RIGHT...

from the beginning

LMI
Complex Problems. Practical Solutions.
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www.lmi.org/ar2014
We are people with a mission—to solve difficult problems and design practical solutions to the challenges facing government managers. And our mission has been having a significant impact on government performance for more than 50 years.

Our history as not-for-profit consultants to government gives us the freedom to work completely focused on the best interests of our clients. It makes a difference in the quality we can deliver because it gives us the space to innovate and seek out the truly optimum solutions.

That spirit has given rise to a unique culture at LMI: Our clients’ successes motivate us. To quote Tom Morris, the Assistant Secretary of Defense who first proposed the idea of a logistics management institute for the government in 1961, LMI “makes no waves, preaches no sermons. LMI has learned that its success is based on quiet service and quality of performance, not size or fanfare.”

Today, we are meeting that purpose through an emphasis on research, education, and outreach. We will continue to invest significantly in internal research and development to illuminate sticky problems, find their solutions, and then bring them forward to benefit the public interest. Many of the innovations we have developed can be seen at work in the stories on the pages that follow. We bring best practices from industry to the public sector not just through our client work; in 2014, the LMI Research Institute created a new bridge between leaders of government and academia with our first sponsored LMI Research Institute Government–University Forum.

While LMI may not be big on fanfare, we provide solid guidance to our clients, helping them make the right choices from among myriad options to build stronger prospects for the future—not just for them, but also for the broader public.
In 2014, LMI continued to help our government clients make the improvements in policy and practice that will allow them to fulfill their missions with greater impact. In the process, we improved our own performance as well.

Through growth and careful stewardship, we’ve been able to invest in developing our tools, work environment, and, most important, people—who in turn allow us to better serve our clients. With revenues of $246 million (up 7 percent from 2013), we set a new high watermark of achievement. And, once again, we achieved a greater than 99 percent client satisfaction score.

It’s year-after-year performance like this that makes people notice a company like LMI. But what makes us truly stand out is something much more important than the strength of our balance sheet. What has always made LMI great is our employees.

People like Christine Hoffmann, who took it upon herself to spread her passion for a cause through the whole organization (story on page 30). Or leaders like Pat Tamburrino, who is growing our healthcare practice (story on page 29).

While the depth and diversity of our skills is impressive (with 58 percent of LMI people holding advanced degrees), we truly distinguish ourselves by the way we live our values. The way we cooperate and share information, so that we bring the best of our subject matter expertise together for our clients (U.S. Customs and Border Protection, page 16). The way we recognize individual contributions and encourage individual growth (LMI Research Institute story, page 26). The way we commit to a quality job and exhibit integrity in everything we do (Enterprise Resource Planning, page 14).

In 2014, we completed our move to our new headquarters in Tysons, VA. This environmentally-friendly, LEED CS-Gold level building has a spectacular, technology-equipped conference center that our clients are already using and an open office design that encourages greater collaboration across our capability areas.

We continue to expand our presence to a bigger marketplace. Our story on page 23 highlights how we are growing in the Middle East. LMI also recently won a contract vehicle with the United States Agency for International Development (USAID) that positions us to help countries in Africa, Asia, Europe, and Latin America mature their supply chains to ensure health commodity security.

Yet, as we grow and as the world changes around us, we will always remain true to who we are. This is what drives us. It is what drives our success. And it is something we intend to preserve as we look to the future.

Nelson Ford
President and CEO
Before the Army acquires any piece of materiel—be it a tank or a pair of boots—the U.S. Army Public Health Command’s (USAPHC’s) Health Hazard Assessment (HHA) Program evaluates its impact on human health.

HHA assesses hazards the operator faces under normal operating conditions (for example, noise, temperature extremes, blast overpressure, or biological and chemical substances). It evaluates the risks associated with hazards and then recommends strategies to reduce or eliminate harmful exposure.

Mitigating health hazard risks before an item is fully developed or deployed not only improves outcomes for the warfighter, but also helps save the military potentially hundreds of millions of dollars in healthcare, lost time, and disabilities related to injuries and illnesses.

The more compelling the case for mitigation, the more likely HHA recommendations will be implemented. And the best way to justify HHA recommendations is to demonstrate the downstream costs that can be avoided through proper mitigation.

However, quantifying expected costs associated with a future exposure has been a complex problem challenging the medical health community for years. Traditional preventive medicine methods required health surveillance monitoring and analysis—measuring outcomes after an exposure.

The Army needed a way to predict potential outcomes before they occurred, allowing leaders to make more informed risk decisions early in the acquisition process, minimizing costly redesign and the potential for injury and illness associated with a deployed system.
Inventory management is fast becoming a key performance enabler—not a cost burden—as government organizations and companies move toward distributed operations and rely more heavily on robust supply chains to meet their business goals. Organizations need flexible and adaptable inventory management tools to exploit their specific operating environments and respond to real-world inventory and supply chain challenges.

LMI offers a range of tools that use state-of-the-art analytics and modeling and simulation to generate a range of inventory strategies. The tools graphically illustrate possible tradeoffs between cost and other dimensions of performance, helping decision makers quickly and clearly understand the ramifications of individual strategies.

