



Graduate School of
BUSINESS &
PUBLIC POLICY

When Disaster Strikes: Is Logistics and Contracting Support Ready?

Aruna Apte
E. Cory Yoder

8th Annual Acquisition Research Symposium
May 11-12, 2011

Operations and Logistics Management
Graduate School of Business and Public Policy
Naval Postgraduate School, Monterey, CA



On one hand, in 2009 alone

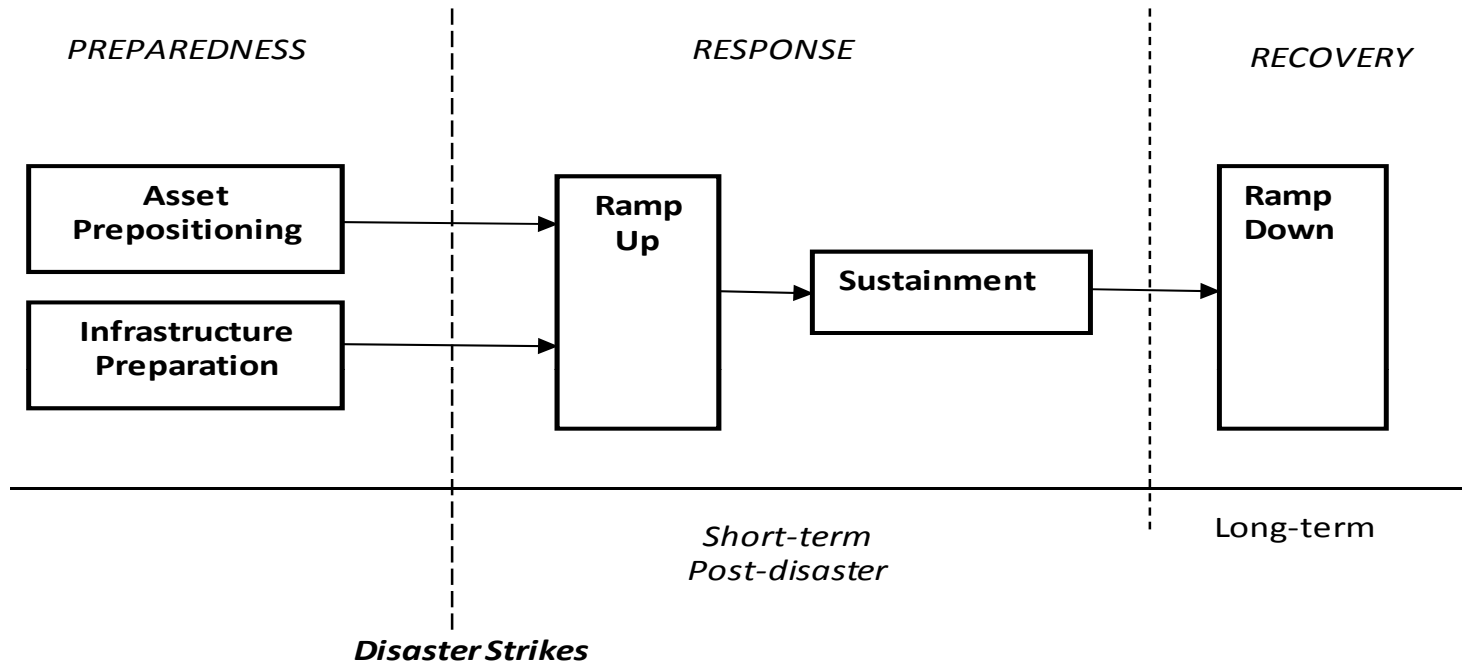
- there were 335 natural disasters
- that killed 10,655 persons
- affected more than 119 million others
- caused over \$41.3 billion in economic damages

On the other hand, there exists a sub-optimization of capability

- due to lack of integrated analytical approach creating and executing crisis response
- this is manifested in long lead-times and high costs in dollars as well as casualties



Life-cycle of a Disaster





Our question of interest is,

When Disaster Strikes: Is logistics and contracting support ready?

This interest further leads to:

- How can initial response time be improved?
- What will guarantee smooth supply of critical supplies and services?
- Are existing contracts in place?
- Has DOD incorporated sound doctrine and practice?



Some Challenges in Humanitarian Logistics

- A response supply chain of critical supplies and services with
- demand surges
 - uncertain supplies
 - critical time-windows
 - infrastructure vulnerabilities
 - vast scope and size of the operations



Some Parallel Challenges in Contingency Contracting

- statutory and regulatory compliance (CICA, FAR, etc.)
- lack of surge capacity in contracting organizations
- critical response time at odds with procurement lead times
- scope and size of requirements – often uncertain
- coordination amongst requirements generators, providers and contracting personnel

