

A new paradigm for military logistics

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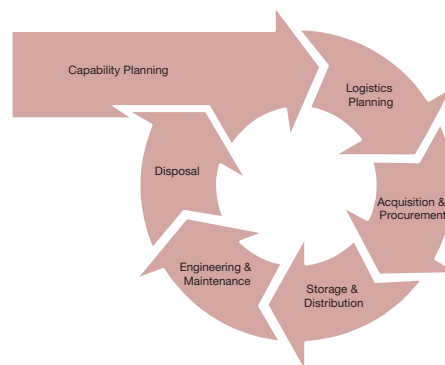
Modern military operations have become highly complex, increasing the logistical requirements for speed, agility, resilience, and accuracy beyond the bounds of traditional operating models. Militaries seeking to improve their logistics models have often focused on areas like procurement, transportation, or suppliers. However, Strategy&'s experience with armed forces demonstrates that reform is effective and sustainable only if it analyses the entire logistics system. Organisations must consider not only procurement, transportation, and suppliers, but also force units, headquarters, and finance. No single department is the sole issue or cure.

The exhibit shows that logistics reform starts with a long-term capability view of military requirements (often influenced by external government direction). This is followed by annual logistics planning (materiel plans and consumption forecasts), which leads to large acquisitions or routine procurement activities. Materiel is stored and distributed; and equipment is maintained, and then disposed of at the end of the life cycle, at which point the process starts anew.

Our recommendation for reform is to map a comprehensive end-to-end process across all activities and players involved in logistics. This will likely require a new governance model that establishes clear roles and responsibilities and challenges the traditional approach to planning, inventory management, and maintenance. Modernizing these functions will need new doctrine, technology, training, and ways of partnering with the commercial world. Logistics chiefs will need to spearhead a coherent transformation programme and continuous improvement philosophy at the highest level.

A piecemeal approach to logistics reform can deliver some efficiency gains. However, to match the dynamics of modern operations, a comprehensive reform programme is the best option.

Exhibit 1 The New Logistics Paradigm



Source: Strategy&

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