



Australian Government

Department of Defence
Capability Acquisition and
Sustainment Group

CASG

Delivery Agency Developments and Observations

Alison Petchell, Assistant Secretary Critical Systems Branch
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Priority

Deliver Capability as outlined in the Integrated Investment Program, having regard to the First Principles Review and the Defence Industry Policy



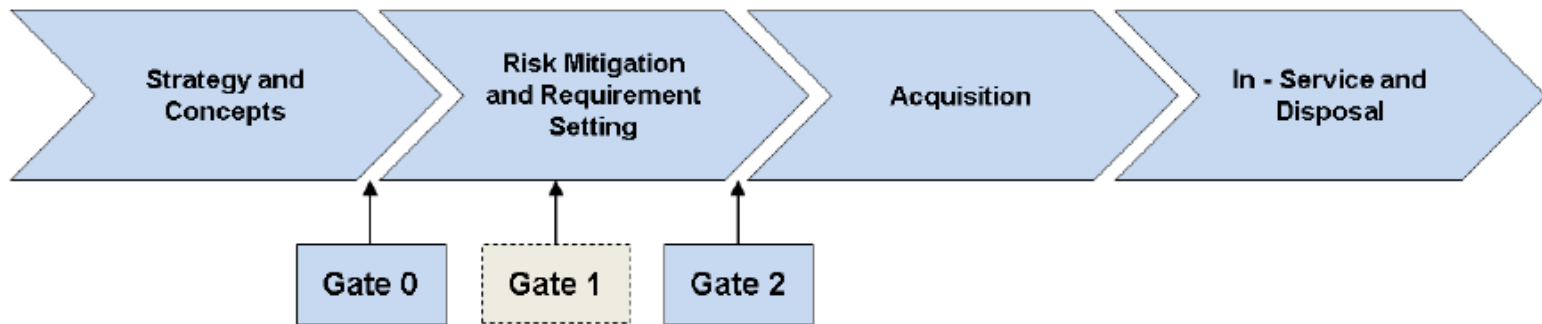
First Principles

- Clear authorities and accountabilities that align with resources
 - Decision-makers are empowered and held responsible for delivering on strategies and plans within agreed resourcing
- Outcome orientation
 - Delivering what is required with processes, systems and tools being the 'means not the end'
- Simplicity
 - Eliminating complicated and unnecessary structures, processes, systems and tools
- Focus on core business
 - Defence doing only for itself what no one else can do more effectively and efficiently
- Professionalism
 - Committed people with the right skills in appropriate jobs
- Timely, contestable advice
 - Using internal and external expertise to provide the best advice so that the outcome is delivered in the most cost-effective and efficient manner
- Transparency
 - Honest and open behaviour which enables others to know exactly what Defence is doing and why

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MTN through the Capability Life Cycle lens



- What joint capability needs will MTN meet?
- MTN as a capability or a technology set that meets a capability need?
- When to dispose, when to acquire and how to plan along the continuum

