

The Journey of UK Defence Reform: The Story of One Contribution from Research, Education & Training

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Summary

Defence accounts for approximately £40 billion of government spend and as a Department, the UK Ministry of Defence (MOD) is under relentless pressure to do more for less. At the same time, the need to deliver and maintain effective military capabilities across all domains – air, land and sea – and to be able to respond to defence policy at a time of new and emerging threats, involves some of the most complex projects and programmes in the world. The MOD has been the subject of many independent reviews and government audits aimed at improving its performance. The paper outlines the most recent activities that have shaped the Department's Defence Reform agenda and draws a comparison with similar and synchronous reviews undertaken in the US Department of Defence (DOD). Building on the more established disciplines of project and programme management, emergence of a portfolio management approach is posited as a key theme underpinning Defence Reform on both sides of the Atlantic. In the UK, Defence Reform has resulted in changed structures, new roles and, at least to some extent, different ways of working. In dealing with these challenges, the MOD has called upon Cranfield University for support resulting in the design and delivery of a range of new education and training courses. The author, an academic at Cranfield's Centre for Defence Management and Leadership (CfDML) has been directly responsible for some of that work. The paper describes three interventions at project, programme and portfolio level aimed at supporting Defence Reform and the research undertaken in connection with those interventions. The paper discusses the degree to which such research has been able to provide genuine 'thought leadership' to the MOD and concludes that whilst there is evidence of a contribution, there are inevitable limitations to the scope and scale of that contribution.

Keywords: project management, programme management, portfolio management, defence, transformation, organisational development

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1. Introduction

When the coalition Government came to power in the spring of 2010, it found that the previous Labour administration had initiated a portfolio approach to investment in public sector projects and programmes. The so-called Major Project Portfolio (MPP) comprised about 40 of the largest investments in change – including the Olympics (Culture, Media and Sport), Crossrail (Transport), Pandemic Flu (Health) and Strategic Deterrent (Defence). These changes represented high value, pan-departmental, national interest and manifesto related initiatives and were required to report on a quarterly basis to Treasury, and by exception, to No.10.

In January 2011, David Cameron issued a letter that extended this activity and outlined his plans to create the Major Projects Authority (MPA) within the Cabinet Office under Francis Maude and to provide it with a mandate to improve Government's record of delivering projects. The MPP was re-badged the Government Major Project Portfolio (GMPP) and comprised in the order of 200 major projects and programmes. That letter effectively legitimised the use of the word 'portfolio' and formalised a project, programme and portfolio management (P3M) approach across UK Government.

This paper comes in four parts. It first defines 'portfolio management' and then goes on to describe recent events that have shaped the Defence Reform agenda both in the UK and the US. As an academic working at Cranfield University's Centre for Defence Management and Leadership (CfDML), the author has been responsible for supporting Defence Reform through teaching and research. The third part of the paper describes some of the work undertaken for the Ministry of Defence (MOD). Finally, the paper discusses the perceived contribution of that work to MOD's organisational development before offering up conclusions that acknowledge both its value and limitations.

2. Defining Portfolio Management

The US Project Management Institute (PMI) Standard for Portfolio Management (PMI, 2008) describes a 'portfolio' as:

A collection of projects and / or programmes and other work that are grouped together to facilitate the effective management of that work to meet strategic business objectives and portfolio management as:

The centralised management of one or more portfolios, which includes identifying, prioritising, authorising, managing and controlling projects, programmes and other related work, to achieve specific strategic business objectives.

In the UK, the Association for Project Management (APM, 2012) provides the following definition:

The selection, prioritisation and control of an organisation's projects and programmes in line with its strategic objectives and capacity to deliver. The goal is to balance change initiatives and business-as-usual while optimising return on investment.

In the recently published guidance *Management of Portfolios* (MoP)(OGC, 2011) a 'portfolio' is defined as "the totality of an organisations' investment (or segment thereof) in the changes required to achieve its strategic objectives" and 'portfolio management' as "a co-ordinated collection of strategic processes and decisions that together enable the most effective balance of organizational change and Business as Usual." To paraphrase, if project and programme management is about *doing things right*, then portfolio management is about *doing the right things*.

