

**United States Department of Agriculture (USDA)**

**Business Improvement Management  
(BMI)  
Services**

**Task Order #GSQ0015AJ0083**

**Task Order Kick-Off Meeting**

**October 22, 2015**

# Agenda

- Introductions and Opening Remarks
- Capgemini Project Team Presentation
- FEDSIM Client Services Model
- Points of Contact
- Roles and Responsibilities
- Post-Award Process
- Task Order Management
- Task Order Overview
- Schedule, Milestones, Deliverables
- Risks, Challenges, Constraints
- Contractor Presentation
- Issues, Questions, and Concerns
- Decisions and Action Items

# Opening Remarks and Introductions

- USDA
- FEDSIM
- Capgemini

- Introductions
  - Our Team & Experience
- Our Understanding of USDA BMI Program
  - What is the BMI Project about?
  - Key Stakeholders (Agencies, External, Internal)
  - Project drivers & Vision
- How we are going to deliver?
  - Our Approach (Timelines, Project Phases, Key Activities & Deliverables)
  - Accelerators (ASE Sessions, Capgemini Leading Practices)
  - Quality Assurance & IV&V Process
- Next Steps (Next 30/60/90 day Plan)

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# Capgemini Global Supply Chain Practice

### Global Resources

- Core team of 1,300 Supply Chain specialists
- 3,800 additional SC extended team members
- Significant offshore capabilities including over 26,000 team members in India
- Technology centers to support technology alliance solution development

### Global Supply Chain Service Areas

- Supply Chain Strategy
- Planning
- Logistics
- Procurement
- Product Lifecycle Management

### Key Offerings – Global IP

#### Demand Driven Supply Chain

#### SMART Planning

#### TMS Now

### Partners

## Capgemini BMI Team

Role	Resource
<b>Program Manager</b>	Chad Ciotti
<b>Domestic SC SME</b>	Mike Schafer
<b>Domestic Lead</b>	Brian Vandiver
<b>Sr. Dom Process Analyst</b>	Gion Hollingsworth
<b>Jr. Dom Process Analyst</b>	Dan Heffernan
<b>International SC SME</b>	Hemant Bonde
<b>International Lead</b>	Danielle Onda
<b>Sr. Intl Process Analyst</b>	Allison Ahdieh
<b>Jr. Intl Process Analyst</b>	Jordan Davis
<b>IV&amp;V Program Manager</b>	Jeremy Tsiopanas
<b>IV&amp;V Project Manager</b>	TBD
<b>Capgemini Internal QA</b>	Vivek Soneja

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## What is the BMI Program about?

**BMI (Business Management Improvement)** is a Business Process re-engineering project to assist USDA agencies (AMS, FNS, FSA, FAS & USAID) in reviewing and updating processes used in the ordering, procurement, delivery, receiving, and payment of commodities in support of domestic and international food aid programs.

### **Objectives:**

- Identify, prioritize and establish processes and policy that provides value to agriculture and food industries
- Identify, prioritize and establish processes and policy that provides value to the nutrition/feeding programs
- Identify the stakeholder requirements to efficiently manage their role in the programs
- Identify the USDA materials and programs that are most beneficial to customers and industry stakeholders
- Effectively prioritize identified changes to maximize use of limited resources.

### **What BMI Is Not?**

- A Technology initiative to upgrade the WBSCM functions

## Key Stakeholders

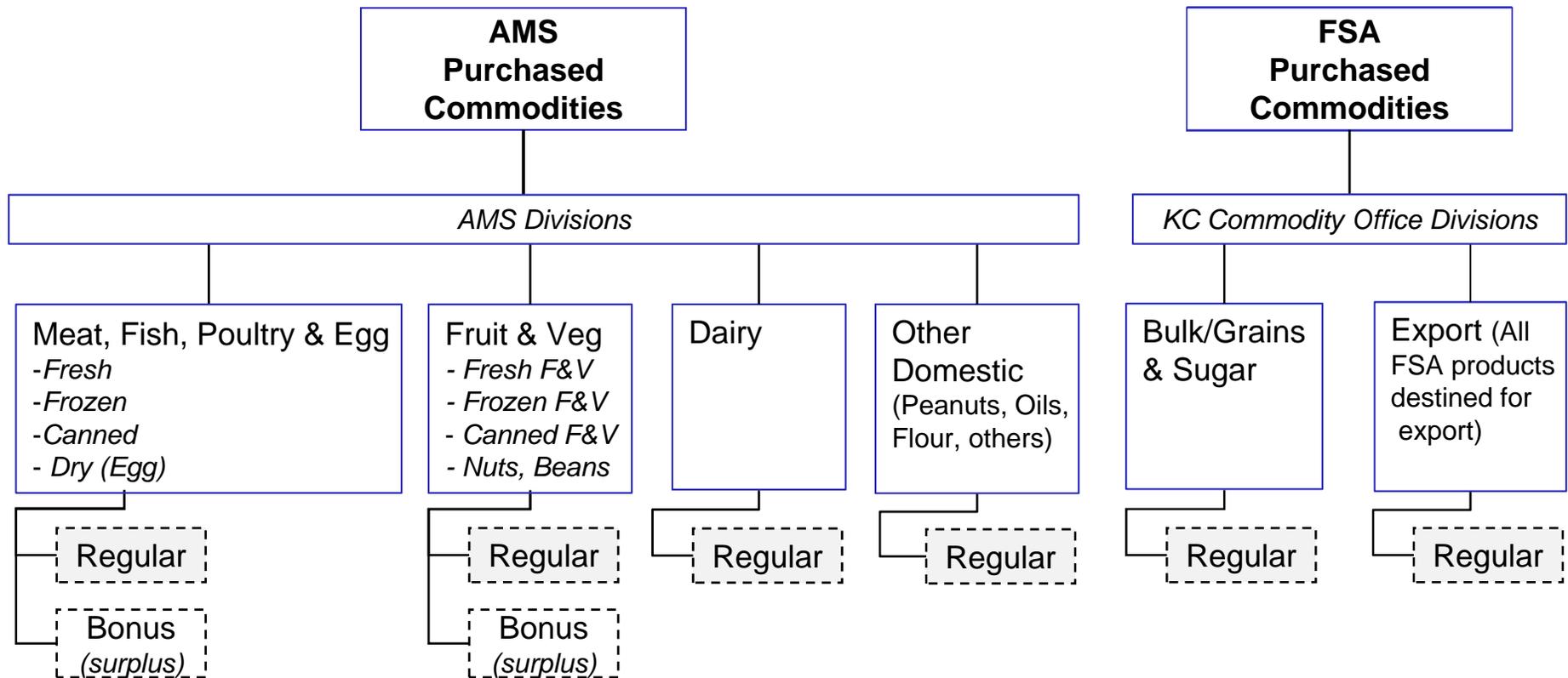
### DOMESTIC FOOD AID PROGRAMS

- AMS (Agricultural Marketing Service, USDA)
- FNS (Food and Nutrition Service, USDA)
- SDA's (State Distribution Agencies)
- RA's (Recipient Agencies)
- ITO's (Indian Tribal Organizations)
- Freight Vendor/Agents
- Stevedores
- Distributors
- Warehouses
- Commodity Vendors