Peak Policy and NextGen (PNG) optimizes inventory management and helps managers find the best tradeoffs between multiple organizational priorities. PNG works when demand forecasting solutions fail because it uses a unique hedging strategy that balances the risks of either being out of stock or overinvesting. Much like a financial investment portfolio, PNG does not try to perfectly predict the outcomes for an individual item; it simply seeks to have more “winners” than “losers” in the overall inventory portfolio.

The Defense Logistics Agency (DLA) has achieved significant benefits using PNG. DLA was interested in the complex three-way tradeoff between material availability, procurement workload, and inventory investment. In just 2 years of implementing PNG, DLA has yielded major savings in working capital and labor. The agency is achieving customer service goals, while reducing buyer workload, with no increase in inventory:

• 35 percent decrease of recommended annual buys
• 70 percent decrease in canceled buys
• 4 point increase in material availability

The ASM® sparing model aligns system availability and budget, helping managers answer the key question, “What investment is needed to achieve a specific availability target?” Because ASM optimizes based on system availability, it produces better inventory solutions than...
PNG is receiving considerable accolades for its innovation and performance. Most recently, the tool was honored as a finalist for the prestigious international 2015 INFORMS Edelman Award, winner of the 2014 Defense Logistics Award for Best Logistics Strategy, and finalist for the CSCMP Supply Chain Innovation Award.

Right guidance keeps mission in focus.

In fact, ASM’s solutions typically require 20 to 30 percent less investment to produce the same level of system availability. ASM has been the Air Force’s tool for computing contingency spares for more than 25 years. ASM is computing both peacetime and contingency spares across the multinational F-35 program (the largest weapon system acquisition in history). The National Aeronautics and Space Administration has been using ASM for more than a decade to set spare levels for the International Space Station, the space shuttle, and new ground-based launch systems.

System Optimization and Network Linkages (SysLinks™) supports inventory decision making for complex systems, commonly referred to as systems-of-systems. It quantifies the critical linkage between inventory and operational performance by leveraging sophisticated modeling and simulation methods, including the ASM sparing model. SysLinks clearly and accurately assesses systems-of-systems performance in terms of even the most complex goals. SysLinks’ capabilities have been demonstrated in assessing logistics resource needs for remotely piloted aircraft systems in situations such as achieving uninterrupted intelligence, surveillance, and reconnaissance coverage and for detecting wildfires. It also has been used to quantify how the timeliness of critical warnings from a geographically dispersed tsunami sensor net is affected by the sparing and maintenance decisions made for each buoy station.

Successful inventory management is about providing quality information so executives and managers align inventory investments with business goals. Bringing advanced data analytics together with computational innovation, LMI’s inventory management tools outperform conventional solutions, especially for the most demanding inventory management challenges. The key to our success is the flexibility of our entire tool set to adapt to our clients’ priorities.

Each tool graphically illustrates complex interactions between inventory and an organization’s business outcomes. This enables critical dialogue between C-suite leadership and inventory managers about the role of inventory investment in strategic decision making.
Better Buying Power (BBP). It’s about creating affordability, cost control, and efficiency, while increasing productivity and value. But it goes beyond that. BBP equates to better mission execution.

The Department of Defense (DoD) knows the power of this formula. It launched BBP in 2010 to use best practices to provide dominant capabilities to warfighters, despite the growing complexity of DoD’s mission and acquisition landscape.

LMI has been a part of the program since its inception, and we have been helping DoD in numerous roles across BBP’s core initiatives. Case in point: we have been at the forefront to improve the tradecraft of services acquisition.

Major weapons systems acquisitions—of planes, tanks, ships, and weapons—are already well structured. But the framework to ensure the quality of services acquisitions, which make up more than 50 percent of acquisition expenditures, has not been as robust.

Because services acquisitions are essential to mission success, DoD has been focusing more heavily on their appropriate governance and oversight, as well as on how to make them more cost-effective, innovative, and efficient.

LMI knows well-defined requirements are a prerequisite to a successful acquisition, for services or otherwise. In the past, many of DoD’s functional experts, who generate and own services, lacked authority and data to effectively play an integral role in acquisition. Now, under the stewardship of senior leaders, DoD’s functional domain experts are undertaking a more strategic look at DoD’s key services portfolios, such as knowledge-based services, transportation, logistics, information technology, and medical.

To take services acquisition tradecraft to a new level, we trained cross-disciplinary teams to look across the entire mission domain and link acquisition capabilities together. We guided functional and acquisition leaders to work together early in the acquisition process, empowering them with data and tools to drive smart decision making.

Simultaneously, we have been helping DoD refine acquisition data standards and quality to gain greater fidelity and traceability. By providing expertise in data analytics and helping DoD find and analyze data anomalies, we have been preparing DoD for the Digital Accountability and Transparency Act, which calls for agencies to report on the quality of their spending data.