MoP is structured around 5 principles and 2 management cycles. The principles – senior management commitment, governance alignment, strategy alignment, portfolio office and an energised change culture – represent the foundations upon which effective portfolio management is built and provide the environment for 'doing the right things'. Unlike project and programme management, however, portfolio management is a continuous 'business as usual' activity and as such, does not have an end point (unless that is, the organisation itself ceases to exist).

MoP describes the nature of this continuous activity in the form of two cycles: *definition* and *delivery*. The faster the tempo of the business, the faster these cycles must rotate. So, for example, the challenges associated with identifying, evaluating and prioritising investments in the electronics or software sectors will spin their cycles to allow decision making at a much faster pace than that of say, the nuclear or pharmaceutical sectors where the portfolio cycles will rotate much more slowly. In defence, this cycle is expected to be synchronised to the political cycle of government elections and the associated Strategic Defence and Security Review (SDSR).

From these various definitions, it can be seen that there is close alignment of definitions from various sources, both in the UK and US. The key features of a portfolio approach relate to the organisational overview of investment in change that it provides, the facilitation of prioritisation that follows and the emphasis on performance management. These features will be seen to resonate with the planned outcomes of Defence Reform.

3. Background to Defence Reform in the UK

In December 2008, the then Defence Secretary, John Hutton, asked Bernard Gray to undertake a review of defence acquisition. The resulting report was published in October 2009 (Gray, 2009). It identified a number of areas where the business of defence could be improved relating to more effective prioritisation, improved governance and decision making and further up skilling of civil servants and serving military in project and programme management.

The MOD response, published just a matter of weeks later, did not agree with everything in the Gray Report, but it did accept most of its recommendations and in particular its two central thrusts: (a) the need to adjust the so-called 'over-heated equipment programme' to bring into balance with available resources and (b) the need to make significant improvements in the management of Defence through closing the business skills gap and strengthening the interfaces between Defence customer and supplier organisations.

Following their coming to power in March 2010, the coalition Government immediately commissioned a Strategic Defence and Security Review (SDSR) and a Comprehensive Spending Review (CSR).

The SDSR, published in October 2010, made clear the need for significant change to address the 'over-heated defence programme' and to prevent such a financial crisis ever happening again by addressing the underlying problems.

In August 2010 the Defence Secretary, Dr Liam Fox, in parallel with work ongoing for the SDSR publically launched Defence Reform. This represented a 'root and branch' review of the way Defence worked and was therefore expected to take place on a time frame different to that for the SDSR itself. The aim was to develop a new model for departmental management which was simpler and more cost-effective, with clear allocation of responsibility, authority and accountability.

A Steering Group was set up, chaired by Lord Levene, with a mandate to fundamentally examine how the MOD was structured and managed and to make recommendations to improve its overall performance.

In June 2011, the Levene Report was published. Its recommendations included strengthened top level decision making, a more strategic Head Office, clearer responsibilities and genuine individual accountability, empowered Service Chiefs with greater freedom to manage and strengthened financial and performance management. These recommendations essentially provided the agenda for what followed: Defence transformation and the introduction of a new Defence operating model.

At the end of July, the 2nd Permanent Under Secretary, Jon Day, and the Vice Chief of the Defence Staff, General Sir Nick Houghton, issued a letter that set out the way forward. The new operating model (essentially an output of Levene) was issued for consultation in September, its implementation started in April 2012 and substantially completed one year later. In reality, work will be continue up to, and beyond, the next general election and associated SDSR (in 2015) in order for that experience to be understood and internalised.

4. Synchronicity: The US Department of Defence (DOD) Reform Agenda

In March 2007, the US Government Accountability Office report (GAO-07-338) recommended that the Secretary of Defense implement an enterprise-wide portfolio management approach to making weapon system investments that integrated the assessment and determination of warfighting needs with available resources and that cut across the US armed services by functional or capability area.

It specifically recommended that the DOD:

1. Establish portfolio managers who are empowered to prioritize needs, make early go/no-go decisions and allocate resources and hold officials at all levels accountable for achieving and maintaining a balanced portfolio within resource constraints.

