

DEFENCE RESPONSE TO DEFENCE MANAGEMENT REVIEW

OVERVIEW

Defence exists to provide military capability to the Government for the conduct of operations. Every part of Defence must contribute to this objective. As we implement the recommendations of the Defence Management Review (DMR) our goal will be to ensure that our workforce is able to support current military operations while positioning Defence for the successful conduct of future operations.

The DMR report makes 53 recommendations. Defence agrees to 50 in whole, two in part and does not agree with one.

Four key principles underpin Defence's approach to the implementation of the DMR recommendations.

ACCOUNTABILITY AND GOVERNANCE

- We will ensure accountabilities are clearly defined and devolved in every case to the lowest appropriate level. Our governance arrangements will specify Service Chief and Group Head responsibilities and mutual obligations under an agreed Defence business model.
- We will reform our top level committees to make them more effective and efficient.

SUPPORTING OUR MINISTER

- We will improve the ability of our workforce to support our Minister and his portfolio colleagues, and whole of government decision making, with high quality, timely and accurate advice.
- We will strengthen relationships with our Ministers and Parliamentary Secretary and their personal staff by better understanding their role and expectations of us.

PEOPLE MANAGEMENT

- We will continue to build a skilled, adaptable and responsive workforce, civilian and military, able to meet current and future challenges.
- We will provide leaders at every level with the policies and tools they need to lead, manage and develop their workforce.
- We will reinforce the central role of the Service Chiefs and Group Heads in leading, managing and developing their people.

BUSINESS SYSTEM REFORM

- We will review our business processes and systems to ensure they are focussed on the efficient and effective delivery of Defence outcomes.

- We will drive a substantial information technology reform agenda. Our strategy will focus on customer support and improving and rationalising our information management systems.
- We will keep working to understand and manage the costs of all we do and strengthen our commitment to sound financial management. We will establish benchmarks against which we can measure and improve our performance.

DEFENCE RESPONSES TO THE RECOMMENDATIONS OF THE DMR

CHAPTER 3

RECOMMENDATION 1

Defence continue to give focus to Defence strategic policy and planning capability. [3.13]

AGREED

An effective strategic policy and planning capability is fundamental to the success of the Defence mission. During the past eighteen months in particular, Defence has strengthened links between strategic policy and planning, capability development and organisational strategy. Defence will continue to maintain a strong planning emphasis on long term strategic capabilities.

RECOMMENDATION 2

Defence undertake more extensive induction for incoming Ministers and advisers and senior departmental staff, to educate new staff about the role of Defence. This might include workshops for new ministerial teams and their departmental counterparts, focusing on their respective roles and responsibilities. [3.21 and 3.22]

AGREED

In consultation with the offices of the Minister and his portfolio colleagues, Defence will develop workshops and induction plans for incoming Ministers and their staff. There will be a requirement for senior departmental officers to seek briefs from Ministerial staff about the new Minister's requirements and expectations.

RECOMMENDATION 3

Defence review the tasking and clearance process for rapid response Ministerial inputs like Question Time Briefs, and delegate responsibility to the most appropriate level. [3.23]

AGREED

In late 2006 Defence began implementing a series of initiatives designed to improve the quality and timeliness of advice to the Minister including rapid response inputs such as Question Time Briefs (QTBs). In February 2007 further measures were implemented to ensure more rigorous assessment of Defence performance in this area. Defence will continue to work closely with the Minister and his staff to ensure that feedback is acted on quickly and effectively. The level of delegation for authorisation of advice to ministers will always vary according to factors such as sensitivity, complexity and urgency. As a general principle, accountability will be delegated to the lowest appropriate level.

RECOMMENDATION 4

Defence increase training for Defence staff to improve the understanding of how to best support Ministers. This might include building on existing training tools

like the Senior Leadership Group (SLG) attendance at the Senate's half-day seminar *Parliament, Privilege and Accountability*; existing ministerial writing courses; and the courses under development in the newly formed Ministerial Awareness and Training Section. [3.24]

AGREED

The report of the DMR recognises that Defence has done considerable work in this area (see paragraph 3.24).

A small team headed by a new SES Band 2 officer has been established with specific responsibility for assisting subject matter experts as they develop advice to the Minister on complex and sensitive policy issues. A key objective of the team will be on-the-job transfer of policy development skills and capacity building throughout Defence.

