

DE&S: change for the future



The Strategic Defence and Security Review, along with the work of the Defence Reform Group, means that the plans DE&S had under its business improvement programme, PACE, will have to be rethought. In this feature, Steve McCarthy, DE&S Chief of Staff, tells MOD DCB what lies ahead for the organisation.

Although we now know the headlines from the Strategic Defence and Security Review (SDSR) and the Comprehensive Spending Review, it is much too early to say what they mean for DE&S in detailed terms.

But we do know that we are in a very different world from when PACE – Performance, Agility, Confidence, Efficiency – was launched in March 2008. The outcome of the SDSR has given us a whole new level of challenge and we will need to respond in kind with a more radical approach.

The PACE programme was conceived and set up to improve DE&S' support to the Armed Forces following the merger of the Defence Procurement Agency and the Defence Logistics Organisation. It was designed to turn DE&S into an agile and efficient organisation by operating in a different way and removing the inevitable duplication of two organisations joining together.

The DE&S Blueprint set out what the programme was expected to achieve and described what DE&S would look like in 2012. A great deal of progress has been made towards those aspirations – it is easy to forget how much – and the diagram below gives a flavour of how DE&S has changed since PACE was launched.

The scale of the changes to DE&S that will be needed as a result of the SDSR, and the fact that they extend to 2015 and beyond, means that we need to rethink the plans we had under PACE. We need to both address the impact of the SDSR and take account of the defence reform exercise which has yet to complete.

It will take several months to work through how our business needs to change and the full extent to which we must reduce our numbers. The defence reform work is likely to have implications for the scope and organisation of DE&S and decisions on that will only begin to emerge next year.

Given this, the DE&S Board has decided to draw a line under PACE and the

programme has now been formally closed. It will be replaced in due course with a new change programme to deliver the organisational implications of the SDSR and defence reform. Many of the reforms begun under PACE will be relevant to further improving the efficiency of DE&S and the effectiveness of acquisition and will be continued or taken further in the new programme, or on a continuous improvement basis.

These include:

- Collocation
- Skills and workforce planning
- Process improvement
- Information knowledge management
- Acquisition Terms of Business Agreement
- Programme delivery costs
- Partnering for skills
- Capability delivery

The Board's recent decision on Flexible Resourcing also stressed a continuing commitment to FR. With internal resources likely to remain severely constrained, a flexible approach to the deployment of staff will become more important than ever.

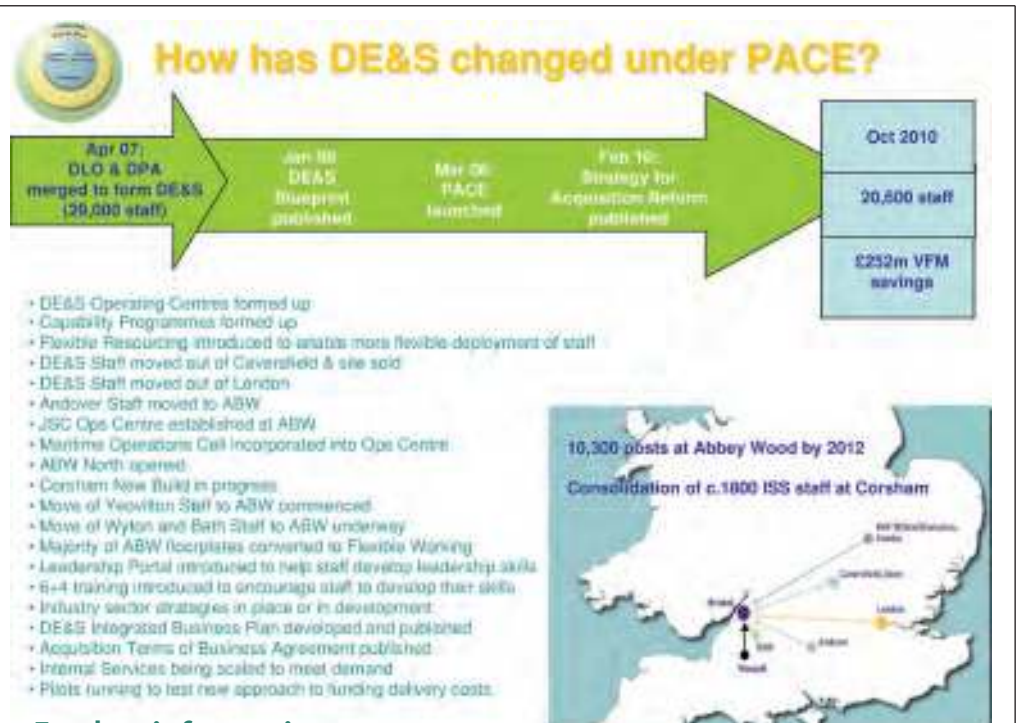
The new programme will launch in due course and be managed by a small Business Change team in the Chief of Staff area. Where we can sensibly start work early, we will – for example on the efficiency programme and SDSR impact on our numbers.

In fact an early saving has been a 2 star post – mine – as the Director Change and Chief of Staff posts have now been merged. But other work like organisation design will need to keep step with the broader Departmental timescale on defence reform.

New plan for corporate change

The new corporate change programme will focus on a number of areas:

- Work on the design and organisation of DE&S from April 2011 and its evolution over the following years.
- Work to reduce our numbers to reflect reductions in the equipment and support programme.
- Work to improve efficiency, ensuring we remain safe and professional.
- Work on our resourcing processes and the way we operate across the business.
- Work to ensure we have the right skills for our needs – through the right recruitment, training and where appropriate release of personnel – supported by the right business behaviours and leadership.



Further information

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