

By the Autumn of 2002, the Government's efforts to improve the value for money in defence procurement was seemingly running out of steam. The implementation of the much-vaunted Smart Procurement Initiative (now renamed as Smart Acquisition) had been proceeding for four years and, although important progress had been made, some important elements of the initiative were still stalled at the starting gate while new problems were emerging.

It was three years since the publication of *Dancing with the Dinosaur*, and an update was increasingly desirable if the students at the Royal Military College of Science and many others in the defence community were to keep abreast of developments.

Accordingly, the author set out to interview over 100 individuals selected from all levels of management in both the Ministry of Defence and the defence industry. Operating on a non-attributable basis, the author drew from these people candid opinions on the extent of progress that had been made in implementing Smart Acquisition. What was extraordinary was that, far from hearing a range of disparate opinion, almost everyone expressed a unanimous view on the state of play. And that view was far less sanguine than that expressed by senior MOD officials. Were the latter out-of-touch?

Based on those interviews, the author devised a scheme for marking progress, which showed just how much, or indeed just how little, progress had been achieved in the first four years, during which huge efforts had been concentrated on at least some aspects of acquisition. The marking scheme considered some 73 categories and divided these into "enablers" and "key initiatives", giving considerably higher marks to progress on the latter than on the former. As MOD had put considerably more effort into reorganisation and process redesign than in many of the "key initiatives", it is not surprising that the final marks awarded were rather lower than MOD officials thought fair. Disappointingly, no MOD marking scheme of similar depth has been made public.

The book lays out the full background to this marking. It starts by looking at the main elements of Smart Acquisition – organisational change, process and procedures, partnering industry, smart people for MOD and research and technology – and in each case examines the progress made, the stagnation that remains and the regression caused by difficulties and second thoughts. Many illuminating quotes are culled from the interviews, including:

"Process is deemed more important than the project."

"It's all process – have we lost sight of what we are trying to do?"

"XDs [Executive Directors in the DPA] are trying to find a role, but will it be one that adds value?"

"When things go wrong, the old adversarial mentality returns."

"Many small companies may lose interest in MOD business altogether."

"DPA sees innovation as a threat."

And so on.

Pulling the strands together, the author considers overall progress, stagnation and regression. He notes the very real progress that has been made, including empowerment and personal

accountability, culture change in some MOD areas and relations with industry at some stages of the acquisition cycle. But the list of where stagnation or regression dominates is far longer. The real disappointment is that it is the "key initiatives" where stagnation is most marked, rather than in the "enablers", and it is this fact that reduces the overall marking and undermines the whole Smart Acquisition operation.

It is easy to criticise; finding solutions is far more difficult. The author does not duck this challenge and sets out his vision of Intelligent Acquisition to achieve the "faster, cheaper, better" aim originally embraced in 1998. Of crucial importance is cycle time, rather than the elimination of cost overruns and delays that has been the prime goal of the DPA. Time is money, and we cannot afford to spend twenty years designing and producing a piece of equipment. Neither can the serviceman afford to wait that long for important new capability. Time must be cut – and cut drastically. It can be done and the author shows how. Once this is done, much else will fall into place – but only if followed through with energy and clear-sightedness. Through-life integrated project teams need to become a reality, committee structures need changing and the divide between the Short Term Plan and the Equipment Plan needs bridging. 'Stovepiping' has to be managed, competition needs rethinking and high-level decision making has to be improved.

Innovation must be embraced, partnering industry has to become a reality in all acquisition phases, and research and technology has to be given an urgent kiss of life. Above all culture in both MOD and industry has to change radically. How all this is to be done is discussed in detail. Smart Acquisition must not fail, for the price of failure is too high. Apart from the waste of up to a third of the equipment budget and the doubling of a realistic time cycle, failure would put the future of the UK defence industry at risk, seal the destruction of the UK research and technology base, and undermine the operational readiness of the UK Armed Forces. Smart Acquisition is as critical as that.

The author served in the Army for 36 years, half of which time was spent in the Ministry of Defence in a succession of posts within the acquisition community. His last job was as Director of Operational Requirements for all land systems equipment. Since 1995, he has headed TheSAURAS Ltd, a consultancy specialising in aspects of equipment procurement. He has chaired conferences and lectured for the MOD, the Royal Institute of International Affairs, the Royal United Services Institute, the Royal Military College of Science, the Joint Services Command and Staff Course, Cranfield University, Southampton University, the Defence Manufacturers' Association, the British Marine Equipment Council and at many commercial conferences. He has taken part in working groups of the Defence Scientific Advisory Council, in technical audits of DERA teams and in many industrial red teams. He is an Associate Fellow of RUSI, a member of both the UK Defence Forum, and the Strategic and Combat Studies Institute. He writes for many defence journals and is Editor of RUSI Defence Systems.