The Ministerial Awareness and Training team (MAT) was established in January 2007 to build skills in supporting Ministers. A range of courses will be developed including: 'Government Awareness', 'Developing Complex Submissions' and 'Working with Ministers'. Pilot courses are scheduled to start in June 2007.

Defence will also review the Australian Defence College course content (Centre for Defence and Strategic Studies, Australian Command and Staff College and the Australian Defence Force Academy) to ensure it imparts a sound understanding of and skills development in support to the Minister and Government.

RECOMMENDATION 5

In order to improve external communication skills, Defence introduce a 360 degree appraisal process for SLG members, which includes an external stakeholder perspective. [3.25]

AGREED

Defence will introduce a rolling program of 360 degree appraisal for SLG members, to include a mechanism for external stakeholder perspective. The 360 degree appraisal will be designed to support achievement of Secretary and CDF's joint vision and key priorities.

CHAPTER 4

RECOMMENDATION 6

The Secretary and CDF set a joint vision and strategic direction for Defence and ensure adherence to the strategic direction and corporate governance and confront the consequences when adherence does not occur. [4.17]

AGREED

Defence has a well understood mission - 'to defend Australia and its national interests' - and publishes annually a set of key priorities. The CDF has communicated

a clear vision for the ADF which is reflected in a range of policy and planning documents. The Secretary and CDF will develop a joint vision for Defence and ensure it is communicated throughout the organisation.

Defence will review both SES and Star Rank performance frameworks to further improve individual accountability and ensure key expected results align with and support the joint vision and Defence priorities (see response to Recommendations 7, 43, 51 and 53).

RECOMMENDATION 7

Defence governance structures, including Charters, be designed so as to facilitate real accountability by senior executives. Charters should provide more explicit guidance on the executives' responsibilities within the Defence service delivery model and be specific about the ownership of resources, service delivery obligations and the development of service level agreements. [4.27]

AGREED

Defence will review and streamline the existing governance framework, including documents such as Charters and Organisational Performance Agreements. Key accountabilities will be articulated for all Senior Executives and include specific references to mutual obligations in terms of service delivery, clarify resource 'ownership' matters and reinforce personal accountability.

RECOMMENDATION 8

The Defence leadership commit to a high-level business model which clearly defines roles and responsibilities, and distinguishes policy and core business from service delivery. [4.31]

AGREED

The Secretary and CDF recently initiated a staged review of Defence business processes and systems. The initial stage of that review will include development of an agreed Defence Business Model which clearly defines roles and responsibilities and distinguishes policy and other outputs from service delivery.

RECOMMENDATION 9

Defence senior leadership provide the DSG a mandate on a par with that of the DMO in order to reform and improve the operation of the Group. [4.33]

AGREED

Defence agrees that Deputy Secretary Defence Support (DEPSEC DS) should have a clear mandate from the Secretary and CDF to operate Defence Support Group (DSG) with a business and management approach similar to the Defence Materiel Organisation. This mandate should clarify accountabilities and authorities in relation to DSG-led service delivery. A Secretary/CDF directive outlining DSG's mandate will be promulgated and reflected in the review of governance arrangements referred to in the response to Recommendation 7.

RECOMMENDATION 10

Service delivery agreements include relevant performance metrics including time, quality, cost and demand. Agreements should also be specific in terms of mutual obligations and dispute resolution at the appropriate level. [4.35]

AGREED

Defence will review the current service delivery model to ensure all service delivery agreements include relevant performance metrics that specifically address time, quality, cost and demand.

RECOMMENDATION 11

All Groups commit to active participation in business partnering forums and commit to the use of consistent regular reporting mechanisms and regular reports. [4.37]

AGREED

Defence will reinforce the requirement for Group Heads and Service Chiefs to actively participate in relationship management mechanisms such as business partnering forums. Central to the revised accountability framework will be the need for customers to provide regular feedback to service delivery groups on performance against service delivery agreements.

RECOMMENDATION 12

Defence continue to move to achieve cost visibility through robust costing models and management information systems, and the proposed product-level budgets being developed by the CFO. [4.45]

AGREED

Defence will continue to make this a priority task. As the DMR report notes (paragraph 4.44), CFO has introduced product-level budgets in DMO and is actively working to develop them for all service delivery groups, starting with DSG. The review of business processes and systems referred to in the response to Recommendation 8 will analyse the capacity of our management information systems to support improved cost visibility.