LMI also has been directly supporting DoD through our on-the-ground “price fighters.” These LMIers bring functional expertise in pricing to help government negotiators analyze and bargain for contracts with major defense contractors on the most sophisticated business deals. Our senior experts perform deliberate and detailed analysis, working side by side with government managers to conduct deep dives, and then take a much-needed step back to look across the enterprise to harness the buying power and knowledge of DoD.

We have been honored to serve as a trusted DoD agent, helping to build a pricing workforce and strike balanced deals. With big-picture thinking and detail-oriented execution, we have been strengthening the military’s acquisition workforce and its support of the warfighter for the long term.
be it an armored vehicle or a mere nut or bolt—approximately 116,000 users in all. Successful implementation of the system allows users to examine the true cost of any piece of materiel, including the costs of maintenance and repair. It also prepares the Army to meet a congressional mandate requiring all Department of Defense systems to be auditable.

LMI provides both insight and oversight in an expansive range of strategic and tactical areas. AESIP ERP programs touch many functional areas, and we are able to bring in-depth subject matter expertise to system planning, such as strategy, logistics (both wholesale and retail), process improvement, and change management. We also bring extensive knowledge of the Army’s financial management system.

We provide crucial support as the ERP software solution is implemented Army-wide. Currently, LMI personnel are conducting site surveys for system rollout, coordinating required training, and providing support for systems engineering and system configuration.

Our work is both big-picture and detail-oriented. From a strategic perspective, we advise program leadership on best practices and assist in monitoring lead system integrator performance. We continually review proposed methodologies and present alternative solutions that lead to more desirable outcomes.

We also assess the need for suggested customizations of the software, analyzing the risks of creating unnecessary software rework or incompatibility with future versions and releases of the solution. These efforts support PEO EIS in attaining its goal of implementing a long-term solution that helps the Army manage its logistics business systems effectively.
Currently, we are developing a handbook that provides clear guidance on how to effectively mesh legal mandates within required federal Guiding Principles with LEED standards to assure sustainability measures provided by contractors are of value to the government.

**Tactical Infrastructure, Towers, and Facilities Portfolio**

LMI helped FM&E’s Border Patrol Facilities and Tactical Infrastructure (BPFTI) Office develop uniform design standards for building new border patrol facilities, based on number of agents, facility location, and other factors. We also developed standards for tactical infrastructure, such as border fencing, telecommunications, and security towers.

Agency buy-in was paramount. Establishing a network of leaders, not only throughout BPFTI, but more extensively with CBP headquarters and field leadership, we helped foster relationships critical for issue resolution and cost avoidance from project delays.

FM&E has saved millions of dollars and realized increased efficiency as the result of its new design standards. For example, under old design standards, a border patrol station on the northern border would cost $18–$20 million. Using new standards, it now costs $14 million, saving $4–$6 million. In addition, BPFTI now has a 90 percent reduction in requests for information and design-related change orders.

Our work has made a dramatic impact on the lives of those on the frontline. We spent considerable time with border patrol agents, understanding their needs. For instance, in some facilities, we discovered agents did not have enough room to securely store outerwear and gear. Now, lockers offer additional space for storing and recharging electrical equipment, preventing loss or theft for security-related items. BPFTI now has real-time, requirements-based design standards to build high-performing real property assets aligned with its mission.

The nation’s first comprehensive border security agency, U.S. Customs and Border Protection (CBP), has had to mature quickly. After 9/11, the Department of Homeland Security (DHS) grew fast, and CBP quickly gained support for programs to construct, outfit, and maintain border facilities.

But recent fiscal constraints have created the need for CBP’s Facilities Management and Engineering (FM&E) Directorate to change its planning approach. The directorate turned to LMI—with which it has a strong, 10-year relationship—to bring fresh thinking to its challenges.

**Capital Investment Planning**

LMI helped FM&E create a structured, transparent capital investment planning process that now provides Congress detailed rationale for large funding requests. We developed a system for prioritizing investments based on mission capability, agent safety, facility conditions, and other factors. We also helped draft FM&E’s FY16 congressional justification for CBP’s real property budget.

Concise and lean, FM&E uses capital planning to concentrate efforts, communicate priorities, and gain support. CBP’s Deputy Commissioner highlighted the recent plan as the model to emulate throughout the agency.

**High Performing Sustainable Buildings**

LMI has positively impacted FM&E’s real property portfolio, which has had major challenges meeting legal mandates for sustainability standards. Traditionally, CBP relied on Leadership in Energy and Environmental Design (LEED) standards. However, the agency found LEED was inadequate for complying with recent executive orders. It also was being applied inappropriately (the installation of a bike rack satisfies certain LEED requirements, but is useless in remote facilities).

We helped FM&E get a handle on the tremendous number of requirements detailed in statutes and executive orders. We then developed FM&E’s High Performance Sustainable Building Guide, fast tracking it for DHS to use as a template agency-wide.
The U.S. Army Medical Department (AMEDD) continues a long-range campaign to build new and renovate existing healthcare facilities to provide patient-centered, team-based, high-quality healthcare services in advanced, world-class facilities.

