

General HEISER. Mr. Chairman, today, sir, at the national inventory control point, let's assume for the moment that a particular item comes up, what we call a supply control study, to determine, in other words, on the computer it is shown that this item now needs a new buy because we have exhausted our supplies down to what we call a reorder point.

At this point in time, this manager has certain information available to him. Depending on the date on the calendar, it may not be as timely as we think it should be. In fact, I will state that it is not as timely as we would like it to be because we would like it to be real time just exactly worldwide. What is the situation on this item?

However, we do have available to him information of what is the latest data that was available at the time the report came in. Now this is where ADP comes in, and this is where the importance of sufficient management know-how available to handle what ADP brings in is.

Under the Secretary of Defense directive, we are trying very hard to come up with transaction reporting on some 140 different types of Army materiel in the field. In order to do this, we are attempting to get a transaction report of sufficient reliability to utilize this in terms of management.

Mr. HOLIFIELD. What do you mean by transaction report?

General HEISER. What we mean, Mr. Chairman, is that, for example, let's take a tank in the hands of a tank company in a division in Vietnam. That tank can be knocked out by enemy mines.

We would, by a transaction report, ADP card being reported in from the nearest ADP transceiver in Vietnam, that card could go into a location here in the United States, indicating that we have one less tank than we thought we had a few minutes ago.

This would then provide, and this is an example simplified, the man who has to determine the requirements of a buy for tanks the knowledge that his assets are one less than it was before this report came in.

Now to the extent that we can, we are trying to determine what can we do in terms of achieving this kind of transaction reporting. We are getting in reports now at the Data Center in Kentucky.

We have to evaluate this to determine can we get it in in reliable fashion, and we think probably this might be one of the less complex parts of the problem, because once we get it in, we then have to determine can we utilize this management data.

Sir, one of our very serious problems in this regard is that the computers can give us much data. Probably the biggest part of the management problem is to determine what do you need that a computer can give you that you can manage.

And as they say in the artillery, sometimes you fire short. I should turn this over to General Jones who is an artillery man. Sometimes you fire short and you adjust and you fire long and then finally you hit the target the third time. To some extent that is what we are doing. We were firing short without the use of some computers and standardized systems.

Now we are going in and trying to see what we can do, and we have to adjust in order to determine what is a balanced management approach to the use of systems and tools that go with it, sir, and that is what we are in the process of in almost every area.

I think we have recited many of them already this morning, sir.