

Business Systems Modernization (BSM)

Executive Summary

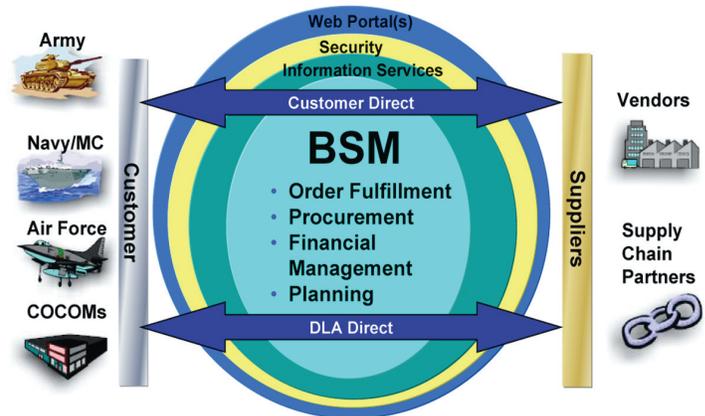
- The Joint Interoperability Test Command completed the initial operational testing of Business Systems Modernization (BSM) in November 2004.
- Test results showed that the system is operationally effective and operationally suitable, but had some suitability deficiencies.
- As the fielding of the system continues, the program manager must pay particular attention to potential adverse impacts to performance measures as new and inexperienced users are added to the system.

System

- BSM consists of a suite of commercial off-the-shelf (COTS) hardware and software products. An Enterprise Resource Planning (ERP) package serves as the backbone system providing procurement, finance, and order fulfillment business functions.
- An Advanced Planning and Scheduling (APS) COTS package is combined with the ERP to provide supply and demand planning functions. These two packages support the majority of functional requirements.
- Additional functional requirements are satisfied by a combination of additional COTS applications, existing government off-the-shelf software, and specific software extensions to the ERP package.
- When fully deployed, BSM will support approximately 6,800 Defense Logistics Agency (DLA) employees located primarily at three Defense Supply Centers in Columbus, Ohio; Philadelphia, Pennsylvania; and Richmond, Virginia.

Activity

- The Joint Interoperability Test Command conducted the initial operational testing of BSM in October and November of 2004. It consisted of more than 4,500 direct observations of BSM users performing their jobs in live mission environment at five DLA sites: Philadelphia, Pennsylvania; Columbus, Ohio; Richmond, Virginia; New Cumberland, Pennsylvania; and DLA Headquarters, Fort Belvoir, Virginia. Also, test personnel assessed selected functionality at the Defense Finance and Accounting Service Center in Columbus, Ohio. Test data was collected to support the resolution of more than 400 measures of performance in support of the evaluation of five critical operational issues in the areas of mission performance, information assurance, interoperability, usability, and availability.
- Operational testing has been done in accordance with the DOT&E-approved Test and Evaluation Master Plan and test plans.



- BSM will replace DLA's primary legacy systems—The Standard Automated Material Management System and the Defense Integrated Subsistence Management System.

Mission

- The DLA supply centers equipped with BSM will be able to provide the best value logistics and contract management support to U.S. Armed Forces.
- The DLA uses BSM to manage specific outcomes, to allow optimization within given levels of resources, and to enable focused support on product and operating-cost reductions.
- BSM enables the DLA to continuously reengineer its logistics processes to reflect best business practices.

Assessment

Operational testing was adequate to resolve all critical operational issues. The system is operationally effective and operationally suitable (with deficiencies) to support the DLA missions. The system successfully met more than 90 percent of the total measures of performance in the test, with all critical ones successfully demonstrated. System usability, especially the display of data, needed improvement. Training was determined to be marginally adequate. User surveys showed a strong desire for additional or advanced training on the system.

BSM represents both the first successful implementation of an ERP system in the DoD, and represents an excellent example of an event-driven system acquisition.

DOD PROGRAMS

Recommendations

1. The program manager must pay attention to adverse impacts to operational performance measures as new and inexperienced users are added to the system.
2. The program manager should investigate ways to improve training and enhance data presentation to the user's computer screens to improve system usability.