MAKING THE PROGRAM WORK, THE FOREIGN MILITARY SALES (FMS) MANAGEMENT PLAN

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The FMS Management Plan is an integral part of the planning and management of security assistance for a system sale. It is the vehicle to communicate the plans for a specific program involving the acquisition of a system by a foreign country or international organization.

It is necessary to understand the Total Program Concept (TPC), scope of a system sale, and case managers'[1] responsibilities to appreciate the use and place of the Plan.

THE TOTAL PROGRAM CONCEPT

As a philosophy and a goal we all should believe in the TPC. When it comes to FMS management implementation practices, the TPC is many times lost. The loss of visibility of the TPC is not the result of any intentional or deliberate action but is the result of the many detailed actions required from many small and highly technical offices both within the US government and the customer's organizations which blur the objective. Part of the "disconnect" has also been the omission of the US Government (USG) and customer in not joining together in a broad TPC approach.

The TPC is applicable to all systems and major end items. Systems and major end items require logistical articles and services, training, facilities and customer manpower.

Initial activation dates must consider the "pacing factor" involved with the system/end item for the specific customer involved. The pacing factor is the latest availability of the elements of the total program. It will not help anyone to deliver a destroyer to a customer if there are no dock facilities and no trained crew members. A tank without ammunition has little military operational value.

The multitude of actions required for initial activation many times cloud the progress of the TPC by omission of timely follow-on support (articles and services). Lead time for follow-on support may be 5 to 22 months prior to availability. Follow-on support must be an essential part of any program plan.

The customer's contribution of such elements as facilities and manpower may thwart the best USG plans for a program, because the facilities and the manpower are the most important pacing factors.

The following are common pacing factors frequently omitted from planning for the TPC:

1. Support equipment required for in-country training [e.g., test set required for on-the-job training (OJT)].

2. Language training plus courses and OJT that exceed desired end item delivery.

3. Critical support equipment with longer lead time than end item.

4. Follow-on support request not made until delivery of end item.

5. Runway extension not programmed for completion until after aircraft are received.

6. Conversion of electrical power required (e.g., 220v lines will "blow" a 110v capacity test set).

The TPC will work if:

1. We do not ignore the problems of other functional areas. Broad visibility is needed.

2. Planning is on a broad basis.

3. Joint management is used.

SYSTEM SALE CONCEPT

In implementing the TPC, the USAF developed a "system" sale concept in the 1960s to cover the initial activation period for the FMS of major end items (e.g., aircraft, air warning systems, missiles). The extent of coverage and level of detail has expanded through the years.

The system sale Letter of Offer and Acceptance (LOA) should cover all possible line items required to insure a fully operational system for the purchaser. The system sale should include a full range of support, such as support equipment, spares, technical assistance, munitions and training.[2] The supplemental conditions should not only address the LOA line items, but should address USG support under other programs (e.g., International Military Education and Training, Military Assistance Program, leases) and those actions required by the purchaser. Unfortunately, these latter two elements are sometimes omitted. When this happens, the TPC is destroyed.

If the System is new to the purchaser or a substantial addition to its inventory, use of Site Survey Team (SST) or System Planning Team (SPT)[3] should be considered. The SST and SPT afford the USG and the purchaser an "up-front" chance to gain detailed background information essential to implementation of the TPC and system sale concept. Normally, the drafting of a system sale LOA is accomplished in a conference headed by the case manager and including representatives of each organization submitting price and availability (P&A) data. The conference furthers the objective of the TPC.

RESPONSIBILITIES OF A CASE MANAGER

An Air Force case manager prepares the FMS sales contract (DD Form 1513) or lease and has overall responsibility for the management of the case and all line items until case closure. The case manager may be assisted by one or more individuals, as required. This function of overall management is supported by actions and products of the various disciplines (financial management, transportation, item and system management, procurement, etc.). He manages the case through reviews, visits, surveillance or reports, messages, correspondence and the resolution of problems surfaced by the line implementors and personnel processing line transactions through the various supporting disciplines. The case manager works with and is supported by the various disciplines, but he is not directly responsible for these functions. The case manager may also be a country or line manager depending on the organizational structure and workload. A case manager may also be required to perform other security assistance actions, e.g., Section 506, Foreign Assistance Act (FAA) drawdown, MAP loan, third party transfers.

FMS MANAGEMENT PLAN[4]

The case manager is responsible for the development of an FMS Management Plan. The Plan becomes the tool for insuring execution of the system sale and reaching the goals of the TPC. The Plan should be developed immediately after LOA acceptance and issuance of the Case Directive. It should not be confused with a system program support plan normally issued by the System Program Office (SPO), integrated support plan normally issued by Air Force Logistics Command (AFLC), or similar detailed plans. The FMS Management Plan is an overall umbrella for the benefit of both the USG and purchaser.

The FMS Management Plan should, as a minimum, address the following:

1. Milestones from Letter of Request (LOR) through the acquisition period and commencement of the follow-on support period.

2. Schedule any necessary Definitization Conferences and assign a chairman for each. The case manager should insure that actions are conducted in a logical sequence (e.g., 1st, configuration details; 2nd, provisioning of support equipment and spares; 3rd, training.)

3. Scheduling periodic management reviews (PMRs) and assigning a chairman. PMRs should be joint USG and purchaser meeting reviews of finances, deliveries and source of supply/services plus problem areas.

4. Schedule any actions relating to the specific system (e.g., topographic survey for a radar, "acceptance" survey of aircraft operation).

5. Points of contact and lines of communication of all activities (top, bottom and lateral).

The Management Plan should be modified and updated, as required so that it is a dynamic management guide for the entire implementation of the initial system acquisition and follow-on support.

CONCLUSION

The FMS Management Plan is the tool for making the program work and for insuring that the Total Program Concept and System Sale Concept are achieved.

REFERENCES

1. Atch to AF/PRIM ltr, 15 Nov 83.
2. For more details, see AFR 400-3, Chapter 7.
3. AFR 400-3, Paras 7-3 and 7-4 and Atch 12.
4. AFR 400-3, Para 7-5 and Atch 3.

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