AMEDD’s core mission is to care for active, reserve, and retired service members and their families—and our nation’s defense depends on it. The department ensures those in uniform are medically ready for worldwide deployment on a moment’s notice. When service members become injured or wounded, AMEDD, as part of the Military Health System, provides advanced lifesaving treatment.

Well-functioning, accredited facilities factor heavily into service delivery and care. Facility design and equipment greatly determine the operational flow of health services, as well as the quality of care service members and their families receive. AMEDD seeks to continuously improve the patient experience—not just medically, but in designed facility environments that enhance the continuum of care to optimize the healing process.

Aligning facility initial outfitting and transitioning (IO&T) to meet high standards of patient care is a big undertaking. It involves marrying aesthetic and practical design, determining what equipment to purchase or reuse, managing equipment installation, training personnel on new equipment and systems, planning and coordinating the physical movement of reuse equipment, and overseeing the relocation of staff and patients, while ensuring all facility material and support process needs are met. The overarching
With more than 18,000 civilian employees and 40,000 contractors working at 10 centers coast to coast, the National Aeronautics and Space Administration (NASA) is big. It thinks big, too—not just in daring mission programs, but also in inventive approaches to leadership development for dispersed employees.

LMI is helping. In 2012 and 2014, we worked with NASA to stage its Virtual Executive Summit (VES). NASA has always recognized the value of bringing together executives to reinvigorate purpose, discuss critical issues, and exchange ideas on agency-wide priorities. In previous years, this meant an annual trip to Washington, D.C., for several hundred executives around the country. But budget cuts across the government forced changes for NASA, particularly in travel and workspace expenses.

Unwilling to forego its valuable executive summit, NASA worked with LMI to establish a new, virtual approach. From our own research and development into virtual collaboration, we understood such an undertaking was far bigger than a technology challenge.

Virtual collaboration requires considerably more preparation than in-person meetings. Speakers must rehearse in order to be comfortable in front of a camera and avoid “winging it,” or sounding mechanical. Leaders and participants need to understand goals, roles, and the sequence of events so that sessions flow smoothly. Meeting organizers need a strategy to keep participants engaged, away from distractions (e-mails, phone calls, coworker “drop-ins”).

During the summits, LMI led project and risk management, graphic and website design, and testing, while supporting content development, strategic communications, logistics, and post-event evaluation.

The goal of IO&T is to achieve seamless and optimal staff and patient quality outcomes the first day the new facility is open.

As member of a comprehensive IO&T joint venture team, LMI develops facility transition and logistical move plans, project scheduling, documentation management, and overall project management for the myriad of planned military healthcare facility projects. Projects range in size and include primary care clinics, laboratories, academic medical facilities, and medical centers.

We make sure at every phase that all possible facets of IO&T planning meet our customers’ expectations. At the outset, we focus on building a partnership with our government clients and their stakeholders to create an understanding of the integrated processes required to meet desired results. Our subject matter experts deliver project management, equipment planning, procurement, equipment installation and testing, new equipment training, transition planning, relocation services, aged equipment disposition planning and disposal, and project turnover and closeout services.

After staff and patients transition to the new facility, our team reviews all project documentation, compiles a complete record of lessons learned, and organizes all procurement, installation, training, and warranty documentation for new equipment technology.

Toward the end of each project, our team works with our government client and the gaining medical organizations’ logistics and facility management staff to turn over all equipment and project records. This ensures AMEDD seamlessly sustains new facility operations after opening, while also being prepared for government inspections, certification reviews, periodic agency audits, and Joint Commission accreditation surveys.

Our results have been impressive. To date, LMI has co-led a high-functioning, highly regarded IO&T team that has completed IO&T for more than 16 U.S. Army Community-Based Medical Home clinics adjacent to military installations. We also contributed project management and medical logistics expertise to outfit and fully transition the expansion of Brooke Army Medical Center, the Defense Department’s Surgical Research Laboratory, and Medical Education and Training Campus at Fort Sam Houston, Texas.

Our work continues with delivering IO&T services for additional clinics, the replacement hospital for C.R. Darnall Army Medical Center at Fort Hood, and the replacement laboratories for the Army Medical Research Institute for Chemical Defense at Aberdeen Proving Ground, Maryland.

For the military health care facility projects, LMI is a member of a comprehensive IO&T joint venture team, helping to develop and implement a facility transition and logistical move plan.

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At LMI, we pride ourselves on helping our clients build success—sometimes literally from the ground up. Such was the case in 2013, when the U.S. government sold 60 aircraft to the Saudi Arabia National Guard (SANG). Post-sale, the Security Assistance Management Directorate (SAM-D) of the U.S. Army’s Aviation and Missile Command needed a team to field and maintain those aircraft properly.

Implementing any system support strategy can be difficult, but establishing a logistics operation across national, geographic, and cultural boundaries takes the challenge to an entirely new level. While the Saudi Arabian government had several decades of experience with foreign military sales, that experience had always been with ground equipment. Given the potentially disastrous consequences that could result from aviation equipment failure, the stakes for quality maintenance on this program were considerably higher.

