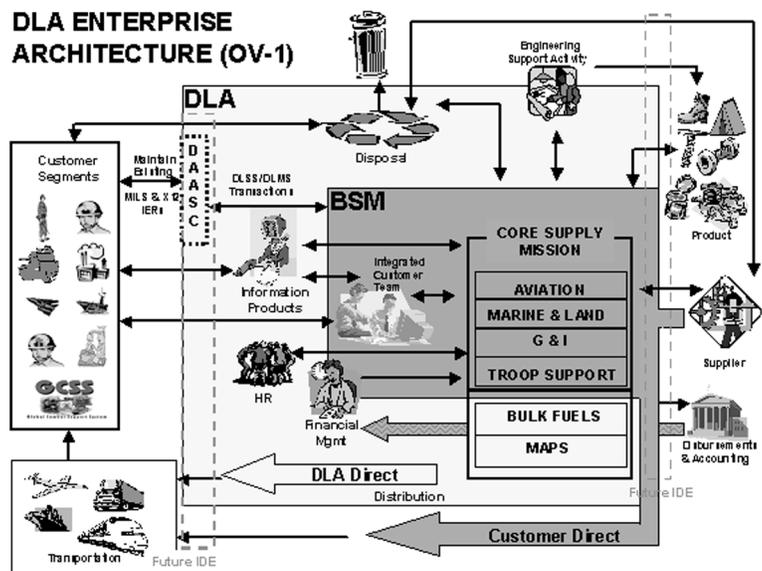


Business System Modernization (BSM)

The BSM program was conceived in late 1998 to address the radical changes in the way the Defense Logistics Agency (DLA) does business and to overcome severe deficiencies in existing information support systems. As DLA strives to align business practices with best commercial practices by re-engineering logistics processes at all echelons, robust information technology is needed to support this re-engineering. Specifically, the BSM program is designed to establish a framework for continuous business practice improvements by:

- Shifting to commercial business practices and capitalizing on industry-based integrated supply chain management solutions.
- Moving from organic to commercial sector support when business and readiness factors dictate.
- Exploiting DLA's leveraged buying capabilities and harnessing that power through value-added electronic shopping opportunities to enable customers to get the best prices and fastest delivery of products and services.

The primary objective of this initiative is the attainment of a modern business systems environment. The Joint Requirements Oversight Council-approved Operational Requirements Document identified the need for DLA to manage to specific outcomes, allow optimization within given levels of resource, and support a management focus on product and operating-cost reduction. These objectives represent DLA's approach to meeting the requirements of the DoD Future Logistics Enterprise and the DLA Strategic Plan. The BSM strategy's first focus is to replace DLA's primary legacy supply chain management/materiel management systems—The Standard Automated Materiel Management System and the Defense Integrated Subsistence Management System—with an expanded enterprise computing environment and commercial-off-the-shelf software packages that include Enterprise Resource Planning and Advanced Planning Systems. The BSM strategy, over the course of several years, will result in a new agency-wide information technology architecture that will enable the DLA to reengineer its logistics processes to reflect best modern commercial business practices.



Business System Modernization provides a new agency-wide computing architecture, enabling DLA to reengineer its logistics processes to reflect the best modern commercial business practices.

