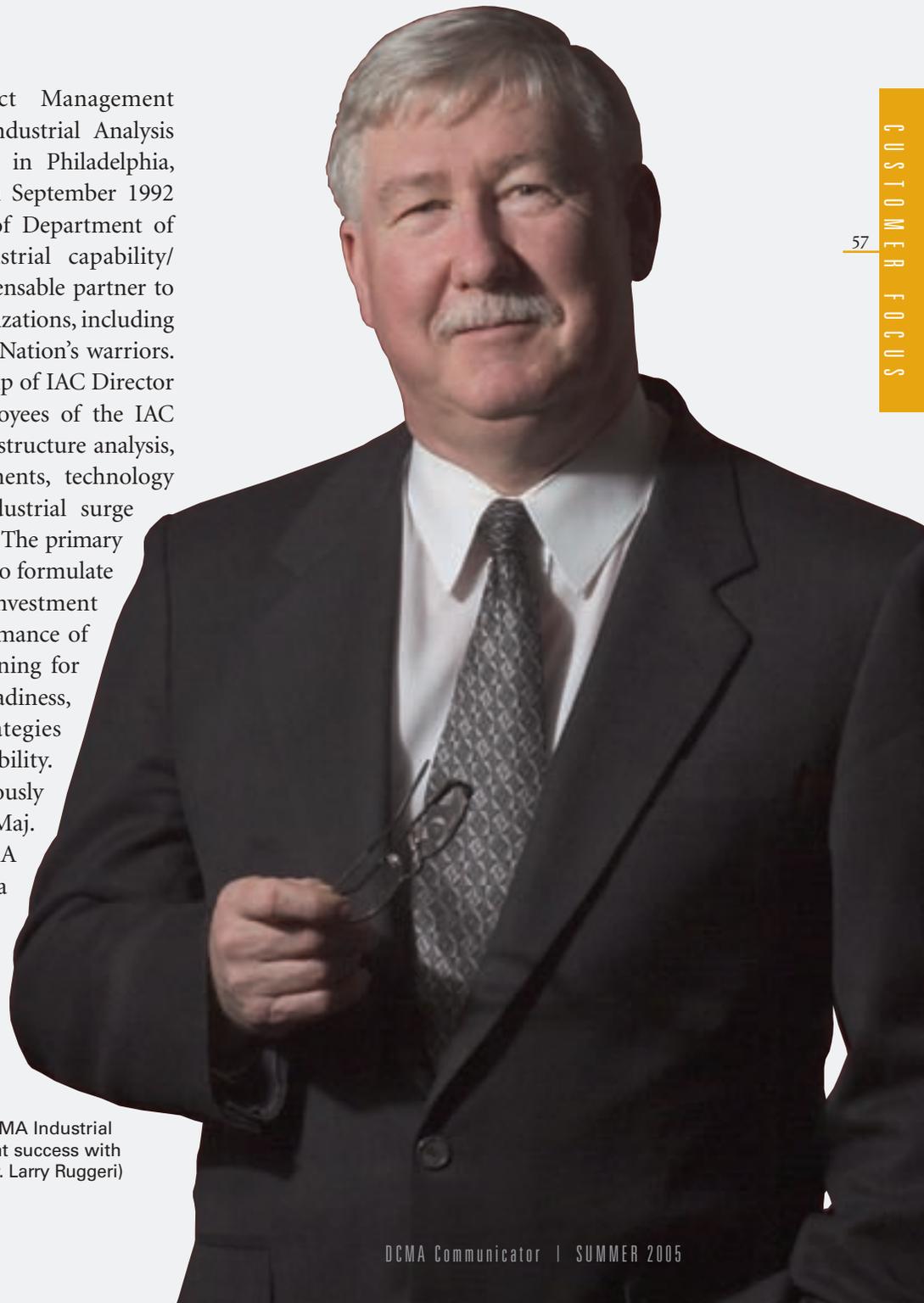


# Industrial Analysis Center's Long Tradition of Focusing on the Customer

by Ms. Katherine Crawford, Staff Writer

The Defense Contract Management Agency's (DCMA's) Industrial Analysis Center (IAC), located in Philadelphia, Pa., was established in September 1992 as the lead provider of Department of Defense (DoD) industrial capability/surge analyses and an indispensable partner to a large number of DoD organizations, including all Service branches and our Nation's warriors. Under the insightful leadership of IAC Director Mr. Bill Ennis, the 33 employees of the IAC provide Defense critical infrastructure analysis, industrial capability assessments, technology industrial base analysis, industrial surge analysis and financial analysis. The primary application of the analyses is to formulate informed industrial base investment decisions through the performance of various actions such as planning for and maintaining military readiness, guiding acquisition strategies and ensuring supplier reliability. The IAC has been continuously successful, and Air Force Maj. Gen. Darryl A. Scott, DCMA director, has deemed it "a national asset" for its strong and crucial role in supporting national security.

**(Right)** Mr. Bill Ennis, director, DCMA Industrial Analysis Center, has achieved great success with supporting customers. (Photo by Mr. Larry Ruggeri)



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### Mission and Vision of the IAC

The IAC has been continuously committed to being the provider of choice for Defense-based analytical services for a diverse group

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of customers representing major weapon system acquisition, logistics, readiness, homeland defense and other government programs. Over the past two years, the IAC's mission has transformed into a leadership role, guiding DoD's many customers in industrial and technology capabilities and surge analysis.

The IAC's vision is to supply quality products and services to satisfy their customers' needs on time, using innovative and practical approaches. To serve the customers as efficiently as possible, the IAC is organized into four functional areas:

**Sector analysis** — Create the product lines the IAC develops for the acquisition decision-makers; review the products of industry sectors; perform integrated analysis of industrial and technological capability and financial viability of industry sectors

**System analysis** — Provide scientific research to members of the research and design community who are making significant investments in technology; assess technological readiness and the financial and economic feasibility of emerging technologies and associated industrial base capabilities

**Homeland defense** — Provide homeland defense analysis, including identifying the most critical assets, assessing those assets from a physical and informational security standpoint and developing a mission assurance plan to protect them

**Industry surge analysis** — Provide direct, industrial base analytical support to the warfighting community: “the folks who are actually in Iraq and Afghanistan and urgently need quick access to additional supplies or product lines,” explains Mr.

Ennis. This includes the analysis of products or sectors — assessing prime and subtier contractor production capability, output, rates and lead times

### Current IAC Projects and Success Stories

Since 9/11, the IAC has placed a priority on homeland defense analysis. This requirement led to the recent creation of the Defense Industrial Base (DIB) critical asset prioritization model, which was requested by Deputy Undersecretary of Defense for Industrial Policy Ms. Suzanne Patrick and approved by Acting Undersecretary of Defense for Acquisition, Technology and Logistics Mr. Michael Wynne and Assistant

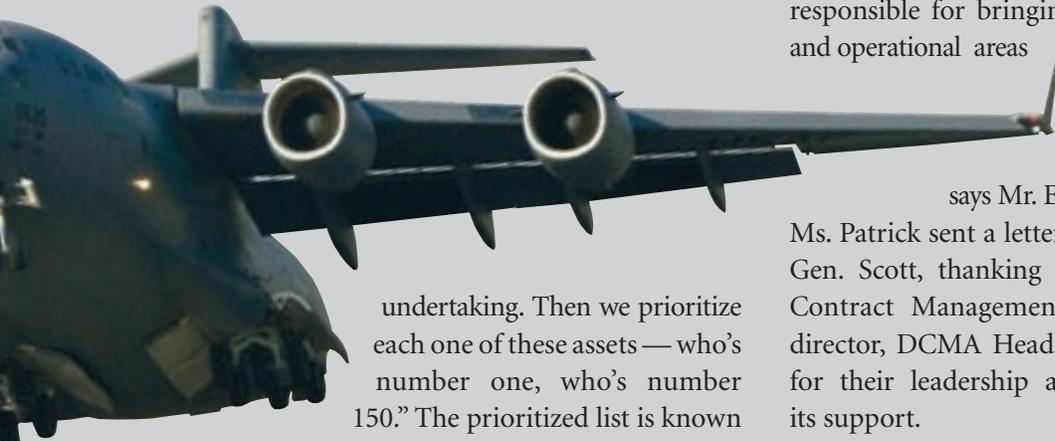
*(Top)* From left: IAC employees Mr. Jim Brennan, deputy; Mr. Don Burnett, industrial specialist; and Ms. Andrea McKeithan, industrial engineer, discuss policy at the IAC office in Philadelphia, Pa. (DCMA staff photo)

*(Middle)* A C-17 takes off from Pope Air Force Base, N.C. The DCMA Industrial Analysis Center has been working on developing C-17 acquisition alternatives. (U.S. Air Force photo by Staff Sgt. Jeromy K. Cross)

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Secretary of Defense for Homeland Defense Mr. Paul McHale.