RECOMMENDATION 13

Defence undertake business process mapping with a view to seeking process efficiencies, increasing cost visibility and—where appropriate—more informed outsourcing; simultaneously reviewing business process ownership and policy responsibilities to ensure managers have the authority and interest to optimise business processes. [4.53]

AGREED

As outlined in the response to Recommendation 8, a review has been initiated to address these issues.

RECOMMENDATION 14

Defence move to outsourcing arrangements where benefits in performance improvement can be shared between Defence and its suppliers based on an open book evaluation. [4.53]

AGREED

Defence will ensure outsourcing focuses on delivering efficient, cost-effective services in accordance with the Commonwealth Procurement Guidelines. Defence will use a variety of contracting styles based on value for money and continuous productivity improvement. In implementing this recommendation Defence will draw on DMO's experience of open book evaluation including the need to carefully investigate costs and overheads.

RECOMMENDATION 15

Product standardisation be maintained and implemented for any services not yet covered, and serve as a basis for negotiating basic and additional service with a clear understanding of costs involved. [4.55]

AGREED

Service delivery Group Heads will progressively standardise all remaining products and services.

CHAPTER 5

RECOMMENDATION 16

Apply the following guiding principles for the organisational design:

- a. The organisation must be able to maintain a high operational tempo while providing sufficient capacity for longer-term issues, including the development of long-range strategy and policy.**
- b. The structure must facilitate the considered strategic leadership of the organisation.**
- c. The design must make sense to the organisation—be understood and easily communicated. [5.4]**

AGREED

Any organisational changes flowing from this review will be informed by these guiding principles. The policy and coordination function referred to in the response to Recommendation 18 will be responsible for ensuring the organisation can better respond to the demands of high operational tempo while maintaining a strategic focus.

RECOMMENDATION 17

Give greater definition to the individual and shared roles of the CDF and Secretary in the diarchy, in accordance with the suggestion at paragraph 5.14, and reflect these roles in the Ministerial Directive. [5.14]

NOT AGREED

The Secretary and CDF are of the strong view that the diarchy works at its best when the two principals work jointly across Defence responsibilities. Very few Defence issues relate solely to the individual legal responsibilities of the Secretary or the CDF. The vast majority require a blend of judgements on a range of matters such as the development of military capability, international policy and financial management. The best possible advice on such issues can only be developed by combining the unique skill sets required of the head of a major department of state and the commander of a modern professional military force.

The Secretary and CDF are particularly concerned to ensure that members of the Defence SLG understand they have important obligations to both the military and civilian heads of the organisation. These obligations should not be diluted in any way with an organisational structure that seeks to align a Group or Service with one of the two Organisation heads.

RECOMMENDATION 18

Redefine the higher Defence organisational structure to:

- a. align direct reports to Secretary/CDF based on their suggested individual and shared roles; [5.18] and**
- b. establish an Office of the CDF and Secretary that comprises those functions that directly support the CDF and Secretary in their responsibility for the management of the Defence organisation including Coordination, the new Policy Development unit, and establish an Organisational Development Unit. [5.21]**

a. NOT AGREED

The proposed division of responsibilities outlined at Appendix B of the DMR report is not agreed. See the response to Recommendation 17.

b. AGREED

In line with the guiding principles outlined in Recommendation 16, Defence will develop a policy and coordination function (based on elements of the existing Coordination and Public Affairs Division) to be led by a new SES Band 3 officer. This organisation will support the Secretary and CDF so that they can better respond to the demands of high operational tempo while also delivering high quality policy advice, driving organisational reform and exercising strategic leadership. The new organisation will incorporate the functions outlined at Appendix C of the DMR report.

RECOMMENDATION 19

Establish a new top executive committee (the ‘Defence Strategic Management Advisory Council’) to replace the DC and COSC: [5.33]

- a. with a more streamlined membership and strategic focus; [5.39]**
- b. and supported by subcommittees including audit, personnel, OH&S, risk and possibly other committees. [5.40]**

a. AGREED IN PART

The Secretary and the CDF agree that the top executive committee should have a more strategic focus aligned to supporting them in their exercise of strategic

leadership.

Defence does not agree with streamlining the membership of the top executive committee. Given the size, complexity and diversity of Defence, the top executive committee must remain inclusive of its most senior leaders.

b. AGREED

The roles and responsibilities of all sub committees will be reviewed as part of the response to Recommendation 20 (see below).

RECOMMENDATION 20

Review the need for all other committees, adopting a team-based approach to issues where possible. [5.43]

AGREED

Defence will review all Defence committee (and committee-like) roles, structures and processes. There will be a focus on strengthening individual accountability for decision-making, promoting more focussed, team-based approaches to problem-solving and reducing the level of resources currently devoted to servicing committees.