From Day 1, SANG wanted the equipment transition program to adhere to the highest U.S. Army standards of quality and oversight. Likewise, SAM-D recognized the criticality of having the program perform, right from the beginning. They turned to LMI for help, and we responded with the strategic planning, financial management, aviation, and logistics skills they needed.

LMI quickly assembled a 10-person program support integration team. This new support concept would provide in-country oversight of the entire maintenance program and an objective liaison between equipment manufacturers, various U.S. government entities, and the maintenance support contractors assigned to the purchasing country.

First came the challenge of setting up operations. Long before any equipment ever arrived, LMI’s team was on the ground, translating SANG operational needs into logistics requirements for the people, systems, processes, programs, and performance that would form the backbone for a successful equipment transfer.

Meanwhile, for NASA and our other clients, the LMI Research Institute is developing a groundbreaking Virtual Collaboration Maturity Model (VCMM), assessment process, and roadmap for using virtual collaboration organization-wide. Our research shows that current thinking and literature focuses on tools and technology, rather than on mission, strategy, and culture. Our new model bridges these gaps—offering concrete steps for applying tools, not for their own sake, but for what they enable.

Industry trends show the workforce is becoming more dispersed. LMI’s VCMM helps organizations anticipate how to manage the workforce of the future with a focus on empowering engagement and innovation.
running. So LMI went above and beyond, and took on managing the supply system to ensure continuity across 20,000 lines of materiel until the prime contractor was established in Saudi Arabia.

The positive impact of LMI’s integrated support is felt every day at every level of the SANG program. We stand watch over construction of the hangars that will house the initial 60 aircraft (and others down the line). We monitor training. We translate tactical requests, sitting in on daily maintenance meetings and establishing maintenance, manpower, and future tracking requirements.

We work with SANG officers, sifting through volumes of data daily to get a continually refreshed and accurate picture of program performance. No matter the task, we diligently stand guard for SANG and SAM-D to ensure no detail gets lost in the hectic pace of setup.

Because our approach is so hands-on, we have been able to recognize and resolve problems quickly, which in turn helps SANG avoid risks and save money. For example, by mitigating a major delay in the return-and-repair process, we expect to save SANG an estimated 480 days and $10 million per year in lost time or component usage.

Through our groundbreaking approach for SANG, LMI has helped revolutionize the support offered to allied nations that purchase U.S. military equipment and materiel through the foreign military sales program. In fact, the Defense Security Cooperation Agency and the U.S. Department of State now plan to follow the program support integration model established by LMI for other foreign military sales across the globe.
The most promising market breakthroughs have their genesis in great ideas. Since 2004, we have dedicated millions of dollars to our LMI Research Institute in internal research and development (R&D), for the sole purpose of advancing government management.

Each year, Launch My Idea provides a team-based forum for LMI employees to compete for R&D funding. In 2014, our winning projects included Narrative Analytics, which used storytelling to make data analytics results more accessible and usable, and Warehouse and Distribution Implementation Guide, which produced an outcomes-focused, picture-based guide for medical supply inventory professionals in developing countries to establish effective warehouse management skills.

Internal R&D

This year, LMI emphasized pioneering research with the broad potential for impact. Some efforts already have been translated for client benefit (see our Inventory Management Practice story on page 9); other projects have begun to offer a glimpse of new capabilities for our clients.

Additive Manufacturing Strategic Framework

While additive manufacturing (AM) has been used for years, federal agencies still lack strategic guidance for this technology. Since 2010, LMI has researched the implications of AM (aka 3D printing) on the defense supply chain. In 2013, with Virginia Tech’s Design, Research, and Education for Additive Manufacturing Systems (DREAMS) Lab, we developed an Excel-based selection tool for AM machines in a deployed setting. In 2014, we further evaluated deployable AM and produced a paper assessing its application in a deployed setting (aircraft carrier, forward operating base, etc.) and the potential impacts on the Department of Defense supply chain, including data management, inventory impacts, and intellectual property rights.

Shared Services Study

In 2010, the Office of Management and Budget brought the federal financial management systems market to a standstill when it stopped all implementation projects for a critical review. In March 2013, it directed agencies to use shared services when upgrading their financial systems. In 2014, LMI sponsored a joint research project with the Association of Government Accountants that provides perspectives from CFOs, CIOs, and CxOs on the implementation of shared services.

Leadership Collaborations

Through our Distinguished Speakers series, we invite leaders from government, academia, and industry to meet internally with LMI staff and discuss critical issues. In 2014, we focused on “framing the question,” and leaders shared their insights on the value of asking the right questions before conducting data analysis.

Academic Partnerships

We continue to nurture partnerships with nine leading academic institutions. In 2014, we sponsored projects at five of the schools, one of which involved developing a cloud-based cybersecurity incident response environment. We also sponsored our first annual LMI Research Institute Government–University Forum, bringing government and university leaders together to discuss issues and inform future research.

Weather greatly impacts business decisions. LMI recently invested in research and development, utilizing petabytes of climate data from one of our longstanding clients, the National Climatic Data Center (NCDC), to think about how to make the data reveal more useful information about climate extremes—the weather most managers worry about.