The IAC developed a tool “to identify and prioritize the most important manufacturing sites in the U.S. and abroad, from a mission perspective, establish a mission assurance plan to mitigate these risks and prioritize the order of plan implementation,” reports Mr. Ennis. “The industrial base starts out with hundreds of thousands of sites, and we now have a process to reduce that number to about 2,000 important sites. We then use strict, classified criteria to get down into the real critical assets, and it’s a large



undertaking. Then we prioritize each one of these assets — who’s number one, who’s number 150.” The prioritized list is known as the DIB critical assets list.

Thus far, feedback has been positive, particularly from Ms. Patrick and Mr. William Bryan, director, Defense Critical Infrastructure Program, Office of the Assistant Secretary of Homeland Defense. The list “provides a capability that the Department never had before, and the results are phenomenal,” says Mr. Ennis. The IAC has made a significant impact on providing DIB mission assurance, and it is changing the entire industrial base planning and assessment process across DoD and other government agencies. The list is now used by security, intelligence, counterintelligence and law enforcement agencies, including the FBI, CIA, U.S. Northern Command and National Guard Bureau, as well as private industry. It

is the basis for an entire set of processes used by those organizations to assess and protect particular assets.

Predictive analysis is another area in which the IAC has been innovative and extremely successful in developing a modeling system. Mr. Ennis met with Ms. Patrick recently and reported that she is “really delighted with our predictive analysis work because traditionally the Department has operated in a task-oriented reactive mode, and what we’re doing is developing a series of models that will predict risk areas in the industrial base before they become problems.” The IAC is also responsible for bringing together the strategic and operational areas

within DoD, “and getting those people to talk to one another is a real accomplishment,”

says Mr. Ennis proudly. In response,

Ms. Patrick sent a letter of appreciation to Maj. Gen. Scott, thanking him, Mr. Bob Schmitt, Contract Management Operations executive director, DCMA Headquarters, and Mr. Ennis for their leadership and the IAC for all of its support.

The IAC is currently involved in another project for Ms. Patrick in the realm of technological analysis. Ms. Patrick has asked the IAC to assemble an interactive set of analytical tools to assess critical technology suppliers for future warfighting capabilities. The project “articulates the identification of industrial base assets that are developing emerging technologies that need to be brought into the Defense industrial base,” states Mr. Ennis. “In other words, they’re not pieces of the weapons systems, they’re the technology for future weapons programs.” A second technology analysis project is a series of assessments for the Missile Defense Agency, another customer with whom the IAC has a successful partnership. The IAC is also performing a significant amount of technology industrial base analysis for the

*All of the charts, diagrams and objectives clearly demonstrate the IAC's long history of putting the customer first.*

assistant secretary of the Army, Acquisition, Logistics and Technology; the Army Materiel Command; Unit of Action Program Office; and Naval Air Systems Command as well as industrial base assessments for 12 acquisition category level I and II programs this fiscal year.

A third mission function is in the area of surge analysis, which supports the warriors by studying the production processes for munitions, tactical missiles and other war-fighting items to identify bottlenecks at lower subtiers. This allows DoD to invest in other facilities to increase capacity and accelerate production. According to Mr. Ennis, "Historically, Cold War surge mentality was applied to surging weapon systems. Today surge requirements are based on increased demand for each operation.

**"I don't think there's another organization within the Department of Defense that's as customer-focused as the staff here at IAC. I'll be bold enough to say that."**

For instance, not long ago [DoD] surged batteries, armor plates, body armor, unmanned aerial vehicles, precision munitions and tactical missiles. ... The industrial capability information that the IAC has on hand is really beneficial to helping DoD and industry accelerate production or come up with alternate sources of supply for equipment that's required over in Iraq or Afghanistan." Air Force Lt. Gen. Duncan J. McNabb, J-4 Joint Staff director for Logistics, with whom Mr. Ennis met several months ago, is particularly pleased with the industrial surge analysis reports that the IAC completes

every six months for the warriors. Consequently, Lt. Gen. McNabb asked Mr. Ennis to present an overview of the IAC's work at the Conference of Logistics Directors, whose attendees include "General Scott and three-stars from the Army,



Navy, Air Force and Defense agencies — and that gives you confidence," says Mr. Ennis.