CHAPTER 6

RECOMMENDATION 21

Develop a strategic HR function aligned with Defence decision-making, and recast the PE as a strategic central policy owner led by an HR expert at the SES Band 3 level. [6.18]

AGREED

Defence will develop a strategic HR function aligned with its strategic priorities and decision making. The new organisation will focus on policy, planning and evaluation in relation to the essential drivers of Defence HR: recruiting, retention, remuneration and reward, people development, leadership, and working environment.

Defence will recruit a suitable HR expert to become the strategic central policy owner for personnel matters. There will be an extensive search of the private and public sectors for suitable candidates.

RECOMMENDATION 22

Formally recognise within Defence the roles of:

- a the Service Chiefs for the leadership, management and development of military personnel of their Service; and**
- b group heads for the leadership, management and development of people of their group. [6.25]**

AGREED

In the planned revision of existing accountability documents (see response to

Recommendation 7) the critical role of the Service Chiefs to raise, train and sustain members of the ADF will be emphasised. Similarly, the responsibility of civilian Group Heads for the leadership, management and professional development of their people will be clearly articulated. The integrated nature of the Defence workforce is such that there are members of the ADF working in non-Service Groups and civilians working in the Service Groups. Accordingly, the revised accountability documents will also reflect the importance of job-specific professional development.

RECOMMENDATION 23

Revisit the basis for the split of functions between the PE and DSG. [6.28]

AGREED

Defence will review the division of functions between the Personnel Executive and Defence Support Group with a view to retaining a strategic HR policy centre and further devolving HR processing to DSG and other Groups.

RECOMMENDATION 24

Review HR staffing levels in the context of the move to strategic HR and a more logical break-up of HR functions. [6.29]

AGREED

Defence will review the existing HR workforce and align it with any new division of responsibilities between the strategic HR and service delivery functions.

RECOMMENDATION 25

Build greater flexibility into the process for filling particular SLG roles and apply a general principle of looking inside and outside Defence to select the best person for the job. [6.39–6.41]

AGREED

Defence agrees that the primary consideration in executive recruitment should be selecting the most suitable person for the job. In the case of civilian SLG members Defence already recruits from the private as well as the public sector and will continue to do so. Noting the critical need to sustain appropriate career structures within the ADF, Defence will look for opportunities to extend the range of military SLG roles open to competition as is already happening in DMO.

RECOMMENDATION 26

Consider a process similar to the Star Plot to manage SES staff. [6.40]

AGREED

Defence accepts the need for more structured career management for its SES workforce. Having regard to the current APS legislative and policy framework, Defence will develop more innovative career management approaches.

RECOMMENDATION 27

Identify those management positions that would suffer unduly from churn and commit to leaving SLG members—APS or ADF—in those roles for an appropriate length of time. [6.45]

AGREED

Defence has applied this approach to a number of critical SLG positions in recent years including CEO DMO, Chief Capability Development and Head New Air Combat Capability. We will now review all SLG positions to identify those that would suffer unduly from churn, noting that the period of occupancy will vary according both to the nature of the position and the occupant's professional development needs.

RECOMMENDATION 28

Review its senior leadership development program to ensure coverage of those issues outlined in paragraph 6.46. [6.47]

AGREED

Defence agrees that effective senior leadership development programs are essential to the sustainment of a professional and innovative integrated workforce. Defence will review all its senior leadership development activities to increase the focus on developing high level business and policy skills and improving the quality and timeliness of advice to government.

RECOMMENDATION 29

Recommit to the business skilling program, with responsibility vested in Group Heads for the professional development of their workforce. [6.56]

AGREED

Defence agrees that the business skilling program is essential to the professional development of its integrated workforce. Defence will reinvigorate the program including through clarifying the responsibilities and accountabilities of Service Chiefs and Group Heads in this regard (see also response to Recommendation 22).

CHAPTER 7

RECOMMENDATION 30

Maintain the focus on financial management and financial systems reform. [7.6]

AGREED

Financial management and system reform has been a top priority for the organisation and must remain so.

RECOMMENDATION 31

Ensure that Defence develops and maintains the skill-sets and capabilities to enable a robust resource management system in an environment where resource certainty is reduced. [7.16]

AGREED

As part of reinvigorating the business skilling program, Defence will ensure an appropriate focus on resource management-related skills sets and responsibilities.