➔ Sub-Program approach

Clear authorities and accountabilities that align with resources

Capability Manager

- Own and use the capability
- Set clear requirements

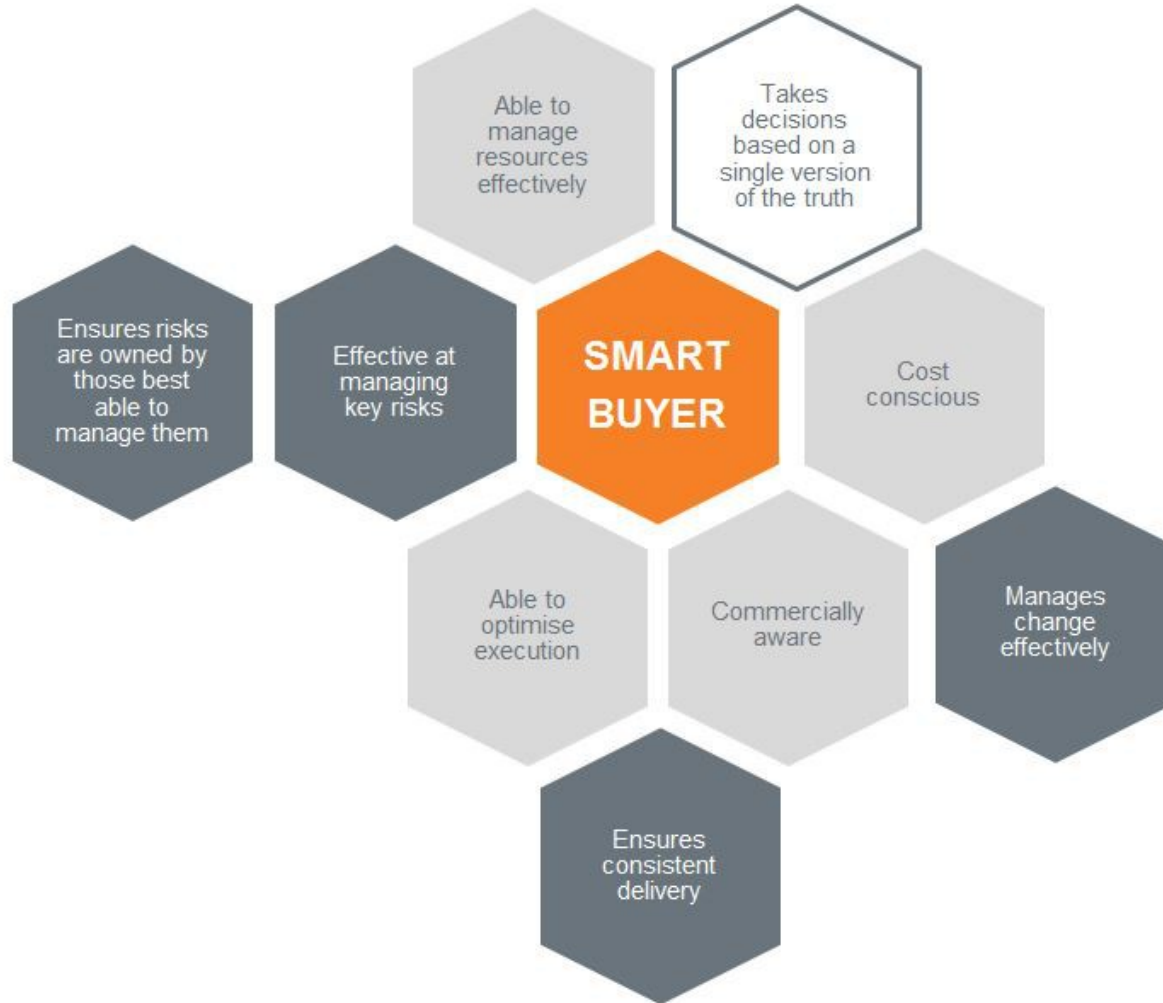
Delivery Agency

- Translate, integrate and align industry
- Deliver value for money for the taxpayer
- Ensure (assure) industry deliver

Industry

- Determine best way to deliver Defence's requirements
- Deliver Defence's requirements on time and on budget
- Remain profitable

Risk Mitigation through Smart Buyer



CASG Core Business = Deliver Capabilitybut are we a Smart Buyer?

1. Do we fully understand the desired joint and separate service capability effect?
2. Do we maintain supply chain capacity and capability knowledge?
3. Do we find synergies across platforms, domains and technology options?
4. Do we leverage expertise inside and outside Defence?
5. Do we create partnering arrangements that optimise warfighter needs and industry potential?
6. Do we hold ourselves and our partners accountable for delivery?

Reform implement and embed first principles priorities by:-

1. Implementing changes in our organisation to address SPO Review recommendations;
2. Ensuring our organisation contains balanced Centre of Expertise representation;
3. Aligning the way we do business with best practice guidance issued by the Centres of Expertise; and
4. Applying the Smart Buyer Framework in all procurement activities.

Improve our **relationship** with our owners (Government) and our customers (Capability Managers) by;-

1. Ensuring we fully understand our capability managers' desired capability effect;
2. Establishing Programs with robust governance arrangements which are aligned to the Integrated Investment Program portfolio structure;
3. Undertaking structured and deliberate stakeholder analysis to inform meaningful and constructive communications; and
4. Bringing forward sound and defensible business cases to Investment Committee and to Government.

Improve our strategic level partnerships with **industry** by:-

1. Maintaining deep knowledge of our supply chains' capacity and capability;
2. Finding synergies across platforms, domains and technology options;
3. Creating partnering arrangements that optimise warfighter needs and industry potential
4. Planning collaboratively;
5. Making timely decisions; and
6. Holding ourselves and our partners accountable for delivery.

Achieve cost **transparency** of our projects and operations by:-

1. Maintaining a single source of truth for the purpose of reporting and controlling project / product baselines judiciously;
2. Monitoring performance against baselines regularly and consistently;
3. Framing risk around delivery of capability outcomes, assigning resources to mitigate priority risks and monitoring effectiveness of risk treatments; and
4. Providing capability managers with options (not ultimatums or dilemmas) to make fully informed cost-capability-schedule trade-off decisions.

Develop support and professionalise our **people** by:-

1. Ensuring every permanent staff member is assigned to a Capability Delivery activity *and* to a Centre of Expertise;
2. Ensuring annual performance targets are specific, measurable, achievable, results-driven, time-bounded (SMART);
3. Providing relevant training and professional development opportunities;
4. Balancing permanent workforce with contracted staff to complement capacity and capability; and
5. Creating a respectful workplace environment.

Summary

- Challenging investment imperatives
- Coupled with major reform activity
- Managing MTN as a sub-program but early days
- Exploring opportunity for Australian industry

More Information?
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