In September 2008 (curiously around the time that Bernard Gray was approached by the Defence Secretary in the UK), the House of Representative's Committee on Armed Services asked the GAO to testify on measures needed to further reform the acquisition of major weapon systems and related legislative proposals. The GAO reported in April 2009 (GAO-09-663T). The report provided details on cost growth and schedule delays in the DOD's portfolio of weapon systems: c.25% and 20 months respectively and stated that whilst there can be "legitimate debate over which set of measures are the best explanation of the problem, there can be no debate over the fact that the problem is significant and calls for action" (GAO, 2009, p.4).

The GAO report described the way in which DOD key processes "create pressures to promise high performance, keep cost estimates low and proceed with calendar-driven versus knowledge-driven schedules" that results in commitments to more programs than there are resources. Moreover, because different organisations are involved, it is "difficult to hold any one person or organisation accountable for ensuring that the department's portfolio of programs is balanced".

In its conclusions and recommendations, the report stated that the "DOD has also recently established a capability portfolio management framework to facilitate more strategic choices for allocating resources through the funding process" and whilst "portfolio managers have provided key input and recommendations and may improve the management of individual capability areas, there still needs to be higher level DOD attention to improving the match between the number of major defense acquisition programs and available funding" (GAO, 2009, p16).

In this way, central to the move to a portfolio management approach, both in the UK and US, was the need to be able to identify, understand, evaluate and prioritise the total commitment in defence discretionary spend. At the same time, such an approach was seen as being able to equip the organisation with an holistic view of risk hitherto unseen.

5. The Contribution of one Academic Institution to Defence Reform

The themes emerging from the US analysis resonate with the changes that were taking place in the UK at precisely the same time.

This was, perhaps, no coincidence. Pressures on governments to do more with less were (and arguably still are) universal. It was against this backdrop that Cranfield University – and specifically the Centre for Defence Management and Leadership (CfDML) - was required to lead in the provision of education and training programmes that served the needs of its customer, the UK MOD.

By way of background, it was in 2004 that the MOD re-engaged Cranfield University as its 'academic partner' for the provision of technology and management education at the Defence Academy of the United Kingdom, Shrivenham. Under this arrangement, the MOD, as customer, specifies its requirements and Cranfield, as supplier, are invited to respond with tailored proposals and associated costs. If successful, course design, development and delivery follow, perhaps on a pilot basis or as a series. This section of the paper describes a number of initiatives of direct relevance to Defence Reform that have been successfully developed and delivered by the author as a Senior Lecturer working at the Centre for Defence Management and Leadership and based at the Defence Academy.

5.1 Project Management in Defence: Technical Employment Training

The Defence Training Review (DTR) (MOD, 2001) directed the formation of an integrated training and education system aligned to operational and business needs. In parallel with the DTR, the Review of Officer Career Courses (ROCC) conducted a needs analysis which led to reforms in military officer career training and education. A key ROCC recommendation was that officers taking up roles in acquisition should receive relevant management training and project management was acknowledged as a key area to be addressed. This recommendation resulted in the need for a new course - to become known as Technical Employment Training (TechET) – which ran for the first time in June 2005 and thereafter twice a year for c.50 Army majors in each cohort. The course was successful and in 2008, TechET was extended to all services, re-named Acquisition Employment Training (AET) and contracted to run three times a year on an ongoing basis. In March 2008, a research proposal was submitted to MOD the overall aim of which was: To ascertain the perceived contribution of project management education and training received during TechET, to the successful delivery of defence projects and to determine the barriers in the work place, if any, that may frustrate or prevent the realisation of those benefits.

The proposal as accepted and funding made available. Data collection involved both standardised questionnaires and semi-structured interviews involving students who had completed TechET and transitioned to the workplace. Broadly speaking, therefore, the study adopted an interpretive paradigm involving mixed methods and the use of both quantitative and qualitative data collection methods. A key aim of the research was to explore the experiences of students overtime. As such, the decision was taken at the outset to conduct a longitudinal study with data collection extending over an 18-month period, from June 2008 to November 2009.

The study found that the key benefits were at the level of the individual and included project management awareness, fluency in technical language and core skills development. The barriers to the application of learning, and the creation of new learning involved, were found to cut across all elements of competence, at various levels of the organisation - not only knowledge and skills at the level of the individual.

