

The capability question

Effective capability management must take into account a series of factors and the intricate relationships between them, explains Araldo Limited Director John Reeve...

The issues impacting capability delivery are many and complex, and those who manage it must be conversant with all of them. Accountability is key and it is imperative that the MoD does not fragment this as it reorganises at multiple levels. Military capability results from a complicated relationship between government, the user (soldiers, sailors and airmen), technology and business, and it is only when these fundamental elements come together that capability is actually delivered. This is a bold statement, but all too often one or other of these elements is missing, resulting in costly programme failure: the technology wasn't ready, the company went out of business, the requirement was wrong, or the policy changed. That such failures occur means that capability managers have been focusing on the wrong factors. Instead, they should have been concerned with the relationship between the fundamental elements and managing the resulting outcomes in the best interests of the nation.

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Government

The government is responsible for the delivery of capability and accountable through ministers to the electorate. The position is summarised in the term Single Point of Accountability (SPA), which has in recent years been the responsibility of those working in the Equipment Capability Area in MOD Main Building. The term is important because it defines who is responsible, to whom and the scope of that responsibility – everything relating to the capability in question. This responsibility is broad, deep and far-reaching but it must come to a ‘single point’, otherwise accountability will be lost and inefficiency, waste and failure will be the most likely outcomes. Adherence to this principle poses a challenge and significant risk as the department is streamlined.

The user

The user is the customer and also a component of capability in its widest sense. It is the user who owns the risk if his equipment is not fit for purpose when the nation requires him to deploy. Iraq and Afghanistan have exposed this risk extensively, with lives lost and operations sapping the national will and coffers more than they would have done had the force been better prepared from the outset. The government has responded well to rectify the position at great speed, but also at great financial cost. The situation gives clarity to two very important aspects of the capability manager's responsibility:

- To equip the armed forces for the tasks that the nation is likely to demand from them;
- To do so in a way that delivers value for money (VfM) to the taxpayer.

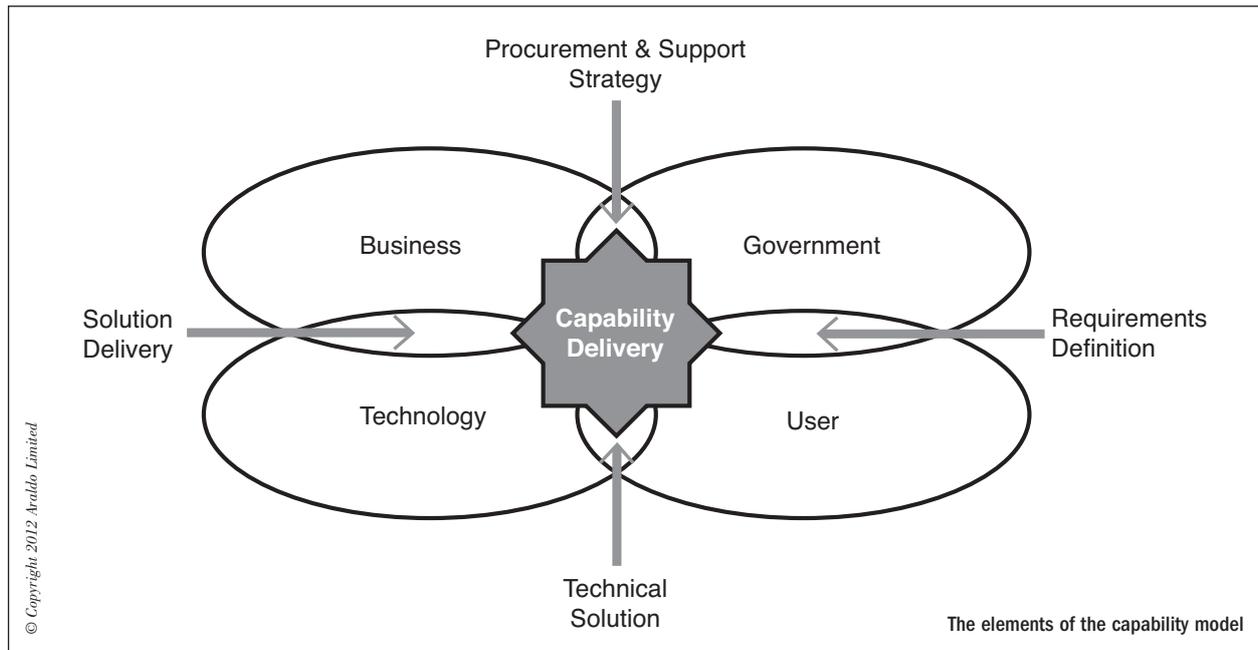
In short, it is about investing wisely to manage future strategic risks. At a time when the national purse is under immense strain, it will be easy for the taxpayer and hence the government to lose sight of longer-term risk caused by insufficient investment in the near term.