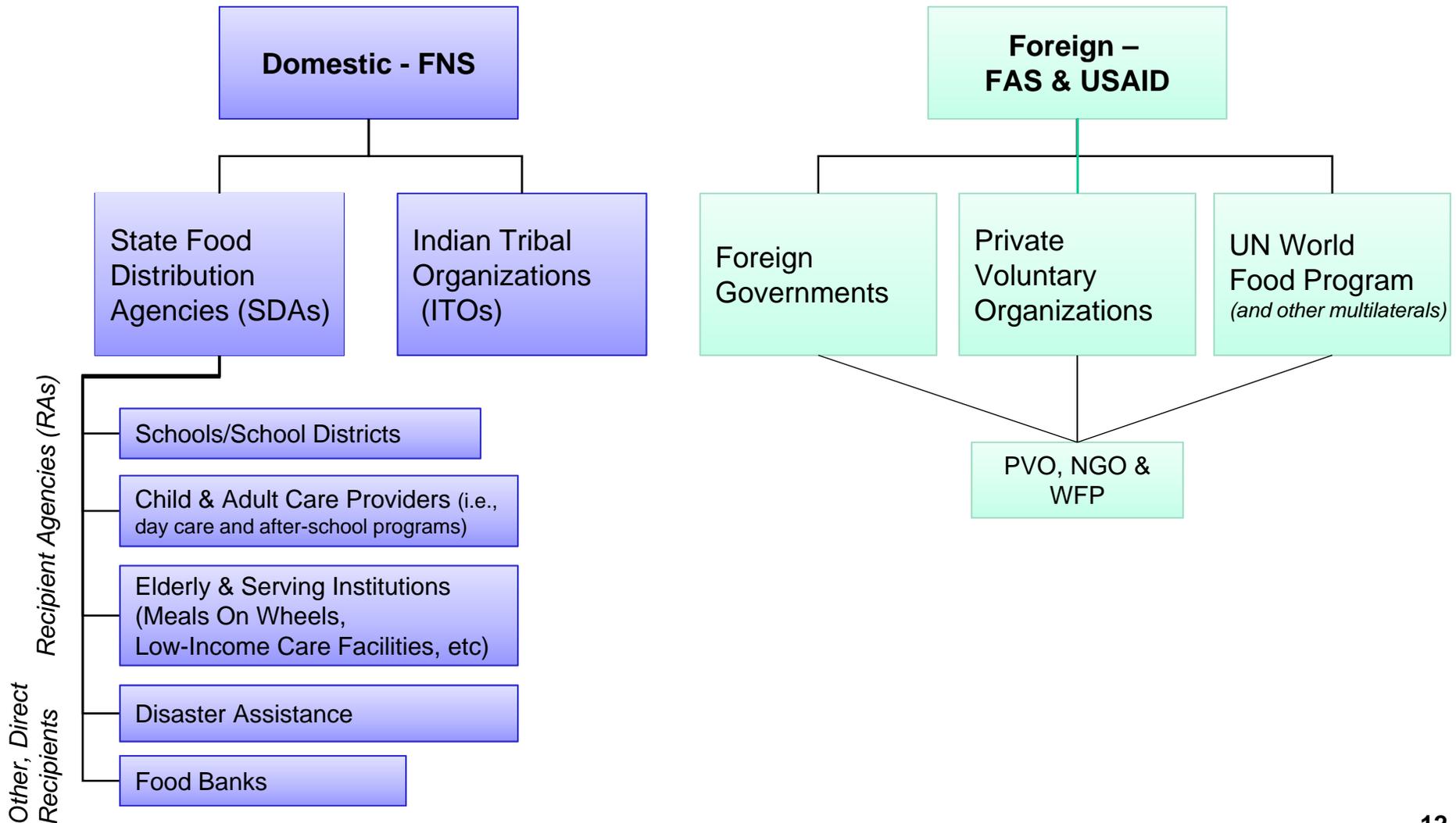
### INTERNATIONAL FOOD AID PROGRAMS

- FSA (Farm Service Agency, USDA)
- USAID (U.S. Agency for International Development )
- FAS (Foreign Agricultural Service, USDA)
- PVO's (Private Voluntary Organizations)
- Foreign Governments
- UN WFP (United Nations World Food Programs)
- Freight Vendor/Agents
- Stevedores
- Ports
- Prepositioned Warehouses
- Freight Forwarders
- Commodity Vendors