Factors that were found to prevent the transfer of learning into the workplace included local working practices, behaviours and relationships and the quality of management and leadership – as well as elements of corporate and HR policy. The research concluded (Egginton, 2010) that there was a need for a different approach to educating and training that better supports project delivery in a complex and dynamic environment. One student put it in these words:

While learning a great chunk of theory is fine, and the way we tend to do things now (and have done in the past) I feel that little and often is a better way to learn a new skill like Project Management. Work experience is paramount. Embedding someone in a team and then drip feeding them throughout their time with that team would have, in my opinion, great results.

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This study highlighted issues – and opportunities – associated with organisational culture and structures that had hitherto been perceived but not evaluated. The organisational barriers identified were familiar to many, but evidence of the associated issues had previously been lacking. The study therefore enabled and informed serious consideration of the need to improve organisational effectiveness through addressing the quality of social processes and the development of a culture of mutual support and learning across the MOD organisation.

5.2 Programme Management in Defence: Senior Responsible Owner Training

The growing realisation of a need for improved delivery of public sector programmes led to the publication, in 1999, of the first edition of OGC's 'Managing Successful Programmes' (MSP). However, it was not until 2005 that the MOD introduced a mandatory course, designed and facilitated by CfDML, that all newly appointed Senior Responsible Owners (SROs) were expected to attend (2nd Permanent Under Secretary for Defence, Sir Ian Andrews issued the instruction and attended the first courses). The aim of that 2-day course was (and remains) to allow SROs to successfully apply the MSP framework to major programmes within the MOD. Now in its 4th (2011) edition, MSP continues to represent a key reference for the course.

In addition to the delivery of this SRO course, two further contributions from CfDML are worthy of note: firstly, facilitating a number of programme specific workshops at the request of very senior SROs and secondly, supporting the increased demand for SRO training across MOD following the transfer of responsibility from Head Office to Front-Line Commands (FLCs) as a result of Defence Reform. This 'surge' in training took place during Q1-Q2 2013. Going forward, the steady-state demand for SRO training will be met through the pre-existing arrangement (2 courses per year) supplemented by other interventions on an as-needed basis for individual SROs and Commands.

Research by Cranfield has contributed to the development of this training in two key respects. Firstly, studies conducted at Cranfield's International Centre for Programme Management (ICPM) were used to inform the further development of two key themes: leadership and benefits management in the latest revision of MSP. Secondly, the delivery of SRO training has allowed the collection of anecdotal evidence from delegates regarding their main issues and concerns. During the period 2009-2012, with c.40 senior officers involved, analysis of this data has allowed the identification of a number of re-occurring themes including:

Accountability: The principle of individual accountability was threatened by a lack of authority and insufficient ownership of the necessary resources. *Organisational Maturity:* The variable maturity of programme management across MOD adversely affected implementation across the organisation.

People development: Career paths for the development of programme management staff are not clearly signposted. Moreover, the lack of a strategic approach to developing people results in frustrations for the individual and loss of benefit for the organisation.

This research, and the identification of these and other key themes, have afforded CfDML the opportunity to develop appropriate responses and provide relevant input to discussions involving future course requirements for MOD senior managers and leaders. This remains a work in progress in the context of Defence Reform but progress has been made enabling FLCs to respond positively to their new responsibilities.

5.3 Portfolio Management in Defence

In Autumn 2007, the MOD approached CfDML with a requirement for an executive course that had the aim: *to introduce delegates to the principles and practice of programme and portfolio management, their use and application in industry and their relevance to defence.* The pilot course ran in June 2008. At that time, there was no published UK guidance on the subject of portfolio management and as a result, the US PMI Portfolio Management Standard (2008) was used as a key reference.

Following a successful pilot, the Defence Strategic Programme and Portfolio Management (DSPPM) course was formally launched and continues to run twice per year working with UK Office of Government Commerce (OGC) guidance in the form of Management of Portfolios (MoP, 2011).

During the period 2009-2010, a short research project was conducted using primary data collected from syndicate work undertaken by a total of 67 delegates attending four DSPPM courses. The syndicate group task required delegates to identify the 'helping' and 'hindering' factors relating to the implementation of portfolio management within and across MOD.

The research identified a number of 'helping factors' that included the "will to change" and "2nd PUS support" for moving forward in respect of the need "to do better".