Historically, NCDC’s data have been used to estimate climate “normals,” which characterize typical climate conditions but not the extremes that cause truly catastrophic harm to physical infrastructure and crops. We thought there could be a better way.

In a true cross-disciplinary effort, we drew together our environment and data analysts to study the problem. Our data analyst focused on using econometrics and multivariate distributions to increase confidence levels on the probability of weather extremes for a given location.

The model has broad applications. A city planner can now ask, “What’s the probability my county will have a devastating flood?” She then can determine whether millions need to be invested to upgrade the storm drains to protect life and property. A business owner can ask, “How often will the heat index be over 105 degrees Fahrenheit this month?” Running an analysis allows him to estimate the cost of labor hours lost to extreme heat and humidity.

Crossover concepts often drive industry breakthroughs. Our unique, highly computational model will become more accurate—and more useful—as we start pulling in additional sources of data over the coming years.

INNOVATION SPOTLIGHT:

Climate Data Analytics

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During his 38-year Department of Defense career, Pat Tamburrino twice earned the Presidential Rank Award of Meritorious Executive and once the award of Distinguished Executive. Now, he is bringing his acclaimed expertise in financial management, acquisition program management, strategic planning, healthcare policy, and human resource management to bear as the new lead of LMI’s Health Division.

What does LMI’s future in healthcare look like to you?
LMI has always had a strong foundation in healthcare in the defense sector; it’s something we have built over decades. But now, we have become more multidimensional, with civilian agency, international, and defense clients.

For instance, we recently won a United States Agency for International Development (USAID) contract vehicle for global health supply chain technical assistance. In the coming months, we’ll have the opportunity to work with USAID, its missions, and its beneficiaries, as well as with 15 outstanding teaming partners. Our job will be to help countries in Asia, Africa, Europe, and Latin America—no matter their level of supply chain maturity—develop long-term capabilities that ensure the accessibility of healthcare commodities. We will be making a real difference in people’s lives, and that excites us.

What are clients looking for? What are the trends?
Clients are looking for guidance on how health systems relate to the big-picture environment—the strategy, the people, the technology, the processes. LMI works in all of these domains. We also see significant opportunities in data analytics for health. Our clients have data, but often need support in how to leverage it for greater impact. We help clients find the right questions, provide the computational expertise to get the answers, and showcase the results in ways that make them easy to understand.

Harnessing data is integral to how LMI helps our clients orient toward the right course of action from the outset. In healthcare specifically, we already have experience analyzing massive amounts of claims and beneficiary data to predict the outcomes and costs associated with specific policies. As the healthcare industry in the United States continues its transformation, we see that work only continuing to grow.

What excites you most about being at LMI?
I chose to come to LMI because I wanted to work for a company with a strong moral compass and passion for public service. I have found that here.

It matters to me that LMI is willing to take on national problems, such as shaping the policy and resources to care for our wounded warriors. We know we owe them our thanks and continued support in many dimensions.

I have been especially impressed with my younger LMI associates. I’d describe them as “magnificently enthusiastic.” They don’t categorize problems as hard; they approach problems confidently. LMI’s culture, alongside the growth we’re experiencing in healthcare, means younger staff can develop their leadership skills and take on new roles. I encourage them to innovate and to link their activities to our clients’ missions. LMIers have genuine empathy. And LMI lets them make the difference they are eager to make.
In 2014, LMI provided substantial monetary and volunteer support to a dozen national charities, and to more than two dozen local charities. Our giving reached across a wide range of causes, with particular focus on military service members and families in transition. We take great pride in the 17 LMI employees serving on non-profit boards, with dozens more making an impact, like Christine Hoffmann.

Tell us about your interest in blood cancer patient health.

Someone I loved, a close family member, passed from leukemia. Once it was known he had leukemia, the family rallied and donated platelets with the hope of saving him. However, it was a very quick illness.

Now, I’m passionate in my support for the Leukemia & Lymphoma Society (LLS). The Light the Night Walk is an annual fundraising campaign I work on for LLS that raises money for scientific research for finding cures and for greater patient access to treatments for blood cancer.

Friends, families, and coworkers form fundraising teams, and millions of people help by donating at stores. All these efforts culminate in evening walks in nearly 200 communities across the U.S. each fall. This year, these walks raised nearly $60 million nationwide to support the LLS mission. The event means a lot to me, especially the kickoff luncheon. There, you’ll see patients or meet family members of those who have passed on. It is very moving to see people get the help they need.

How did you bring your cause to LMI?

I became involved in Light the Night in 2007, before I even started working at LMI. When I first joined LMI, I knew I wanted to continue to support LLS. Luckily, LMI is very supportive of employees who are dedicated to a cause.

I started off small with a few colleagues because previous fundraising efforts at our office were initiated on a limited basis. We collected donations from the regional office and also worked with local vendors to gather prizes to auction. Over time, more LMIers embraced the cause and, in 2014, we went companywide. Now, every LMI office is represented at Light the Night walks.