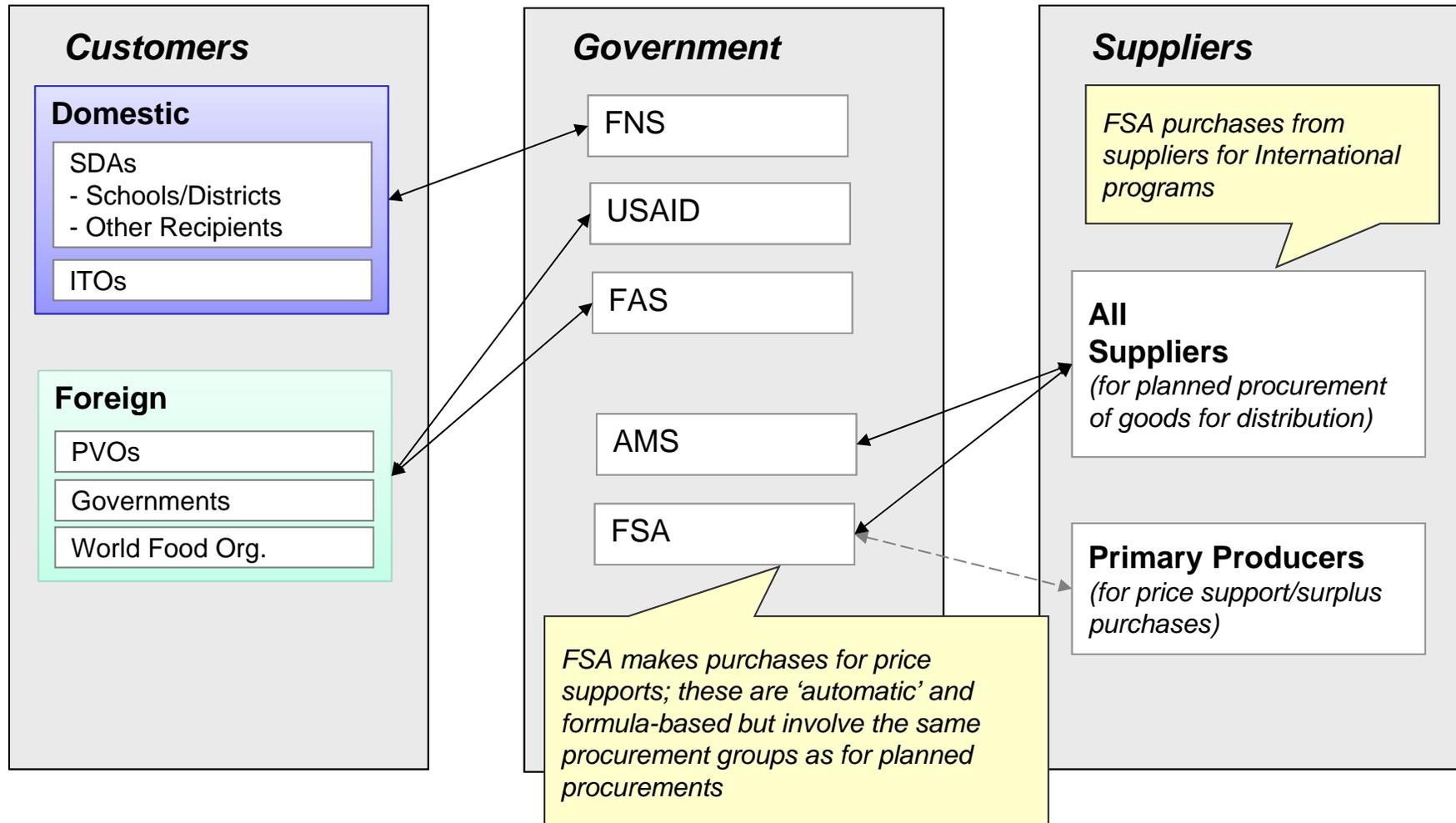
## Key Stakeholders - Procurement



## Key Stakeholders - Distribution



## Key Stakeholders - Process



## Strategic Drivers for the USDA BMI Program

### What we Heard – The Challenges

- Full truck load (FTL) ordering policy for domestic customers
- Procurement long term contracting (LTC) policies and procedures
- International freight contracting processes
- Recalls and complaints processes
- Reporting and notification processes for catalog changes and bonus buys
- Entitlement vs. Funds Management reporting periods
- National Processing Agreement management and operations
- Domestic catalog management process
- International shipment and delivery tracking including prepositioned inventories
- Inventory management process
- Advanced Shipment Notices (ASN), Goods Receipt (GR), and invoice submission and payment process

Validate the Vision

- Future State Vision and Transformation Presentation (Domestic & International)
- Prioritized Core Business Processes (Domestic & International)
- Independent Verification and Validation Plan

Conduct As-Is

- As-Is Document (Domestic)
- As-Is Document (International)

Develop To-Be

- To-Be Design Document (International)
- To-Be Design Document (Domestic)

Business Case

- Business Case Analysis and Final Recommendation (Domestic)
- Business Case Analysis and Final Recommendation (International)

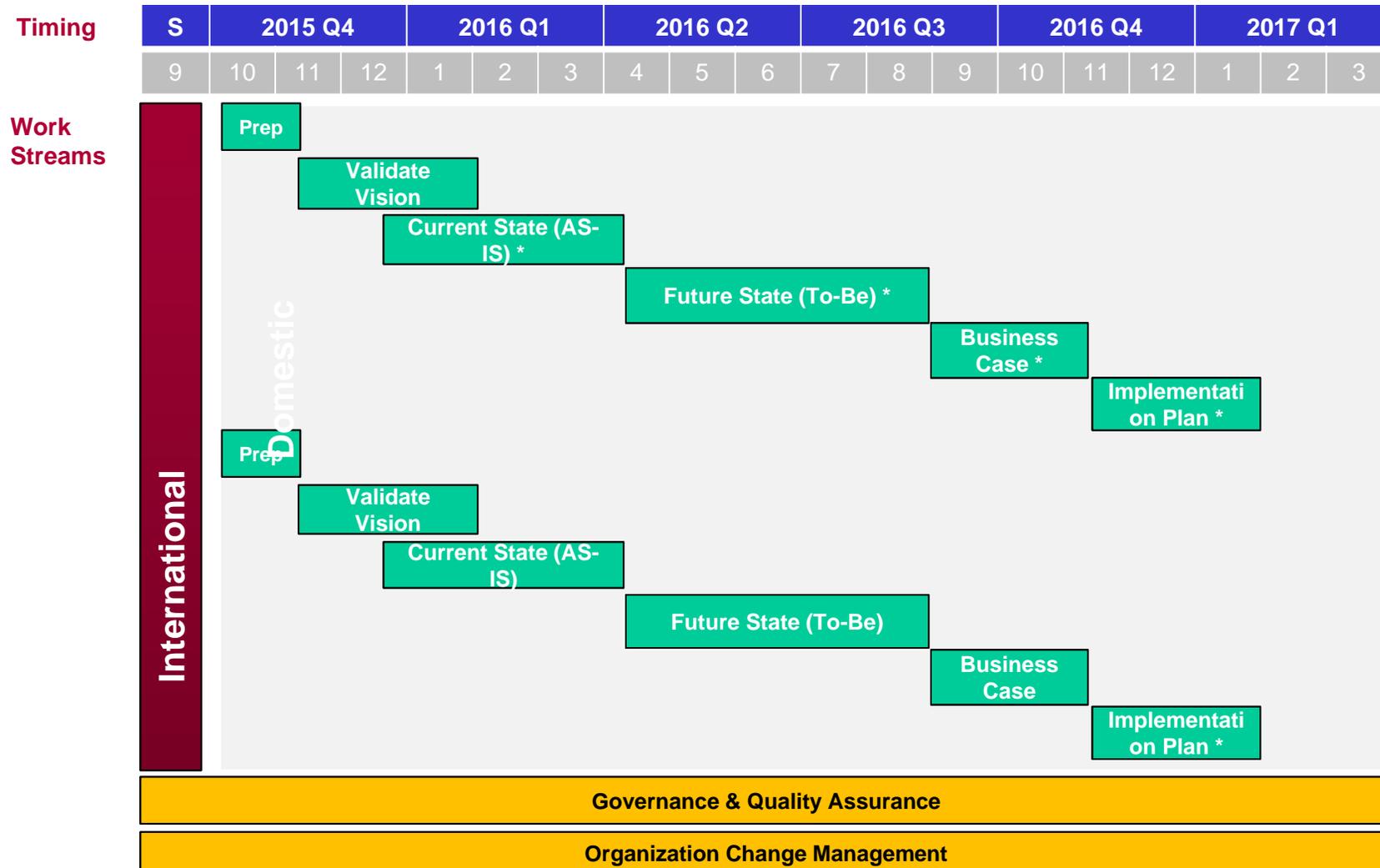
Implementation Plan

- Implementation Plan (Domestic)
- Implementation Plan (International)

**BMI is a process focused review of what's working, what's missing, and how we can better serve the stakeholders of the Food Distribution programs with measurable results**