RECOMMENDATION 32

Maintain a focus on the real long-term cost of Defence. [7.16]

AGREED

Given the long term nature of Defence major capital investment and the operating life of military equipment, Defence has long recognised the need to focus on future costs and maintains an eleven year forward estimate in the Defence Management and Finance Plan. A key focus of the staged review of Defence business processes and systems referred to in the response to Recommendation 8 will be further improving Defence's capacity to identify, understand, monitor, predict and model its costs.

RECOMMENDATION 33

Use the proposed Audit and Risk subcommittees to keep the senior leadership focused on financial reform and risk management. [7.17]

AGREED

The need for a sustained focus on financial reform and risk management will be a key focus of the review of the roles and responsibilities of all sub committees referred to in the response to Recommendation 20.

RECOMMENDATION 34

Encourage the ANAO, in reviewing Defence, to adopt a performance-oriented approach and contribute its expertise and skills to the resolution of issues it identifies. [7.21].

AGREED

Defence will continue to engage with the ANAO to encourage it to apply its expertise and skills to resolving the issues identified in audits.

CHAPTER 8

RECOMMENDATION 35

CIOG seek Defence-wide agreement to a customer prioritisation model, enhance its customer communications and measure customer satisfaction to facilitate continuous improvement. [8.13]

AGREED

The Secretary and CDF will ask the new CIO to give the highest priority to developing a better model of customer engagement that includes agreed priorities, mutual obligations, performance measures and a robust feedback mechanism.

RECOMMENDATION 36

Defence establish high-level quantitative and qualitative benchmarking of the IT service levels for the administrative information systems. The benchmarking should include comparisons along functional lines as well as overall cost-efficiency metrics. The purpose of this benchmarking is to establish the performance measures, determine where Defence stands against these measures and use that information to inform future ICT planning priorities. [8.15]

AGREED

Defence will benchmark appropriate elements of its ICT services against industry best practice. The results of the benchmarking study will inform current service delivery and future ICT strategies.

RECOMMENDATION 37

Defence move towards establishing single responsibility for technical control over deployed networks and systems that interface with current CIOG-controlled networks. [8.16]

AGREED

As a general principle, it is agreed that the CIO should be responsible for technical control of Defence networks and systems that interface with CIOG-controlled networks. CIO will set standards and monitor compliance to ensure that ICT systems in Defence operate seamlessly.

RECOMMENDATION 38

CIOG provide basic administrative services on a standardised product basis with specific service levels and cost transparency. [8.20]

AGREED

In line with the response to Recommendation 15, the CIOG will launch a standardised product and service catalogue in the near future.

RECOMMENDATION 39

Defence develop an ICT strategy that better informs a new business plan which encompasses:

- a. alignment of ICT with corporate strategy;**
- b. desired outcomes of Defence ICT infrastructure;**
- c. role of CIOG and associates in delivering Defence ICT;**
- d. customer role and requirements;**
- e. high-level assessment of current status of ICT delivery;**
- f. identification of gaps; and**
- g. key directions and performance measures to close the gap. [8.22]**

a-g. AGREED

The development of a Defence ICT strategy will be a priority for the new CIO (see also response to recommendation 35).

RECOMMENDATION 40

CIOG remain an independent Group, reporting to the Secretary, and an expert CIO be recruited at the Band 3/3 Star level. [8.26]

AGREED

Defence will retain CIOG as an independent group. Recruitment action for an expert CIO will start immediately. Defence will engage in an extensive search of the private and public sectors for suitable candidates.

RECOMMENDATION 41

CIOG be responsible for all ICT service delivery in Defence, including regional ICT. [8.27]

AGREED

Defence will identify all current ICT service delivery elements and, where appropriate, consolidate them into CIOG. The new CIO will lead the definition and possible re-engineering of the end-to-end processes associated with this endeavour.

RECOMMENDATION 42

CIOG develop further the skills to contribute to cross-functional business process reengineering efforts or assessment that Defence undertakes. [8.28]

AGREED

In line with the response to Recommendation 29, the CIO will ensure that people in the Group have the skills necessary to undertake professional ICT work. These skills include customer engagement and expectation management, business requirements definition, business process mapping and technical and business architecture.

RECOMMENDATION 43

Defence review the status of performance measurement and reporting within Defence with a view to transitioning and consolidating the disparate approaches into an integrated Defence-wide system. [8.30]

AGREED

As part the review and streamlining of the existing governance framework referred to in the response to Recommendation 7, Defence will consolidate performance management and reporting.

