

Keane Helps Office of the Secretary of Defense Become More Streamlined, Nimble, and Efficient

Keane Provides Expertise in eBusiness, Supply Chain Management, Business Process Reengineering, Strategic Planning, and Project Management

Abstract

The Office of the Secretary of Defense (OSD) is the nerve center of the US defense establishment's management structure. OSD founded the Change Management Center (CMC) to improve operational performance throughout the Department of Defense (DoD) and maximize the IT support available to warfighters — frontline troops and other key personnel who directly support combat operations. CMC's mission is to acquire, develop, and implement the world's best change management expertise, technologies, and processes. Through the CMC, OSD has leveraged Keane's extensive knowledge of both private and public sector best practices, as well as our expertise in operations and project management, to plan, direct, and accelerate change within a wide variety of DoD agencies.

Client

The Office of the Secretary of Defense is responsible for defense policy development, planning, resource management, fiscal oversight, and program evaluation. It directs US defense initiatives on a wide range of strategic issues, from weapons procurement to IT support.

Challenge

DoD military resources have been strained by urgent global developments at a time when government deficits and budget pressures have been rapidly increasing. The General Accounting Office (GAO) has also urged OSD to address a variety of business process problems and systems modernization issues. OSD has committed to

reducing waste, minimizing resources consumed by support functions such as procurement and accounting, and maximizing the volume and efficiency of support available for warfighter operations.

Solution

OSD gathered a team of leading consulting firms to address these issues. Keane was selected on the basis of our strategic and tactical experience in managing change within private and public sector organizations. We also contributed our expertise in eBusiness, Supply Chain Management, Business Process Reengineering, Strategic Planning, and Project Management.

Acquisition, Technology and Logistics (AT&L) eBusiness

Keane developed a plan for capitalizing on eBusiness opportunities within this DoD procurement agency, addressing process inefficiencies as well as cultural resistance to change. We facilitated teams to establish a vision for eBusiness throughout AT&L and led Integrated Process Teams to introduce eBusiness initiatives based on government and commercial best practices. As a result, AT&L managers have adopted a goal-driven approach to the agency's core mission that has enabled it to cut costs by optimizing and accelerating key processes.

Acquisition, Technology and Logistics (AT&L) Unique Identification (UID)

Since 1990, the GAO has designated DoD's inventory management as a "High Risk" area. The absence of a universal method for marking and tracking spare parts, medical supplies, and other key assets has contributed to waste,

"The Keane team dove into the subject matter, researched where they needed to, and got smart fast. They also started taking the project personally. All of what they've done and continue to do is pervaded by that positive attitude to the point where there are often things taken care of before I can find the time to do them myself."

Lt. Colonel Gregory Redick United States Air Force OSD-ATL

interfered with equipment readiness, and impeded DoD's ability to comply with auditing standards. To help implement UID, Keane conducted working sessions to define data standards that will facilitate interoperability between DoD and its defense supply chain partners. Keane also assisted with the development of training and employee awareness-building programs. These initiatives will lead to accelerated procurement processes as well as cost reductions resulting from the elimination of non-essential asset inventories.

Director of Defense Research & Engineering (DDR&E) Strategic Planning: Battlespace Environment

The Battlespace Environment (BE) panel was formed to create plans for providing warfighters with comprehensive information about current and potential combat environments around the globe. Keane facilitated the development and implementation of a landmark BE Strategic Plan Framework with specific roadmaps for the technology innovations needed to support it. Keane also coordinated science and technology

Client Story: US Defense Agency

initiatives across all BE subpanels with participation from OSD, the National Imagery and Mapping Agency (NIMA), and representatives from the Army, Navy, and Air Force. Keane's process and technology approaches have contributed to a significantly enhanced level of global combat readiness.

Defense Finance & Accounting Service (DFAS) Vendor Payment Process

Keane helped DFAS develop a solution for reducing more than \$40 million in overdue payables and optimizing its acquisition process with Dell Inc., a major DoD vendor. Keane designed and implemented an innovative model of collaboration among OSD, AT&L, DFAS, and Dell that cut DoD's total over-60-

days payables by nearly 90% in less than two months. In addition, Keane's analysis of DFAS business processes, technologies, and organizational alignment accelerated the DFAS payment process with corresponding cost savings and improvements in supplier relationships.

Benefit

Keane's work for OSD has resulted in a wide variety of strategic plans, process improvements, and cost savings throughout the Department of Defense. In addition, Keane's contributions to the refinement of fundamental organizational dynamics and our efforts to spread awareness of these best practices across DoD have created a

knowledge resource that will continue to pay dividends to the US military for years to come.

The Department of Defense is America's single largest enterprise, a global organization that comprises the Army, Navy, Air Force, Marine Corps, 15 defense agencies, over three million employees, and six thousand geographic locations. Its FY05 budget is projected to be over \$400 billion.

Keane is a global services firm that specializes in enabling transformation of its clients' business and IT functions.