The wider Government agenda around portfolio management, including work at the Cabinet Office was seen as providing both an opportunity, and a mandate to move forward from a position of “no effective portfolio management” to one of “demonstrably effective” portfolio management. It was also found that the “funding crisis” and the “enduring nature of operational commitments” meant that the “economic situation compelled improved prioritisation” and the need for a “better effect for the money available”. “Growing openness” around the “right thing to do” combined with “public opinion” and the “logical argument” were believed to be significant in contributing to a move towards “increased professionalism” as part of a “maturing portfolio management capability”.

The ‘hindering factors’ fell under three headings: (1) structures, (2) attitudes & behaviours and (3) process & procedures. With regards to structures it was found that “MOD hierarchy”, “governance structures” and “management constructs” (in particular financial structures) were seen as being inconsistent with the need to enable “trading compromises”. The “bureaucracy” of the “MOD financial architecture” also frustrated the need to consider initiatives that spanned multiple budget holders.

In respect of attitudes and behaviours, “partisan behaviours”, the absence of “true purple” behaviour² and “inter-service politics” were all identified as key blockers associated with “MOD culture”. Also mentioned were “lack of “compelling drive and conviction” and resistance from “behaviours at the level of the individual (“what’s in it for me?”) as well as the “fiefdoms” and “tribalism” that obstruct decisions in the best interest of the Department. The third factor concerned process and procedures. Here “ineffectual” or “lack of management information” and “consistent data” was a re-occurring theme. There was believed to be a “residual desire to do everything” and a “reluctance to effectively prioritise” which might otherwise have led to “killing projects” though here “existing contractual commitments” were acknowledged as being a limiting factor.

In summary, whilst there was consistent and strong support for adopting a portfolio approach to investment in Defence, with both a will to change and an increasing awareness of the need to do things differently, it was recognised that this would require significant changes to Departmental structures, people and process.

² ‘Purple’ is used within the Ministry of Defence to represent a tri-service approach.

Moreover, central to successful change was the declared need to address the issues associated with legacy attitudes and behaviours. Attempts to change structures and processes without the necessary adjustments to attitudes and behaviours would, it was believed, be nugatory.

6. Discussion

The political environment in the UK (and equally, the US) over the past decade or so has provided the UK MOD with a number of specific challenges. Clearly, the demands placed on our Armed Forces as a result of recent conflicts in Iraq, Afghanistan, Libya and elsewhere have generated a high tempo of military operations and significant investments in Urgent Operational Requirements (UORs) for battlefield capabilities managed outside the norms of MOD projects and programmes.

At the same time, the 'age of austerity' has meant that all government Departments, and Defence has been no exception, have been expected to do more for less. These pressures have combined to create a 'perfect storm' for the MOD resulting in the need to undertake radical and fundamental reform at a time when the organisation was already highly stressed.

The Defence Reform agenda in the UK has in many respects been shaped by the confluence of two key streams of activity: firstly, the independent reviews undertaken by Gray (2009), SDSR (2010) and Levene (2011) and secondly, the increased maturity of project, programme and portfolio management (P3M) principles and practice as reflected in the professional literature, including OGC guidance. It is an ongoing task of CfDML, therefore, to maintain a current and comprehensive understanding of the context within which it works from both these perspectives - socio-political and educational - if it is to be in a position to support the MOD and be able to respond to its changing educational and training needs. A comparison of the milestones associated with a number of key contextual events in recent years together with those pertaining to CfDML activity is presented in Table 1.

Table 1: Comparison of Key Dates

	MOD(DOD) Report	P3M Event	CfDML Activity
			SRO course launched
	US Review (GAO-338)	MSP 3 rd Ed.	
		PMI PfM1 st Ed.	DSPPM course launched
	Gray Report		Author’s TechET report
	SDSR / CSR		Author’s PMI paper
	Levene Report	MSP 4 th Ed.; MoP1 st Ed.	ICPM informs MSP; DSPPM revised for MoP
	New Operating Model	APM BoK 6 th Ed,	DSPPM research report
	MPA: 1st annual report		SRO training surge

Working as part of an environment shaped by socio-political and educational influences, the role of CfDML in supporting the MOD may be summarised in the form of two key objectives: (1) to respond to the education and training needs arising from developments in Defence across the spectrum of management and leadership and (2) to provide ‘thought leadership’ in Defence and deliver the evidence required to develop policy and inform policy changes.

It is pertinent at this juncture to reflect on the extent to which CfDML has achieved these two objectives, and to comment on the challenges associated with both.