RECOMMENDATION 44

Defence plan to develop and implement Defence-wide management information systems. [8.32]

AGREED

As part of the new ICT strategy referred to in the response to Recommendation 39,

Defence will continue to rationalise existing management information systems and plan for enterprise-wide business management information systems.

RECOMMENDATION 45

Defence clarify its approach to purchasing policies and acquisition strategies for Defence ICT products and services in line with the roles and accountabilities of the groups involved. [8.36]

AGREED

Defence will review purchasing policy and acquisition strategies for Defence ICT products and services. This review will be informed by the acquisition principles Defence has adopted in response to the Kinnaird Review.

RECOMMENDATION 46

Until Defence understands its business processes and associated benchmarks and costs, it is not appropriate to consider outsourcing additional ICT services. [8.39]

AGREED

Until Defence completes the activities referred to in the responses to Recommendations 8, 36 and 41, no further outsourcing of in-house ICT functions will occur.

RECOMMENDATION 47

Defence transition to a single ERP system in the medium term (10 years) and necessary upgrades to existing systems should be directed towards facilitating this goal. CIOG should lead in this endeavour. [8.42]

AGREED

The development of the Defence ICT Strategy referred to in the response to Recommendation 39, including any upgrades, rationalisations or future business requirements, will take account of the goal to move to a single ERP system within the next 10 years.

CHAPTER 9

RECOMMENDATION 48

Defence establish a small dedicated implementation team led by a 2 Star or SES Band 2 officer (reporting directly to the Secretary and CDF) to work with Defence's leaders in implementing the report recommendations within their areas of responsibility. [9.7]

AGREED

Strong, focussed implementation is key to the success of any reform initiative. Defence will establish a new SES Band 2 position to lead implementation of the review recommendations. The new position will form part of the policy and coordination function outlined in the response to Recommendation 18.

RECOMMENDATION 49

The implementation team as a matter of priority develop an implementation plan including a communications strategy and timeframes for implementation. [9.8]

AGREED

This response, including the introductory statement, gives a broad outline of the approach Defence will take to implementation. The first priority of the new SES Band 2 officer responsible for leading implementation will be to develop a comprehensive implementation plan that identifies key deliverables, milestones and accountable officers. In parallel, a communication strategy will be developed in close consultation with Group Heads and Service Heads.

Defence notes the initial view of the short, medium and long term sequencing of implementation outlined in paragraph 9.18 of the DMR report. Defence also notes the broad costing information provided at paragraph 9.19 of the report. Development of the Defence implementation plan will be informed by these views, recognising that the timeframes and costs associated with some of the more significant reforms – in particular, ICT – will require more detailed analysis.

RECOMMENDATION 50

The Defence Business Improvement Board concentrate on specific improvement initiatives that emerge from this Review, specifically:

- a. Defence governance structures, including Charters [Recommendation R7];**
- b. improvements to CSAs and SLAs [Recommendation R10];**
- c. improvements to costing [Recommendation R12];**
- d. the level of staffing of the HR function [Recommendation R24];**
- e. the impact of churn on senior positions, and identification of those that need longer tenure [Recommendation R27]; and**
- f. business skilling [Recommendation R29]. [9.12]**

a-f. AGREED

The DBIB will provide a valuable element of external scrutiny of Defence's progress in implementing the review recommendations.

RECOMMENDATION 51

Key review recommendations be built into the Defence performance management systems, including the annual report and portfolio budget statements, Organisational Performance Agreements, the statement of Defence Priorities and business plans. [9.13]

AGREED

Defence will ensure individual accountability for the delivery of key recommendations is appropriately reflected in the organisation's performance management framework (see responses to Recommendations 8 and 43).

RECOMMENDATION 52

Defence take a structured approach to business planning and improvement, including identifying organisational weaknesses, options for improvement, assigning resources and assigning analytical and review tools. [9.15]

AGREED

A priority for the SES Band 3 officer leading the new policy and coordination function (see response to Recommendation 18) will be to review, streamline and consolidate existing business planning and improvement processes to ensure they are aligned with Defence's strategic priorities.

RECOMMENDATION 53

Defence more consciously engage staff in a process of continuous improvement. [9.16]

AGREED

As part of the responses to Recommendations 18 and 52, Defence will ensure that continuous improvement is embedded in its business planning and performance framework.