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The Art and Science of Independent Assurance in the Department of Defence

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About the Speaker

Teresa Blair – Department of Defence

Teresa is a project, program and portfolio management specialist with over twenty years' experience in the Defence environment. A former Navy officer, she has also held Project Control and Senior Project Manager roles in Defence industry, as well as inside the Department of Defence in the roles of Director Major Program Control, and Director Investment Portfolio Management.

As the current Assistant Secretary Maritime Analysis in DoD's Contestability Division, she delivers independent assurance of the Navy's major projects and programs in terms of scope, budget, schedule and strategy. She is also responsible for the contesting of Defence's Force Design Cycle, and assuring Strategic Cost Analysis at the enterprise level.



Presentation overview

An overview of:

- The evolution of Independent Assurance in the Department of Defence
- The First Principles Review and Defence's Capability Life Cycle
- The role of Contestability within the Defence organisation



Analysis of:

- Challenges (unique and universal)
- Examples and/or a brief case study
- Tailoring independent assurance to achieve different organizational effects
- The relationship between codified independent assurance and project control functions
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Questions



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The 2015 First Principles Review: Creating One Defence

“The establishment of a robust and disciplined contestability function is intended to provide arm’s length assurance to the Secretary that the capability needs and requirements are aligned with strategy and resources and can be delivered.”

“...with responsibility for:

- **Strategic contestability**: ensuring the force structure, portfolio of capability investments and individual projects deliver government policy objectives and the strategic needs as directed by Government in the White Paper;
- **Scope, technical and cost contestability**: contest[ing] key project deliverables (scope, schedule, budget, risks, technical aspects) throughout approval processes.
 - Includes independent contestability of costing models”

Contestability in Defence

A well-formed contestability function is:

Decision support function

- • not decision making – accountable lead makes decisions
- cultivating a mindset and behaviours
- value-adding set of behaviours collaborating towards better capability outcomes
- ensure Defence makes the best decisions

Across Capability Life Cycle

- further upstream into Force design
- Looking at everything that comes through the investment committee, including major contracts, innovation, etc

Proportionate and based on risk

- Contestability is tailored



Contestability in Defence

Is this the right thing to do?

Strategic thread of logic

Will it deliver the necessary capability, aligned with Defence strategy

Have all feasible options and aspects of options been considered?

Is it affordable?

Are things being done right?

Are the risks understood and mitigated?

Are the opportunities recognised and being taken?

Are plans well developed?

Are stakeholders aligned?

Does this represent value for money?

Will Government/Defence get the expected outcome?

And do we know the broader implications?



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International Comparison of DoD/MoD Independent Assurance functions

Country	Organisation	Key Services
Australia	Contestability	<ul style="list-style-type: none"> • Review, decision support and assurance to Government via Defence • No independent case development
	Capability Acquisition & Sustainment Group	<ul style="list-style-type: none"> • Independent Assurance Review (internal independent) • Assist capability managers with schedule & capability • Centre of excellence for costing practice
UK	Cost Assurance and Analysis Services (CAAS)	<ul style="list-style-type: none"> • Assist capability managers with cost & capability • Centre of excellence for cost analysis expertise
	Scrutiny	<ul style="list-style-type: none"> • Review, decision making and assurance to Government via Ministry of Defence
US	Cost Assessment and Program Evaluation (CAPE)	<ul style="list-style-type: none"> • Independent cost estimation, broader cost analytics (research, big data) • Independently develop capability and program alternatives and challenge program managers
Canada	Centre for Costing	<ul style="list-style-type: none"> • Project cost estimation and broader analytics (research, developing best practice techniques)
	Independent Review Panel for Defence Acquisition	<ul style="list-style-type: none"> • Independent review for projects above C\$100million • Reports direct to Government

Analysis and discussion of Contestability in Defence

- Challenges
- Contestability in action
- Tailoring independent assurance to achieve different organizational effects
- The relationship between codified independent assurance and project control functions

Questions?



Contestability Division

Overthinking Things Since 2016