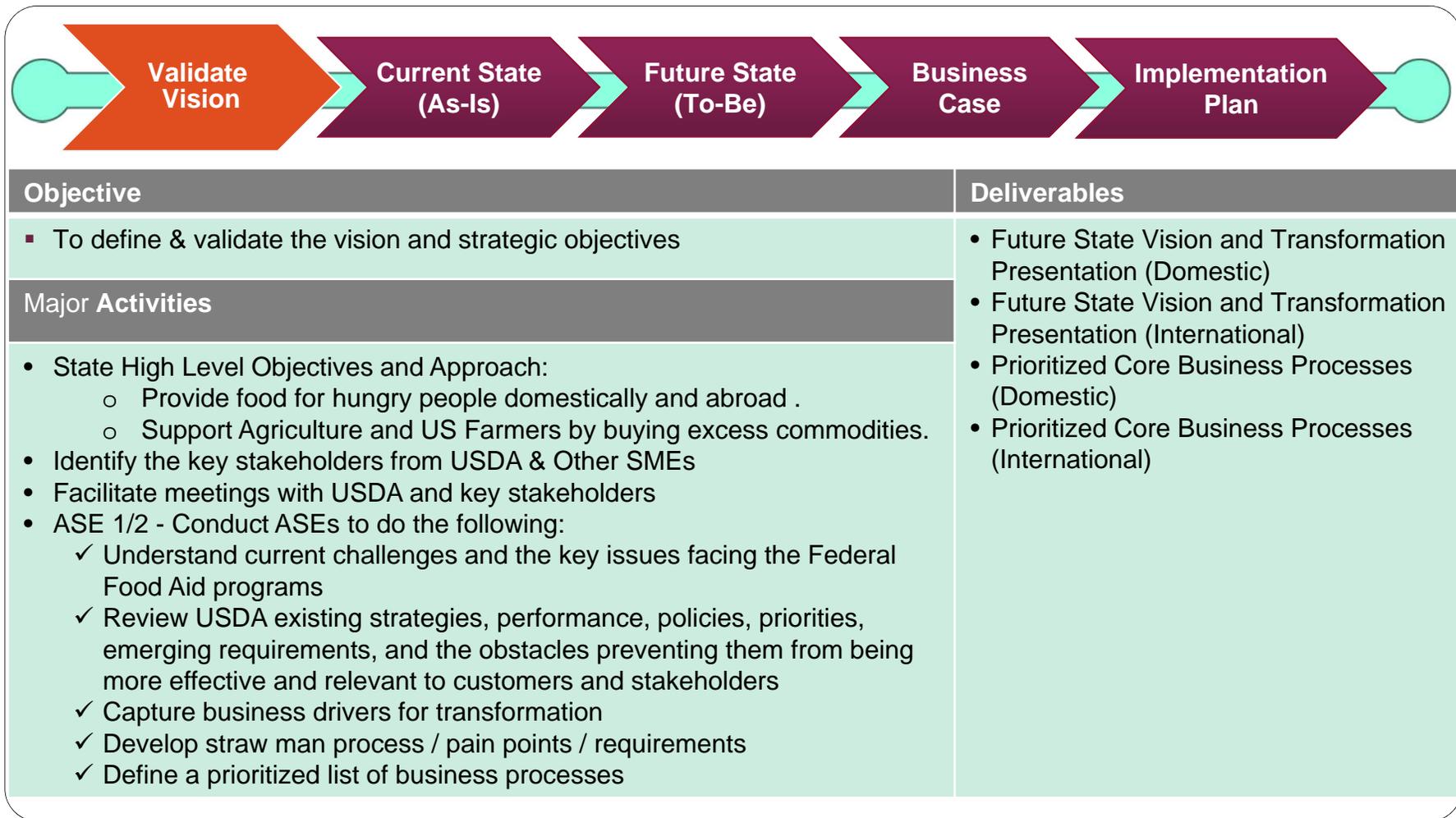
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## Approach: Project Timeline (High-level IMS)

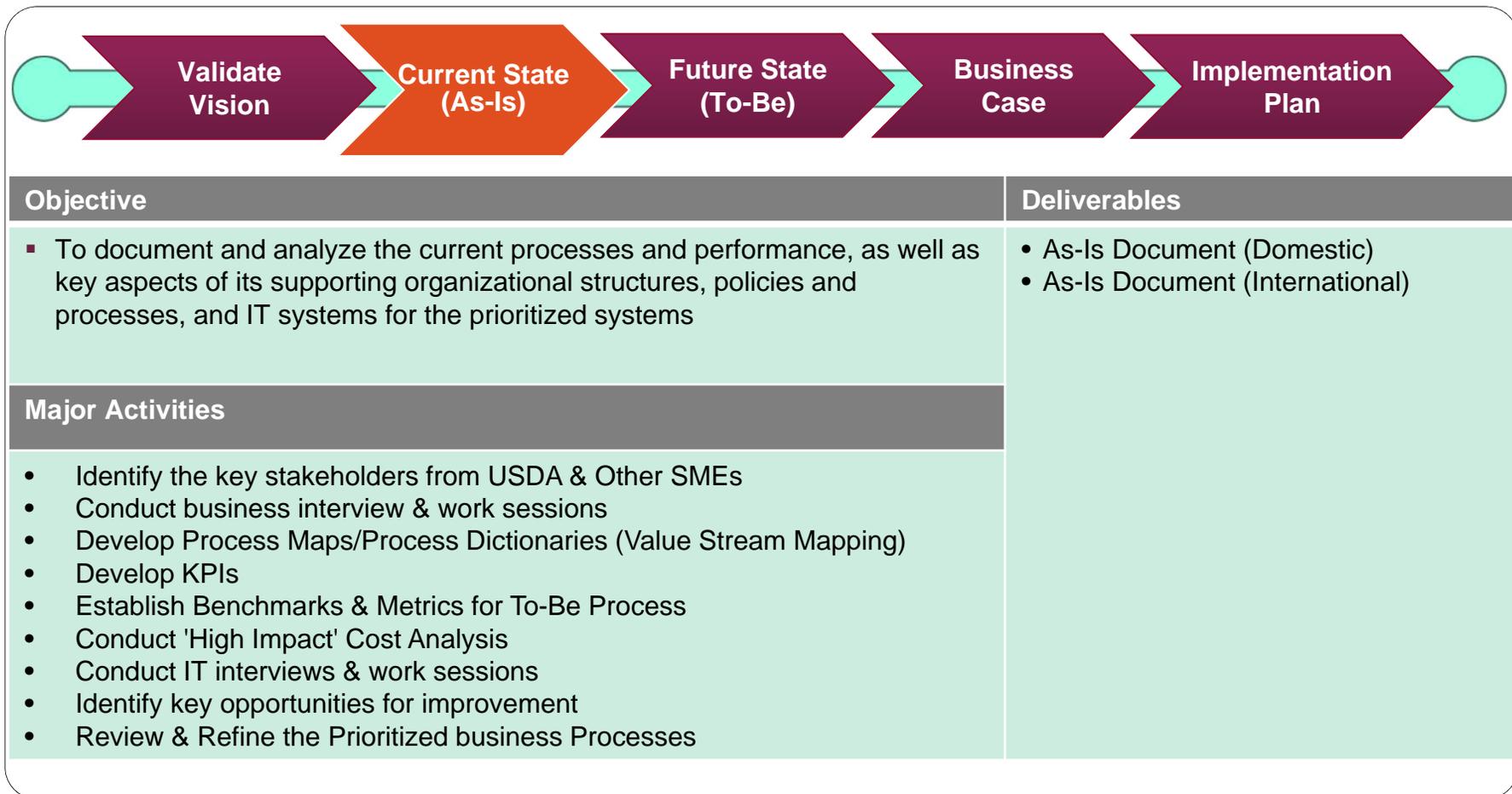


\* Quick Win opportunities will be discussed as identified throughout the program lifecycle

