Session 2: Institutional Perspectives & Reform Priorities

How to develop an effective, efficient and democratic defence institution – the lessons we are learning

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The MoD golden standard

- Full civilian supremacy
- Realistically defined mission and functions
- Balanced institution
- Transparency, accountability and responsibility
- Military and civilian professionalism
- Clear division of responsibilities
Introductory Q&A

<table>
<thead>
<tr>
<th>Questions</th>
<th>Brief Answers</th>
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<tr>
<td>What makes MoD an institution?</td>
<td>- Norms, procedures, leadership, traditions, professionalism, performance, integrity, achievements</td>
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<td>Why MoD is different?</td>
<td>- Manage policy that is aimed to defend the national interest of survival from armed attack</td>
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<td>What makes MoD effective?</td>
<td>- Ability 1. to win any war, 2. to perform defence policy duty</td>
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<td>What makes MoD efficient?</td>
<td>- To achieve more with less resources</td>
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<td>What makes MoD Democratic?</td>
<td>- Transparency, accountability, and responsibility</td>
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<td>What makes MoD modern?</td>
<td>- Professionalism, management, IT, global applicability, flexibility, adaptability</td>
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There is always a need and room for improvement

Both international security and internal socio-political environments are extremely dynamic:

<table>
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<th>Positive</th>
<th>Negative</th>
<th>Challenges</th>
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<tr>
<td>• Global war of low probability</td>
<td>• Regional instability</td>
<td>• New military missions</td>
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<td>• Enhanced mutual interdependence</td>
<td>• Unresolved disputes</td>
<td>• New capabilities</td>
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<td>• Downgrade of the military solutions</td>
<td>• Challenged identities</td>
<td>• New professional requirements</td>
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<td>• Refocus from security towards development</td>
<td>• Fragmented and dispersed threats</td>
<td>• New structures</td>
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<td>• Faster development of civil societies</td>
<td>• Limited military solutions</td>
<td>• New management practices</td>
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<td>• Growing military professionalism</td>
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<td>– focus on strategy and management</td>
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<td>• Integrity – an overall paradigm</td>
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<td>• Decline of defence expenditures</td>
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Framework variables

- National security
- Resource constraints
- National military chain of command
- Societal developments
- Interagency
- International (OSCE, EU, NATO) standards

The core commandments of DIB

- "vision – role – mission – goal”
- Leadership, management, command
- Core defence processes
- Division of labour MoD-HQ
- Checks and balances
- Modern MoD’s organisation
- Divisions in defence
- Performance based management
- IT based working environment
- Integrity for all
Good MoD organisation is:

When each activity contributes towards a goal which fulfills the mission which supports prescribed role within the long term vision of defence institution

**Leadership, management, command (LMC)**

- Different concepts, require relevant organisation and rules
- All they need a CAR
  - Competency: physical, intellectual, interpersonal and emotional
  - Authority: legal and personal
  - Responsibility extrinsic and intrinsic
- Effective LMC demands a balance amongst competency, authority and responsibility build through legal, organisational, and resource decisions
Basic defence processes

Management

Plans, Programmes, Budgets

Integrated resource management

Required defence capabilities

Acquisition

Doctrine

Equipment

Personnel

Resources

Training

Imperatives of the Armed Forces

Command

Political guidance for defence management

Political directing and management:
- Policy Guidance
- Resource Management Decisions
- Defense Acquisition
- Research & Development

Military expertise:
- Define Requirements
- Force Planning
- Execution Planning
- Training
- Assess Progress
- Maintain Readiness

Areas of overlap
- Setting the Priorities
- Execution and Oversight
- Resource Management and Oversight

Proper division of labour
Checks and balances

External checks and balances

Internal checks and balances

Modern organisation - concepts

Mechanistic “The Bureaucracy”
- Process oriented
- High specialisation on subject matters
- Ultra formalisation
- Super centralisation
- Tall organisation, slow and formal

Functional “The service-cracy”
- Problem solving focused
- Package of specialists in each department
- Working relations
- Subject matter decentralisation
- Flat organisation, minimum personnel, fast and effective
**Modern organisation - architecture**

**Hierarchical**

- Minister
- Chief of Joint Staff
- Commanders of services
- Armed Forces
- DM
- CM

**Integrated**

- Minister
- Political cabinet
- Secretary general
- Chief of Defence
- General administration
- Defence staff
- Chiefs of services (mobilisation, training, logistics)
- Joint forces command

**Civilian in defence**

**WHY CIVILIANS IN DEFENCE:**

- **Political directing and control**
  - Keep the military within its constitutional role
  - Help the military become an effective national security tool
  - Provide the best military within reasonable resources
  - Improve the military ethos and morale while keeping societal integrity
  - Meet the political and public demands of transparency
  - Improve the legitimacy of the military service and civil-military relations

- **Civilian expertise and mentality in defence management**
  - Add expertise to traditional military practices
  - Raise difficult questions
  - Introduce social, political, humanitarian, and resource considerations
  - ‘Soften’ the effect of hierarchy and subordination
  - Expand the positive sides of military ethos
  - Improve military-society relations

- **Save money from costly military positions**
Performance and results based management

PPBS
National defence strategy
Multi-year goal setting and programmes
Annual mission statement
Annual budget delivery
Annual performance planning

Performance report to society and stakeholders
Evaluation and utilizing performance information
Performance appraisal
Monitoring and data collecting

Set of performance indicators & results criteria
Annual individual and departmental tasking

PPBS — process used to identify, encourage, measure, evaluate, and improve individual and institutional performance and results

IT based working environment

MoD Information-Communication network
Management support systems
Website of MoD and others
Electronic exchange of documents

- Internal, external, international
- MoD database
- Information security
- Resources, legal acts
- E-registry of public contracts
- System life-cycle maintenance

- Openness
- Feedback
- Social media
- Anti-corruption
- Working documents
- Signed documents
- Electronic archive
Integrity in defence

Experts community may help...

- Working together with international organisations
- Helping to your own self-assessment and institutional design
- Selecting benchmarks and proposing relevant standards
- Providing training for MoD servants and the parliamentary staffers and consultations/orientation for the members of parliament on DIB