Our employee network, LINC, played an integral role in getting the word out. Likewise, Corporate Communications really got behind our efforts and provided lots of corporate messaging and support.

How does that support make you feel?

I have been truly impressed with LMI’s commitment to getting behind me and supporting what I believe in. It’s so rewarding to be able to help others in a small way. The money we raise for Light the Night may be going toward research for a cure. Or it may be paying the copay for a patient’s visit.

I’ve found that at LMI, one person with heartfelt passion can make a real difference. The company genuinely supports these grassroots efforts. LMI is filled with caring people who embody a core value of service to others. And the company gets behind us in such a way that it inspires others to lead as well. It sets a great example for all.
RIGHT LEADERS ...

drive sustainable growth

Board of Directors

Michael Daniels
Chairman of the Board
Chair of the Executive Committee
Board Member of BlackBerry, Mercury Systems, Northern Virginia Technology Council, and Virginia Chamber of Commerce
Former Chairman of the Board of Directors of Network Solutions
Former Chairman and CEO of Mobile365
Former Chairman of the Board of Directors of Mobile365
Former Senior Vice President of SAIC

Nelson Ford
President and Chief Executive Officer
Former Under Secretary of the Army
Former Assistant Secretary of the Army for Financial Management and Comptroller
Former Principal Deputy Assistant Secretary of the Army for Financial Management and Comptroller
Former Deputy Assistant Secretary for Health Programs and Budget of the Department of Defense

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President and CEO of RT Dail, LLC
Former President of Supreme Group, USA
Former Director of the Defense Logistics Agency
Former Deputy Commander, USTRANSCOM

Ann Dunwoody
President, First 2 Four, LLC
Former Commanding General of the Army Materiel Command

Steven Kelman
Weatherhead Professor of Public Management at Harvard University’s John F. Kennedy School of Government
Former Administrator of the Office of Federal Procurement Policy in the Office of Management and Budget

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Founder and Head of Samford Global Strategies
Former Under Secretary of Defense for Acquisition, Technology, and Logistics

David McCurdy
President and CEO of the American Gas Association
Former President of the Alliance of Automobile Manufacturers
Former U.S. Representative from Oklahoma

Patricia McGinnis
Chair of the Governance and Nominating Committee
Distinguished Professor of Practice at George Washington University’s Trachtenberg School of Public Policy and Public Administration
Board Member of Brown Shoe Company
Former President and CEO of the Council for Excellence in Government

Jonathan Perlin
Chair of the Human Resources and Compensation Committee
Chief Medical Officer, President, Medical Services, and Board Member of Hospital Corporation of America
Former Under Secretary for Health in the Department of Veterans Affairs

Robert Raggio
Former Executive Vice President of Dayton Aerospace
Former Commander, U.S. Aeronautical Systems Center

James Sweetnam
Former Independent Director of Lubrizol Corporation
Former President and CEO of Dana Holding Corporation
Former CEO of the Truck Group at Eaton Corporation

RIGHT LEADERS ...
Celebrating Excellence

At LMI, attracting the right people and refining our products and services underscores our ability to serve our clients. For the fourth year in a row, LMI was named one of the Washington Business Journal’s Healthiest Employers for the Washington, DC, metro area. We once again ranked as one of the Military Times’ best employers for veterans, the sixth straight year earning that honor. Our innovative tools were also validated by the accolades they earned. Peak Policy and NextGen (PNG) won Best Logistics Strategy for the 11th Annual Defense Logistics Awards. OpenPolicy™ won the Government category at the Washington Post and the Northern Virginia Technology Council’s Destination Innovation showcase competition.
Computational Analytics. Leveraging the power of computation combined with algorithms to elicit key insights from data that can be used to inform business decisions.

Energy and Environment. Energy program planning and management, climate change and sustainability, greenhouse gas management and reporting, chemical and biological program support, environmental and safety management systems, and occupational health and safety planning and management.

Healthcare. Analysis and assessment of the Medicare Advantage program, medical logistics planning and support, public health emergency planning and response, agricultural emergency planning and response, management of healthcare services delivery; wounded warrior support programs, and healthcare management.

Infrastructure and Engineering. Facilities management, construction project management, engineering economics and cost engineering, infrastructure outsourcing and privatization, federal installation management, and military base operating support.

Intelligence Programs. Intelligence capabilities within national security organizations, use of Government 2.0 social software in the intelligence community, tradecraft and analytic methods, training in core intelligence community functions, and intelligence program management and policy advice.
Logistics Management

Army Logistics Systems. Logistics and financial enterprise resource planning implementation; strategic planning; technical requirements development and analysis; system acquisition, integration, implementation, and testing; and system deployment, sustainment, and training support.

Joint Logistics. Deployment and distribution doctrine, policy, and process improvement; strategic mobility programs; operational contract support integration; contingency program management; worldwide logistical policy, planning, and programming support; logistics concepts of operations and sustainment for new technologies; advanced statistical analysis for casualty estimation; logistics war-gaming; and logistics modeling and simulation.