Given the feedback received from MOD, one could conclude that CfDML has by all accounts been relatively successful in respect of the first of these objectives. In the cases described above, for example, learning aims and objectives were deemed to be highly relevant to the needs of the organisation and enabled the ‘students’ (senior managers and military officers) to reflect on their own individual issues and act accordingly. In this way, both ‘training’ and ‘educational’ outcomes were achieved. Detailed feedback sought following each and every training event has, almost without exception, been extremely positive. To that end, CfDML have provided responses to the both the training requirements and educational needs of the MOD in a way which has enabled its leaders and managers to take appropriate, timely and effective action. The situation is rather different and not so clear cut with regards to the second objective, the provision of ‘thought leadership’ in Defence. Conducting and publishing research is the main means by which academia strive to both inform teaching and influence thinking.

It could be argued that for the MOD, not all teaching has been under-pinned by primary and published research undertaken by CfDML or for that matter, other institutions.

However, it is interesting to note from Table 1, that there is evidence to suggest that CfDML, has, at least to some extent, been leading thinking in Defence insofar as the key dates for its activities appear as predecessor– or at worst– concurrent activities to those of the MOD and the P3M profession. Put another way, one could argue that CfDML has not simply been responding to MOD requirements, but at times, has been leading in the development of thinking on ideas and options for improved MOD performance.

A number of specific examples where this is believed to be the case might help make the point. Firstly, the directed research funded by MOD, reported in 2009 and published the following year (Egginton, 2010) was well received by the Head of the MOD Project and Programme Management (PPM) Centre of Excellence and its recommendations shared with the PPM Council. At that time, a number of questions relating to Gray were starting to be addressed and feedback received would indicate that the research helped to inform that debate.

Secondly, the SRO related research provided a useful baseline against which future course requirements – including the 2013 'surge' – could be evaluated and refined. Finally, design and delivery of the DSPPM courses since 2008 together with the research undertaken during 2009-10, introduced and re-inforced the benefits of portfolio management principles to MOD. These activities pre-empted both Gray (2009) and Levene (2011) and arguably enabled the MOD to address the detail of those reports in a timely and effective manner building on their pre-existing understanding of what improved governance and prioritisation of investment would require in terms of organisation development.

Going forward the challenges confronting Defence are unlikely to diminish. The withdrawal from Afghanistan is expected to bring with it a reduced operational tempo and the elimination of UORs. However, the implementation of the new Defence operating model will continue to challenge even the most senior of officials whilst at the same time highlight a shortage of suitably qualified and experienced personnel at other lower levels.

This will involve the development and delivery of existing and emerging business change and military capability programmes within the context of a transformed operating model construct comprising a Defence portfolio and FLC sub-portfolios.

Added to this, central Government through both the National Audit Office (NAO) and the Major Projects Authority (MPA) is expected to play an increasingly interventionist role as and when required. This in itself raises a further, fundamental issue: the reliability of the criteria used to define, and the indicators used to measure performance. Defence Secretary Phillip Hammond was recently quoted (Desider, January 2014, p6) as saying:

We are beginning to see the evidence of progress, and whilst I do not want to pre-empt the Major Projects Review report that National Audit Office will be publishing, I am confident that it will show significant improvement in respect of the period since we balanced the budget in May 2012.

It could be argued that the criteria used to 'baseline' Defence project and programme performance are themselves flawed. Project and programme management literature highlights the difficulties associated with using traditional outcome metrics such as cost, schedule and performance for any other than the simplest of projects (Shenhar and Dvir, 2007; Fox and Miller, 2006). Nevertheless, the UK Government through the NAO continues to focus primarily on those three metrics even for the largest, most complex and most political of its Defence programmes. In reality, the extent to which these traditional metrics have any real managerial or policy effectiveness is questionable. Clearly, if the assessments of outcomes are flawed then so too may be the specific prospective interventions aimed at averting failure.

One final point relates to the importance of behaviour as part of effective organisational development. The tangible aspects of organisational development – roles, structures, job descriptions, training and so on – have been central to the implementation and support of Defence Reform. However, an equally important part of effective and sustainable organisational transformation relates to the need to affect behaviours in the workplace.