Technology

Technology is the enabler. It is what makes it possible to equip our forces for the job. It is also the enabler for the enemy, as recent operations have illustrated. Technology (ours and the enemy's) is not static – it moves forward continuously – so understanding it is vital to those involved in capability management, and it stands to reason that scientific advice and investment in defence research falls very much under the remit of those responsible.

Business

Traditionally, military technology has been driven forward by government institutions, but in recent years there has been a noticeable shift towards business. Business is also responsible (almost entirely) for converting technology into the hardware and software that equips the user. Business capabilities, capacity and dynamics are, therefore, of the utmost importance to capability managers, and those responsible for contracting must continue to work closely with and also be accountable to them. This relationship is a perennial source of friction but it is one that must be addressed fully as changes to the status and structure of the Equipment Capability Area and DE&S are planned and implemented.



Government, the user, technology and business are the fundamental elements then, but what of the relationships between them?

Government and the user

It is the responsibility of government to understand, define and furnish the capability requirements of the user. This process requires analysis of existing capability, potential capability, strategic risks and likely deployment scenarios. It is about planning for the future, characterised by uncertainty, strategic in its nature and impacted by events as they occur. The type of planning and thinking necessary is creative, iterative, non-linear and strategic, which for those seeking to insert known quantities into a linear equation, is an uncomfortable reality.

Technology and the user

Effective planning to close the constantly emerging capability shortfall requires a clear understanding of the gap and also a realistic understanding of the art of the possible. Identification and articulation of requirements in isolation is not capability management – capability managers must also set the agenda for how the requirements will be met and manage the wider programme of delivery. Indeed, it is irresponsible to articulate requirements without a full understanding of the technical solutions available, because money spent trying to procure the unfeasible is invariably wasted.

Business and technology

It is not just the technology to deliver a solution that matters; there must also be a commercial and industrial mechanism. It is ultimately business that delivers the solution and so in considering the feasibility of a solution, industrial strategy must also be addressed. Industry is part of the national defence capability and poses complex challenges. The quest for VfM is noble but difficult to assess and achieve. Commercial purists will seek competition but, whilst it has a vital part to play in procurement, the best interests of the nation are not

served by its blind application. The benefits of long-term relationships, protection of niche and sovereign capabilities, encouragement of (sometimes risky) technology development, sustainment of strategic supplies and promotion of export trade all rightly come into play.

Government and business

It is the role of government to achieve best VfM and hence to determine the right procurement and support strategies. Whilst capability managers should not be directly involved in contract negotiation, placement and management, they must be fully involved in determining and reviewing the strategy and delivery, because commercial risks are as significant as any other in determining the capability outcome.

A defining moment for defence

UK defence has reached a defining moment: the armed forces are approaching 10 years’ commitment to high-intensity operations, the economic outlook is challenging at best, funding and headcounts have been reduced, huge strategic decisions have been made (carrier, Harrier, Nimrod, etc), and reorganisation at multiple levels has been initiated. The world looks no more secure than it did 10 years ago and so what we require of our armed forces remains of paramount importance. With reduced funding, effective capability management is more important than it ever has been and so it is beholden on our leaders to think long and hard about how they will achieve it – because it is they who will ultimately be held to account. Departmental reorganisation offers an opportunity to get it right, but only with commitment to a common vision and appropriate prioritisation.

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