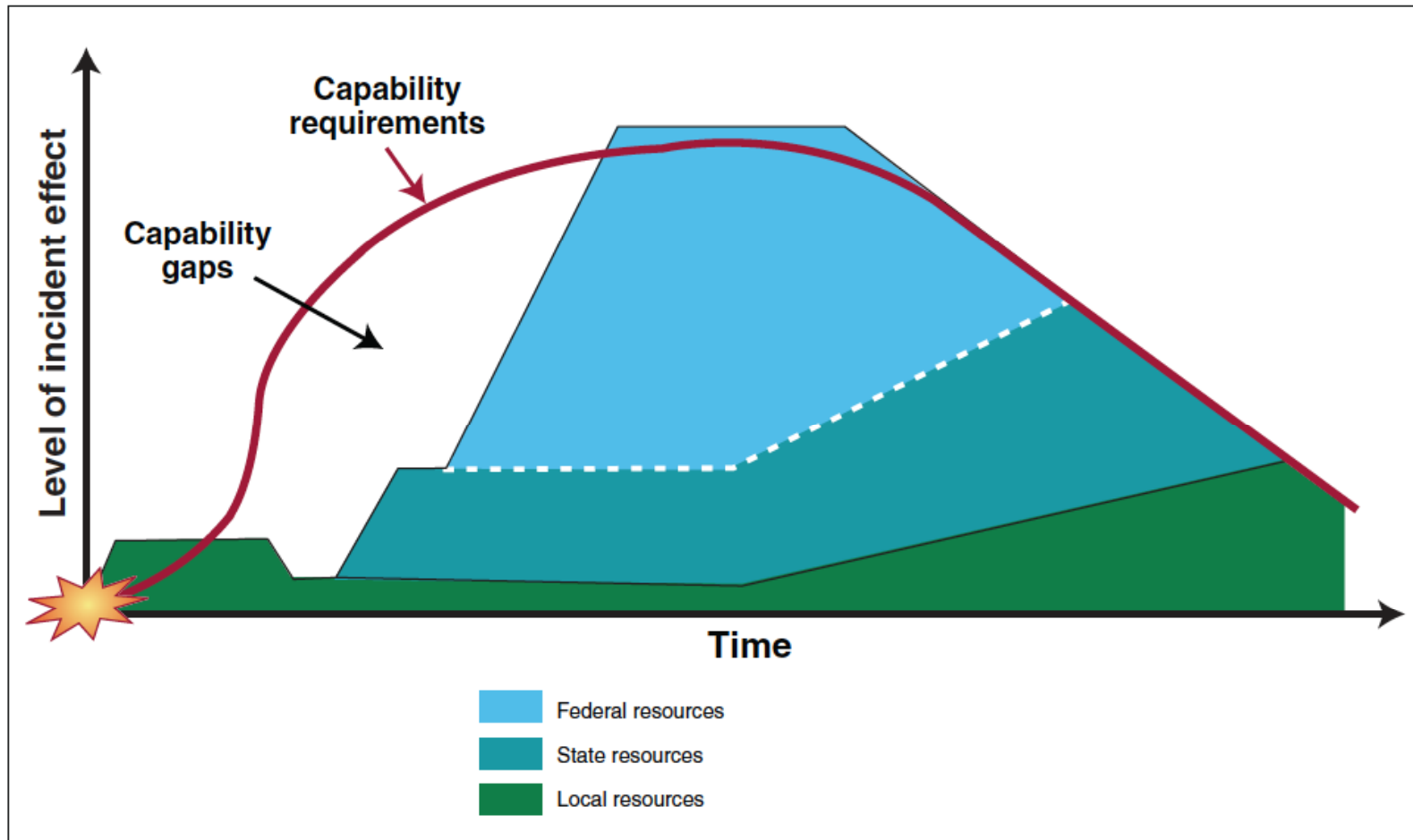


Motivation for Integrating Logistics and Contracting

- One of the factors leading to effective prepositioning is contingency contracting.
- No response can be efficient unless appropriate supplies and provisions are available and properly distributed.
- Many relief agencies tend to have purchasing agreements with companies that provide many of these disaster relief supplies.
- However, the gap may be within the coordination between the capabilities of logistics agencies and contracting community.



Capability Gaps Have Detrimental Effects



Source: GAO Report D11260T, *Measuring Disaster Preparedness*, March 17th, 2011



Integrated Logistics and Contracting Planning

Explore methods to improve pre-planning in contingency contracting to complement logistics plan:

- shift response capability earlier to minimize lag and gaps
- utilize existing statutes and regulations
 - meeting CICA and other mandates via IDIQs and MACs
 - FAR Part 13 and 18, etc.



Integrated Logistics and Contracting Planning

Explore methods to improve response posture in contingency contracting to complement logistics plan:

- employ reach-back and other capabilities early on
- integrate contracting, logistics, and other agencies in Phase Zero
 - Deliberate and Crisis Action Planning Processes
 - exercise CONPLAN and OPLAN responses in advance
 - tailor response to scope, size, and nature of event



Graduate School of
**BUSINESS &
PUBLIC POLICY**

When Disaster Strikes: Is Logistics and Contracting Support Ready?

Dr. Aruna Apte

(831) 656-7583

auapte@nps.edu

Assistant Professor

Operations and Logistics Management

CDR (Ret) E. Cory Yoder

(831) 656-3619

ecyoder@nps.edu

Senior Lecturer

Acquisition and Contract Management

Naval Postgraduate School
Graduate School of Business and Public Policy
555 Dyer Road Monterey CA 93943