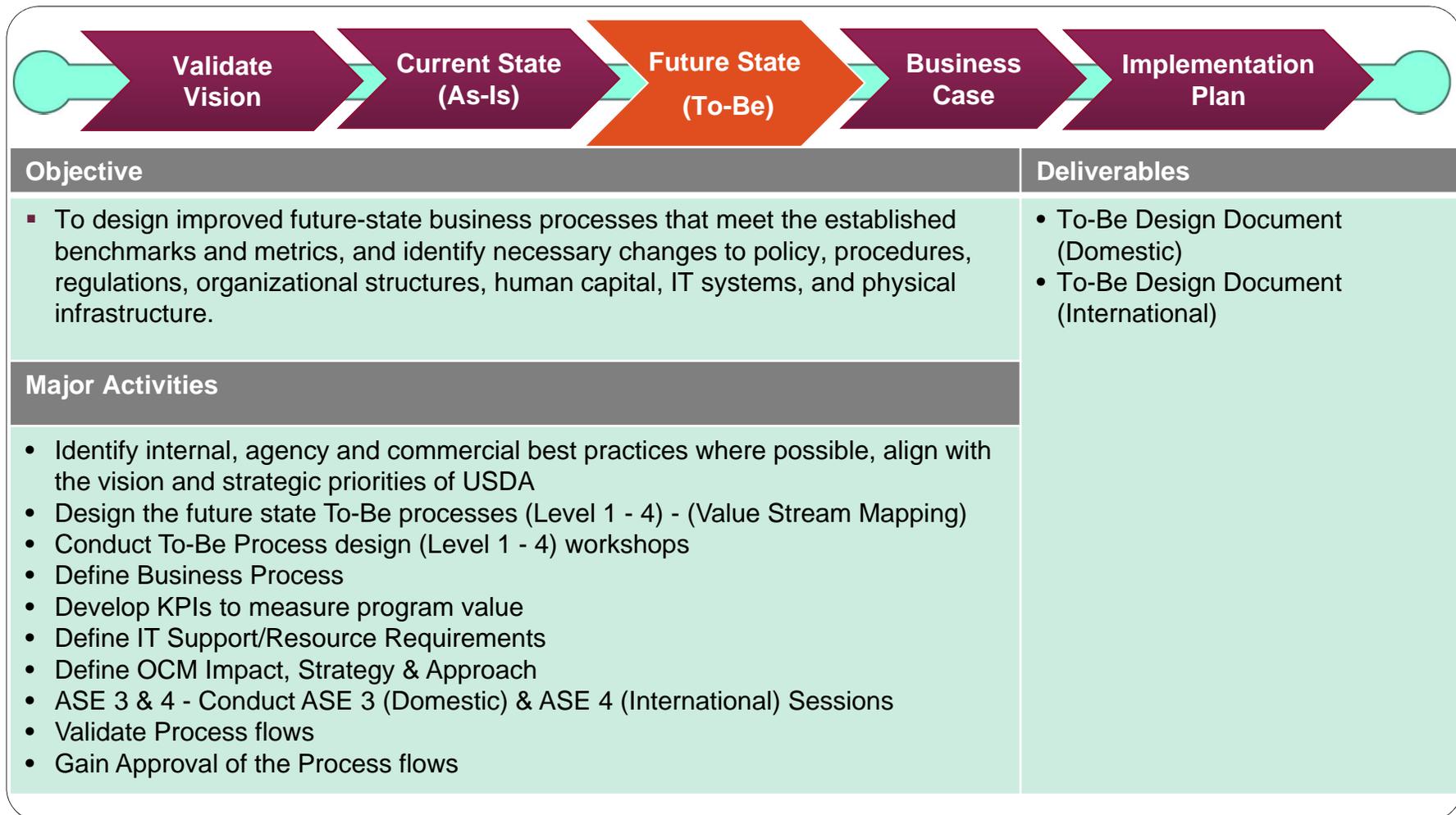
## Approach: Project Phase – Validate Vision



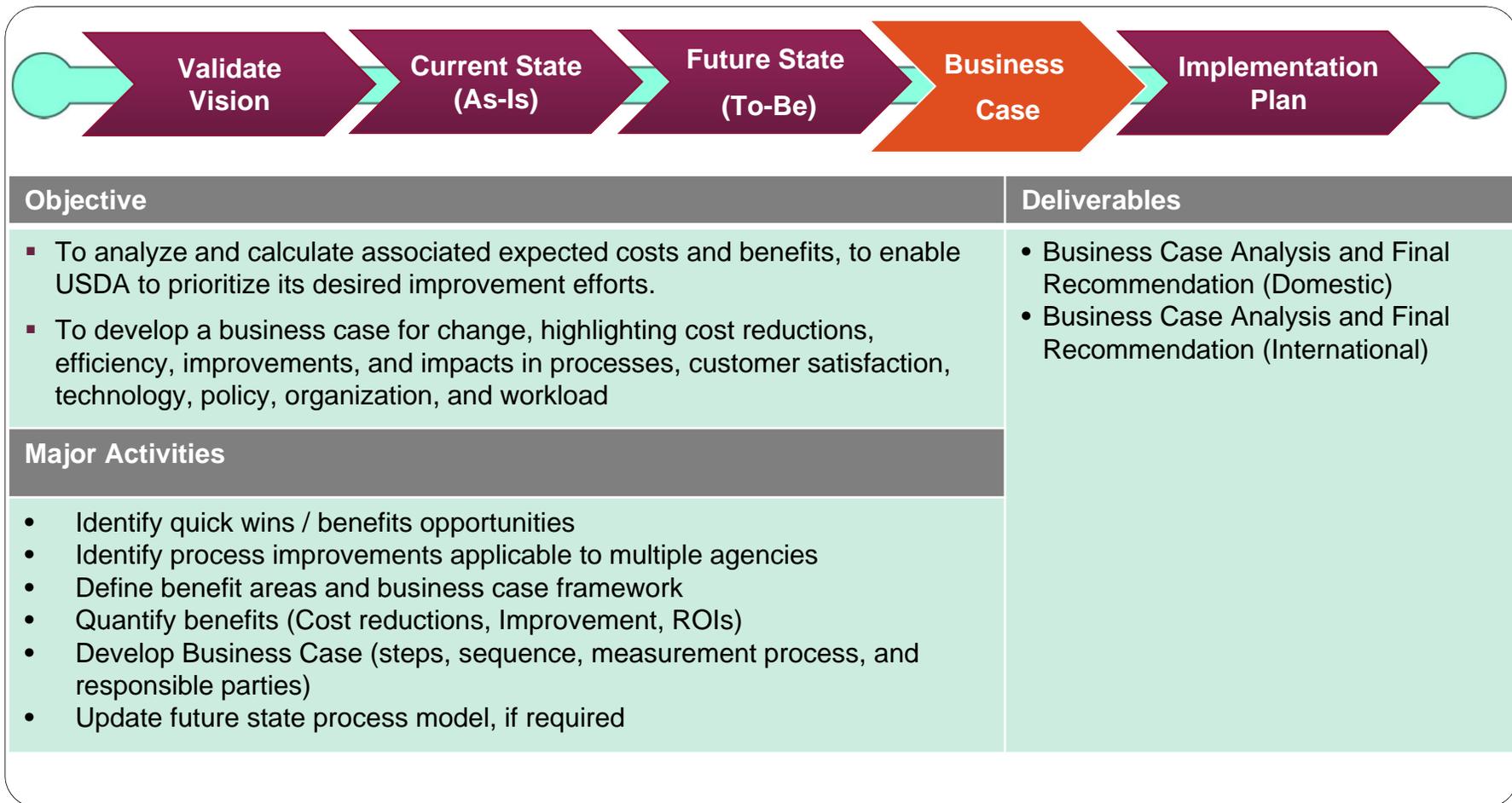
## Approach: Project Phase – Current State Review (As-Is Processes)