Clearly, the extent to which behaviours can be affected in a traditional classroom setting as part of a structured programme of learning is limited. Changing behaviours, therefore, must remain first and foremost a responsibility of MOD senior managers and leaders.

7. Conclusions

The Levene report (2011) made 53 recommendations on how to transform the MOD into a leaner and more effective organisation that could better serve and support the needs of the Armed Forces. A follow up report published two years later acknowledged the significant progress that has been made to transform the MOD into a more professional and responsible organisation with better leadership, direction and prioritisation (Levene, 2013). Chief of the Defence Staff, General Sir Nicholas Houghton, has recently stated (Desider, January 2013, p27):

Defence Reform has required some innovative changes to the structure and management of defence. But the results of these changes will lead to a more agile force structure with capabilities better suited to the security challenges of the age. So, it seems reasonable to conclude that progress has indeed been made. A number of other conclusions might be drawn with regards to the core theme of this paper: the contribution of research, education and training provided by CfDML to MOD organisational development and transformation.

Firstly, as has been said, academic institutions have two key roles in supporting organisational transformation and development: to teach and to research. However, the extent to which they are able to perform those two roles is likely to vary from situation to situation. In the context of this paper, through tailored programmes of class-room based education and training, CfDML have clearly supported the MOD in dealing with the challenges of organisational change associated with Defence Reform. However, the extent to which CfDML has been able to provide 'thought leadership' on the need for, and nature of, those changes, and in shaping the behaviours required to support and sustain organisational development, is less certain. Secondly, the principle of 'research led teaching' still stands even if the only data available is secondary and wholly qualitative in nature. The opportunity to do primary, social science based research on a timeframe that suits the cycle and tempo of projects and programmes of change in Government – particularly Defence - is limited. At the same time, the barriers associated with military and civil service issues of confidentiality present an additional set of challenges for research in this area.

However, although limited, the opportunity should not be lost altogether. This suggests that a concerted effort to raise the profile (and available funding) for a directed research agenda that could make a difference in the longer term is needed.

Thirdly, in dealing with large organisations – particularly in the public sector – the extent to which any one academic institution is able to influence developments, even when drawing upon the results of robust research, is arguably very limited. The machinery of Government is such that an individual contribution, delivered in isolation of others, is unlikely to gain sufficient traction to enable that contribution to make a measurable difference. This highlights an opportunity for closer collaboration between academic institutions in respect of research aimed at supporting organisational development and transformation in Government, perhaps even on a Department by Department basis.

Finally, it must be said that the MOD, as with other Departments, has little if any control over the ways and means by which Government, and specifically the NAO, define and implement success criteria for projects and programmes. The fact remains, however, that it is against those criteria that actions to improve performance – at both specific initiative and Departmental levels - are assessed and justified. Improving the quality of these criteria might therefore assist in a better understanding of what is expected and improved management of those expectations when things change. To complement the traditional outcome metrics, therefore, other appropriate measures might be developed. Measures that are better able to reflect the levels of political and institutional interest in Defence projects and programmes. Such measures might, for example, relate to performance in process and governance, and include factors such as transparency, accountability and regulatory compliance. They might also account for the contribution towards, or performance of, the UK economy or the UK industrial base. An evidence led policy approach would suggest that the development of more meaningful performance measures would, in and of itself, benefit from further research.

8. Closing Statement

This paper has presented an analysis of the events leading up to and subsequently shaping Defence Reform in the UK, and the part played by one academic institution in supporting those developments through the provision of research, education and training.

In its Major Projects Report published 13th February 2014, the NAO stated (MPR, Summary, p9)

With the exception of the Carriers, where costs have increased by £754 million, the performance of other major projects during 2012-13 has resulted in no overall significant cost increases and minimal delays in comparison to previous years.

Again, in the accompanying publication, Equipment Plan 2013 to 2023 (NAO, February 2014, p6):

The Department's work to address the affordability gap and lay foundations for future stability, on which we reported last year, appears to have had a positive effect on the Department's ability to maintain an affordable Equipment Plan.

Clearly, it is early days to judge the success of Defence Reform. The SDSR planned in 2015, following the next General Election, which be very telling insofar as the new structures and ways of working will be tested for real. However, indications of progress and improvement are emerging. The contribution of research, education and training to date, therefore, might be judged to have had some positive impact. I, for one, would certainly like to think so.

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