Logistics Analysis. Logistics research and development, logistics business case analysis, acquisition logistics strategy and implementation, integrated logistics support planning, logistics engineering, performance-based logistics design and implementation, operations and support cost analysis, and emergency management logistics.

Maintenance and Readiness Management. Weapon system and equipment maintenance policy, requirements, and operations analysis; corrosion impact assessment; public- and private-sector integration and partnering; sustainment industrial base analysis; manufacturing resource planning; repair capability establishment; and weapon system readiness analysis and reporting.

Operational Logistics. Strategic planning; logistics transformation planning and program support; force design and development; National Guard and Reserve Component equipping and resourcing analysis; defense strategy and policy; international ministerial capacity development; interagency, multinational, and coalition logistics; defense export and cooperation policy; and support of Department of State and Department of Defense transition planning in Iraq and Afghanistan.

Supply Chain Management. Supply chain resources; supplier relationship management; green procurement; supply chain risk management; spare parts optimization; demand forecasting; inventory modeling; costing; and level setting; material management IT solutions; supply chain performance management and metrics; and supply chain training.

Transportation and Distribution. Distribution and transportation business processes, automatic identification technology, satellite and other in-transit tracking applications, and asset visibility.

Resource Management

Information Management. Information technology program management, independent verification and validation, enterprise architecture, capital planning and investment control, strategic planning and business case analyses, earned value management, data management, and information assurance.

Operations and Cost Analysis. Operations research, airline operations and air traffic modeling, cost estimation and analysis, cost-benefit and business case analysis, cost research and modeling, technology portfolio analysis, and advanced modeling and simulation.

Organizational and Human Capital Solutions. Strategic planning, organizational design and assessment, continuous process improvement, human capital strategic planning, workforce planning and modeling, training and leadership development, performance management, change management, virtual collaboration, and graphic facilitation.

Performance Accountability and Resource Management. Planning, programming, budgeting, and execution; program analysis and evaluation; acquisition strategy, planning, and execution; grants management; cost restructuring and shared service analytics; operational efficiencies; controls, compliance, and auditability; performance measurement and improvement; enterprise risk management; and digital data management.

Systems Development. Life-cycle software development, systems integration, mobile and social computing, “big data” analysis, semantic technology, cloud migration and cybersecurity, virtual data center consulting, scientific surveys and data collection, and economic and statistical analysis.
LMI by the Numbers

PERFORMANCE

Revenue
LMIC’s revenues have increased over the past 5 years, steady growth that reflects our ability to meet the diverse needs of our clients. The total revenue for FY14, $246 million, represents a 7 percent increase from the previous year.

Clients
We serve 40 government agencies, which gives us a broad view of how agencies may mature and integrate new innovations and technologies. Through our subject matter expertise and academic partnerships, we bring industry best practices to government. While we have been working with many clients for decades, we are now serving a broader range of government organizations around the world.

Client Satisfaction
Our deep commitment to our clients is reflected in our annual client satisfaction scores. Once again, this year we achieved 99 percent client satisfaction with the vast majority of clients being “more than satisfied” or “extremely satisfied.”

EMPLOYEES

Tenure
The average tenure for our employees is 7.4 years, which is high compared to other consulting firms. Our tenure ensures our clients have a consistently staffed LMI team.

Government Experience
21 percent of LMICers have prior civilian government experience. Meanwhile, 57 percent have military experience.

Advanced Degrees
58 percent of LMI employees have advanced degrees, representing a wide array of expertise.

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<td>Business, Accounting, Finance, and Economics</td>
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Regional Offices and Satellite Locations

U.S. LOCATIONS

HEADQUARTERS
7940 Jones Branch Drive
Tysons, VA 22102
703.917.9800
703.917.9800

SATELLITE OFFICES

- Aberdeen, Maryland
  4696 Millennium Drive, Suite 200
  Belcamp, MD 21017
  poc: Clark Spencer
  phone: 410.273.5095
  fax: 410.273.7587

- Baltimore, Maryland
  Park View Center I
  7304 Ambassador Road, #280
  Baltimore, MD 21244
  poc: Tim Carino
  phone: 410.273.7486
  fax: 410.265.0011

- Patuxent River, Maryland
- Newport News, Virginia
- Fort Lee, Virginia
- Huntsville, Alabama
- San Antonio, Texas

MIDWEST REGION

- Scott AFB, Illinois
  703 Seibert Road, Suite I
  Scott AFB, IL 62225
  poc: Russ Dulaney
  phone: 618.509.6403
  fax: 618.481.6247

SOUTHEAST REGION

- Huntsville, Alabama
  6787 Old Madison Pike, Suite 275
  Huntsville, AL 35806
  poc: Paul Wentz
  phone: 256.372.3429
  fax: 256.481.6247

SOUTHWEST REGION

- San Antonio, Texas
  1777 NE Loop 410, Suite 100
  San Antonio, TX 78217
  poc: Eric Stephens
  phone: 210.526.8134
  fax: 210.820.2630

Clients from around the world value LMI’s objective analysis and commitment to public service. LMI has worked in 58 countries with both civilian and military agencies.

Where We Work