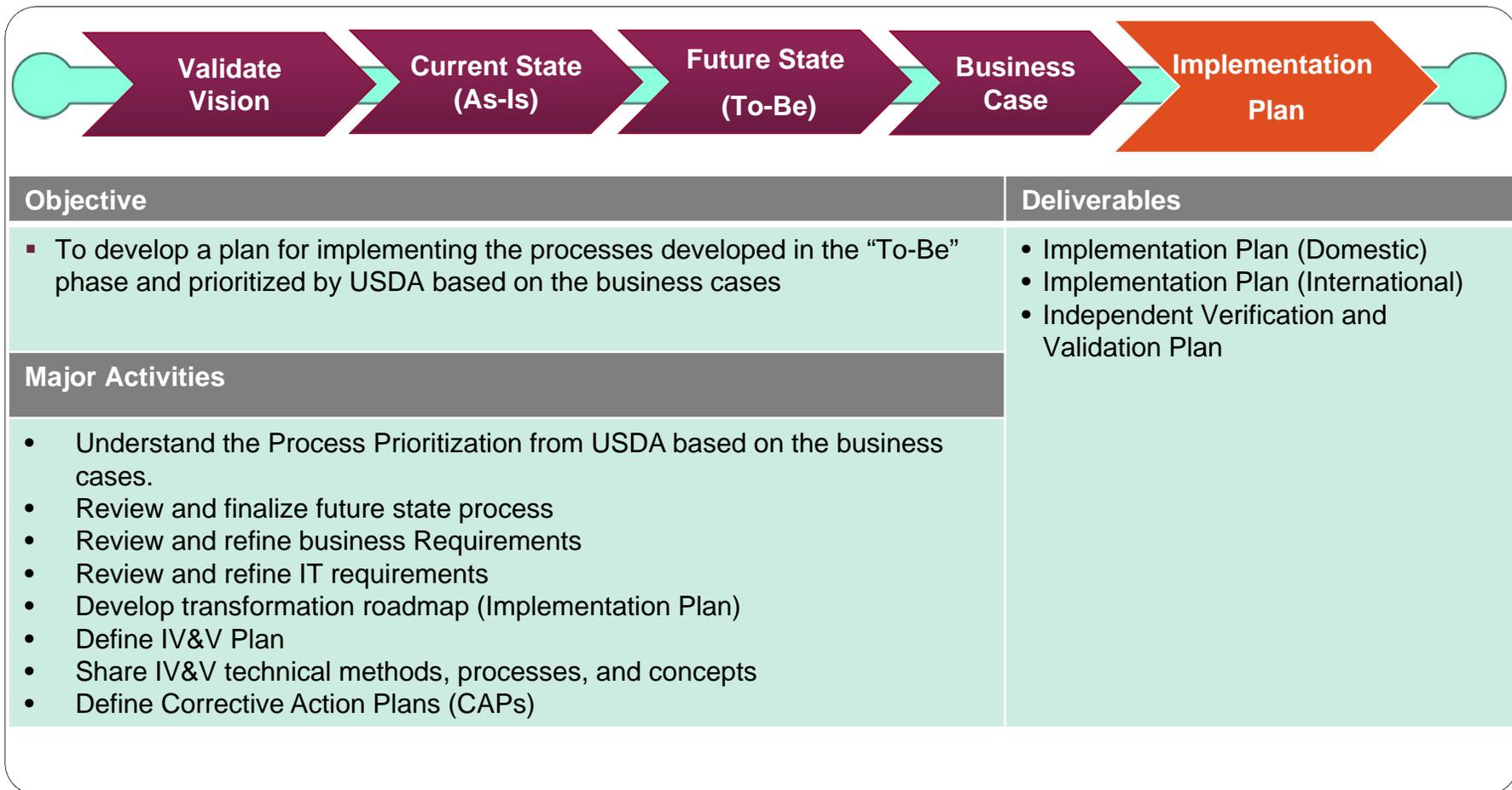
## Approach: Project Phase – Future State Review (To-Be Process)



## Approach: Project Phase – Business Case



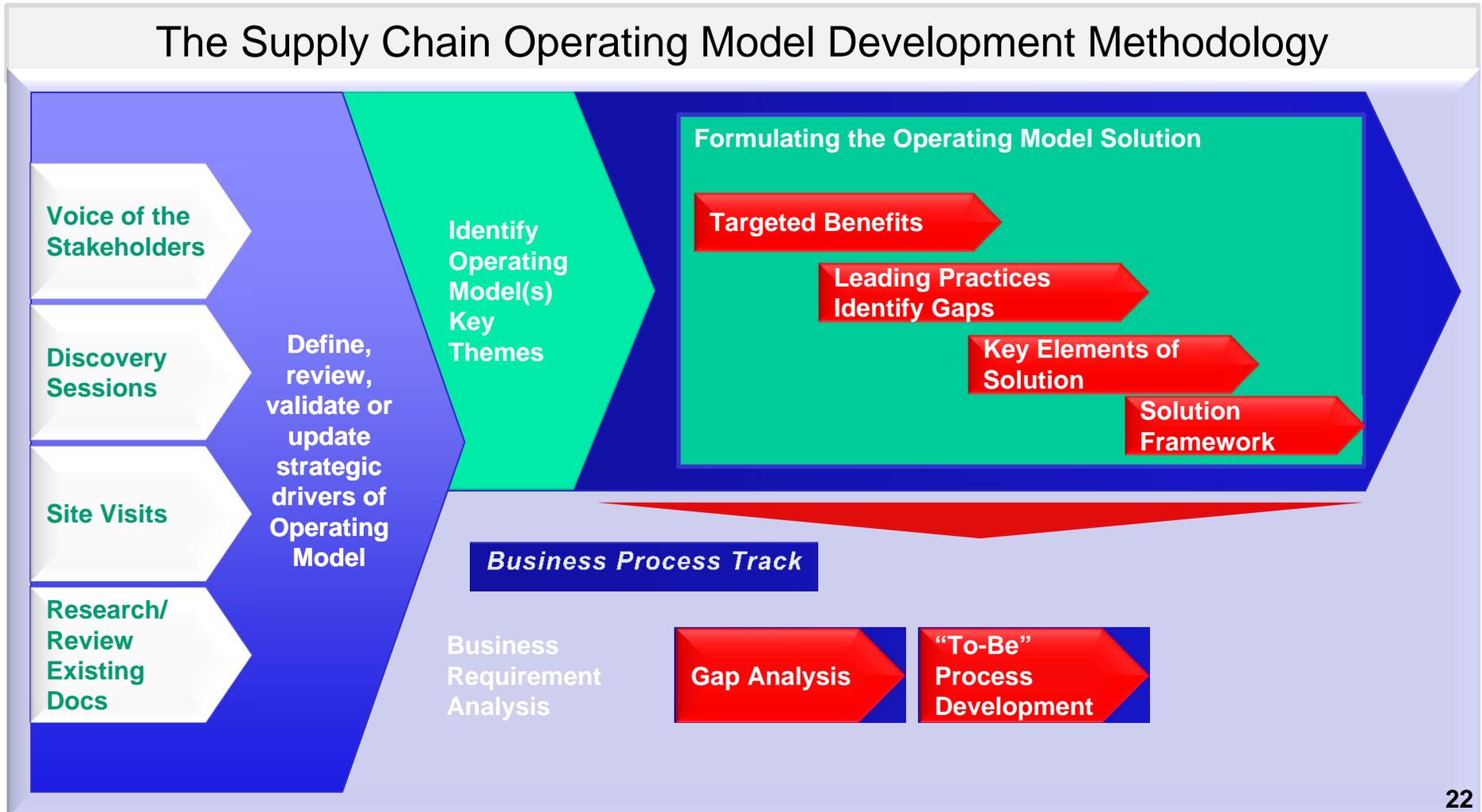
## Approach: Project Phase – Implementation Plan



## Accelerators - Methodology

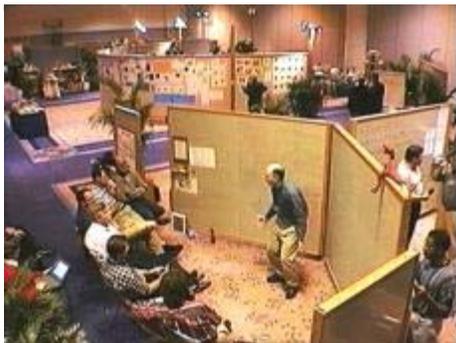
The methodology starts by collecting the input from across the agency, suppliers, and customers

### The Supply Chain Operating Model Development Methodology



## Capgemini's Accelerated Solutions Environment®

With over 15 years of experience, Capgemini's Accelerated Solutions Environment (ASE) is the unparalleled combination of a robust **methodology**, a **professional facilitation team** and a **unique environment** where groups come together for 1 to 5 days to **accelerate** business decision making, increase productivity, lower risk, enhance stakeholder support, improve quality in project delivery and create innovative solutions.