Mr. Ennis is also very proud of the important work the IAC is doing to support the global war on terrorism. The IAC has helped disseminate the idea that when fighting terrorism, one must always be on alert. "Terrorists are crafty, they're patient, they have no schedules, and they'll hit a target when they're ready," explains Mr. Ennis. "We can't leave our guard down."

### **Challenges the IAC is Facing**

Making this distinction between ongoing operations and the war on terror and trying to support both simultaneously to the best of its abilities is one of the most significant challenges the IAC has faced recently. "Changing the mindset of DoD policymakers to understand the characteristics of terrorists requires a different analytical set of parameters. It's different than when you're analyzing the industrial base capabilities for future weapons systems and acquisition programs," states Mr. Ennis. "Now we're coming in with the protection piece,

*(Above)* Background, from left: Army Lt. Col. Dan Adams, Office of the Deputy Undersecretary of Defense for Industrial Policy; Ms. Rosemarie Veteri, IAC; Ms. Mary Grace Switlik, IAC; Ms. Katie Young, Defense Program Office for Mission Assurance; and Mr. Bill Ennis (foreground), IAC, in a meeting at the Industrial Analysis Center in Philadelphia, Pa. (DCMA staff photo)

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putting countermeasures in place to protect the DIB assets — that’s probably more important than what we’re doing with acquisition programs right now. We must continually reinforce that this is important work, not just in the IAC but throughout the Defense Department. Terror doesn’t show up every day.”

Another challenge is meeting the customers’ expectations and succeeding in the ever-expanding missions of all four functional areas the IAC serves with the same level of resources. “To further compound the problem from a managerial perspective,” reports Mr. Ennis, “a lot of the people in the IAC look like me — they’re seasoned. The work that we do here is almost described as a black art, and there are a lot of people here that have 30-plus years of industry and analytical experience. Trying to pass that off to the next generation of analysts is a real challenge. You put as much as you can in place with knowledge management tools, but there’s nothing like face-to-face time with an expert.”

### **The IAC’s Future**

Since the IAC’s inception there has been constant change, but Mr. Ennis believes that the IAC has entered an extended period of stability. With a fully mature DoD customer base developed through strategic alliances and strong working relationships, the IAC’s “main challenge is now to maximize efficiency, fine-tune the processes and products and continually look for ways to improve and save money. Such savings can be diverted to hardware procurement that the warriors really need,” he states.

Looking to the future, Mr. Ennis is confident that his organization will continue to be successful,

primarily due to its relationship with customers. “This organization is based on the primary principle of customer support,” says Mr. Ennis as he walks over to his bookshelf and pulls down a bound document, joking, “You made me dust this off.” He opens the document and points to a specific section of text. “I put this out in 1995-

1996 before the Agency had its own strategic plan. Here is the whole theme of the IAC strategic plan and guiding principles for the organization. First you must have management support, then commitment to the customer. Along the way you have to make sure you involve all employees, continually improve processes. Communications are so important — measure your performance, recognize workforce contributions and embrace the teaming concept. And as far as I’m concerned, the plan still works.” Mr. Ennis flips through page after page of text and diagrams, noting, “Everything’s focused on the customers, you can see that.”

As he turns to a page with the organization’s performance goals, it is clear that the IAC’s (then Industrial Analysis Support Office’s) goal was, essentially, to be the indispensable partner chosen by their customers for the best solutions, long before this became the official DCMA vision statement. All of the charts, diagrams and objectives clearly demonstrate the IAC’s long history of putting the customer first. As Mr. Ennis asserts, “I don’t think there’s another organization within the Department of Defense that’s as customer-focused as the staff here at IAC. I’ll be bold enough to say that.”

**“We have developed strategic alliances and strong working relationships with all the customers in the Department [of Defense] that require industrial base analysis.”**