Information-rich, technology-enabled environment, specially configured space that allows for high performance, results oriented collaborative work.

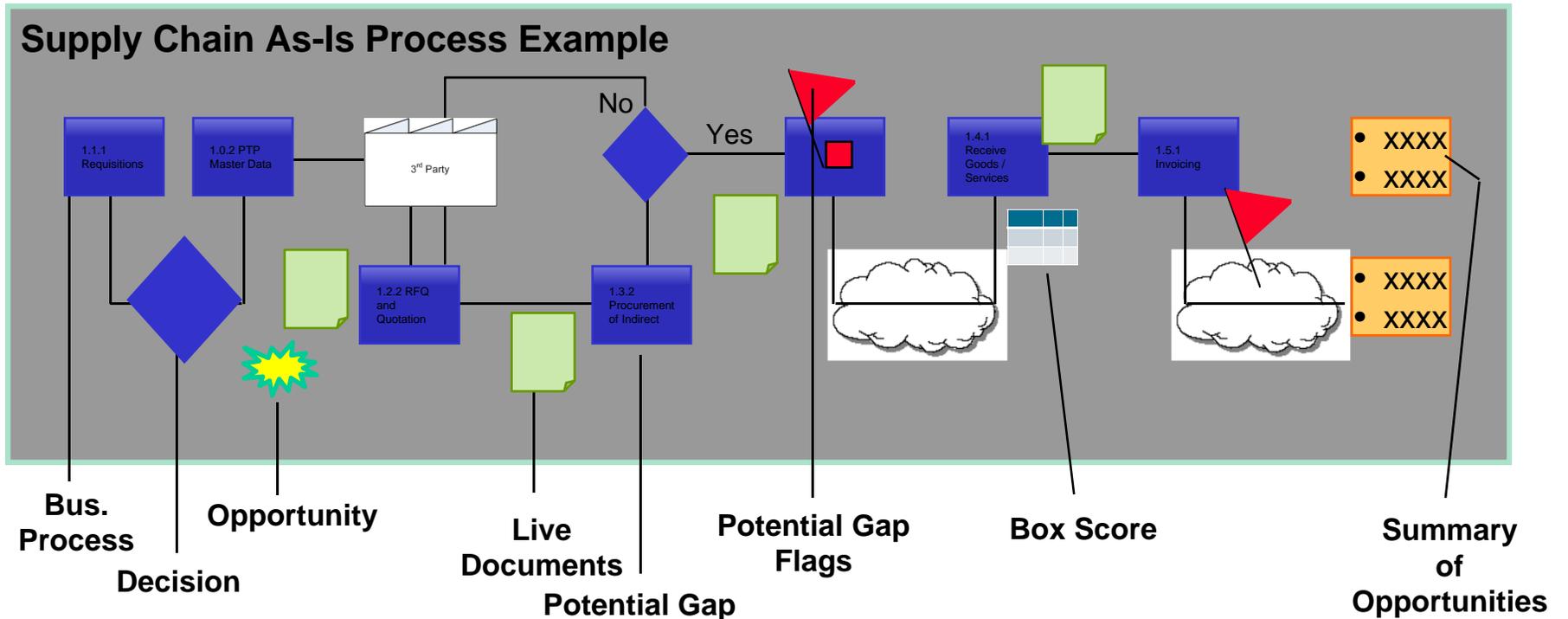


- *'It would have taken us 9 months and crisis'*
- *'We did 8 months of work over the last 3 days. I will not do another project of this type without this'.*

- Energizes participants towards implementing what they have designed
- Enables large groups to **successfully deal with** complex issues
- Enables decision making that sticks
- Creates alignment at all levels and sense of ownership

ASEs will be used to validate the Strategic Vision and To-Be Process phases of the program

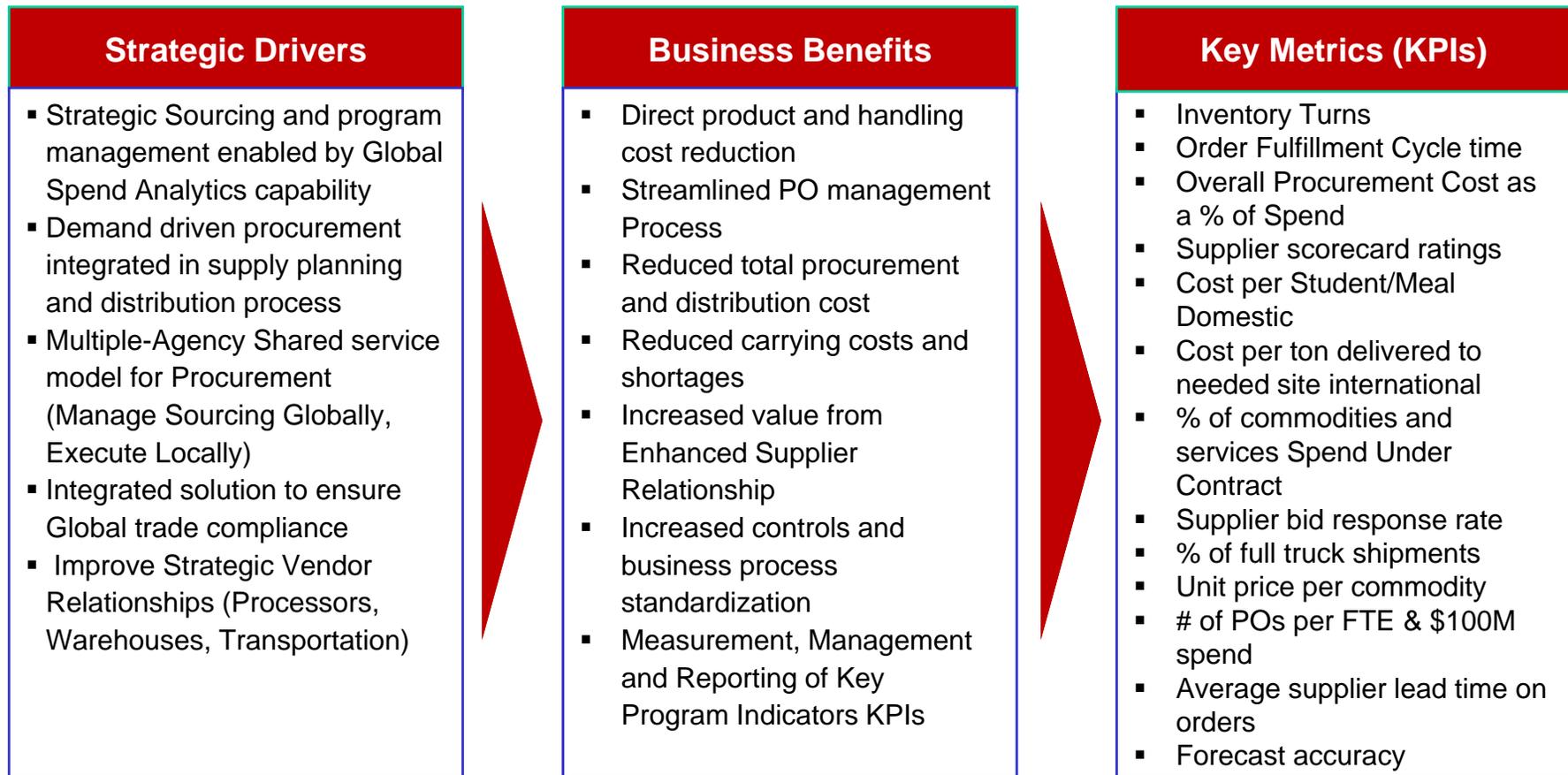
## Accelerators - Methodology



I C O N S	 <ul style="list-style-type: none"> <li>▪ Level 3 process in Scope</li> <li>▪ May also be an outside the system process</li> </ul>	<p><b>Box Score</b></p>  <ul style="list-style-type: none"> <li>▪ Process performance metrics (KPIs)</li> <li>▪ Current and Future State expectation</li> </ul>
	 <ul style="list-style-type: none"> <li>▪ Describes the decision</li> <li>▪ Stated to require a YES or NO answer</li> <li>▪ Uncovers variations to the overall process</li> </ul>	 <ul style="list-style-type: none"> <li>▪ Represents a 3rd party that participates</li> <li>▪ E.g., Supplier, Distributor, Customer, etc.</li> </ul>

Type of Waste	Examples	Impacts	How can process enabled Value Stream help?
<b>Over-Production</b>	<ul style="list-style-type: none"> <li>Manual Purchase Order Processing</li> <li>Large order sizes</li> <li>Multiple Small Orders</li> </ul>	<ul style="list-style-type: none"> <li>Higher labor costs</li> <li>Excess inventory</li> <li>Excessive lead-times</li> <li>Increased storage space</li> <li>Deteriorating product, rust, shelf life</li> <li>Hides poor quality</li> </ul>	<ul style="list-style-type: none"> <li>More Uniform business process across multiple agencies automated opportunities</li> <li>Integrated process for leaner supply chain</li> <li>Appropriate performance targets, (Lead-time, Inventory, cost)</li> </ul>
<b>Transport</b>	<ul style="list-style-type: none"> <li>Inefficient transport routes</li> <li>Complex domestic product flow paths. Double handling in the work place</li> <li>Ineffective material handling equipment</li> </ul>	<ul style="list-style-type: none"> <li>Increased waiting time</li> <li>Wear and tear on material handling</li> <li>Damage to goods</li> <li>Poor communication across long distances</li> </ul>	<ul style="list-style-type: none"> <li>Pre-determined transport routes (milk round)</li> <li>Combine multiple agency orders to single shipments where possible</li> <li>Combine government and commercial shipments to get TL rates.</li> <li>Pick up as well as drop off</li> <li>Designated areas for pick up and drop offs</li> <li>Use of Inspection status to replace multiple storage locations</li> </ul>
<b>Waiting</b>	<ul style="list-style-type: none"> <li>Waiting for Vendor response</li> <li>Waiting for GR inspection</li> <li>Waiting for pickup of materials</li> <li>Waiting to perform work (missing part, resource)</li> </ul>	<ul style="list-style-type: none"> <li>Increased non-value added time</li> <li>Ineffective use of resources</li> <li>Increased work in progress</li> <li>Increased lead-times</li> <li>Missed opportunities for other deliveries</li> </ul>	<ul style="list-style-type: none"> <li>Integrated Ordering and Demand Planning</li> <li>EDI messaging</li> <li>Confirm orders with est. ship dates</li> </ul>
<b>Inventory</b>	<ul style="list-style-type: none"> <li>Excess Inventory</li> <li>Obsolete stock returns</li> <li>Spoilage</li> </ul>	<ul style="list-style-type: none"> <li>Increased volume requires more space</li> <li>Prevents rapid detection of problems</li> <li>Inventory is a liability.</li> <li>Inventory storage costs are wasteful</li> <li>Longer storage increases return possibility.</li> </ul>	<ul style="list-style-type: none"> <li>Effective use of master data settings for lead times, Kanban and pull mechanisms</li> <li>Safety stock management</li> <li>Max/Min level, Reorder points</li> <li>Call off schedule</li> </ul>

## Accelerators – Methodology – Strategic Drivers

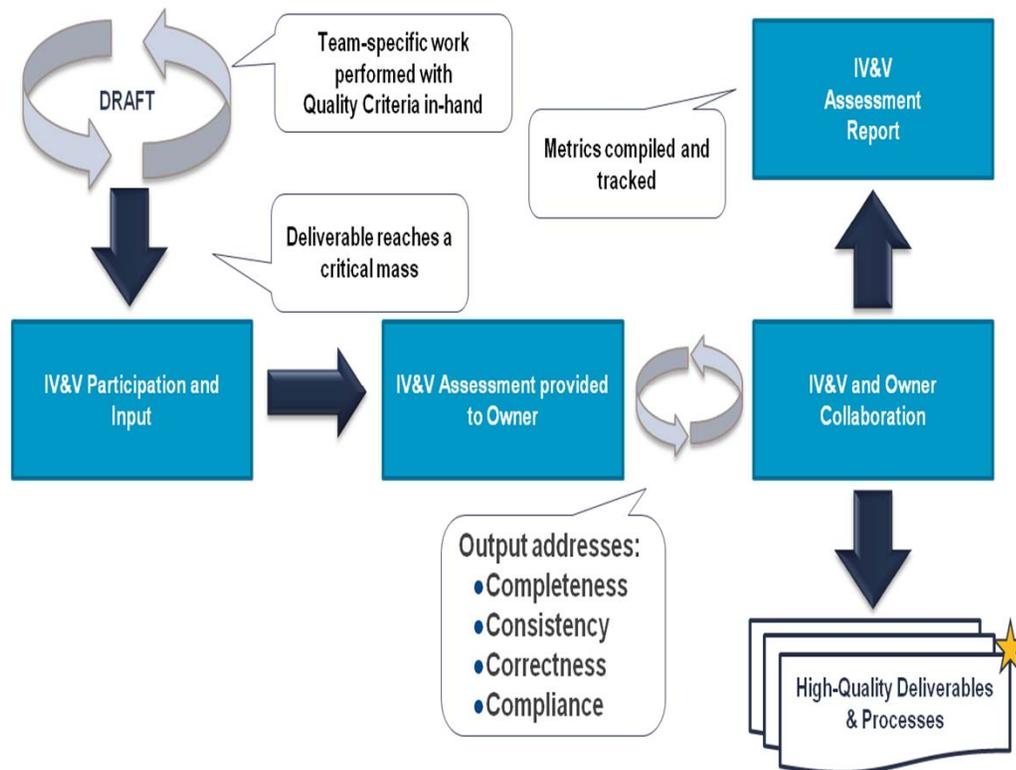


**Driving measured performance = Better serving those in need**

## Capgemini IV&V Process

### IV&V Plan Deliverable includes

- Monthly IV&V Dashboard
- Contractor Deliverable Assessments
- Ad-Hoc Analysis
- Business Case & Performance Measurement Tracking



### Scope of recommendations provided in the plan will encompass

- Project controls and processes
  - cost, schedule, risk
- Programmatic process metrics
- Performance management standards
- Deliverable quality and completeness
- Solution coverage
- Organizational Change Management

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## Next 30-60-90 day Plan

