

GROUP CAPTAIN TONY GREEN (RIGHT) STANDS BEFORE A TEAM OF NO. 37 SQUADRON MEMBERS AND ONE OF THEIR C-130J HERCULES TRANSPORT AIRCRAFT.



**AIR FORCE
WON**

Working towards a lean fighting machine.

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WRITER Carole Lydon

Business is at the forefront of change management and continuous improvement. But what if your core business was the safety of the nation—where failure is not an option? Could you manage a change process with a staff of almost 15,000 and a business mission to provide immediate and responsive military options? For the Royal Australian Air Force, the answer, thankfully, is yes.

Faced with the inevitable march of technology and ageing military systems, growing infrastructure and personnel costs and a tightening budget, the Department of Defence acknowledged in 2008 that business, as they knew it, was about to change. The Australian Army, Navy and Air Force had been engaged in extended overseas operations in the Middle East, East Timor, the Asia-Pacific, and our own border protection. The global recession was headline news. Against this backdrop, the release of the 2009 Defence White Paper prompted the Australian Government to set a reform agenda that drove our armed forces to adapt, drive down costs, create new supporting structures, and to redirect \$20 billion of its operating budget toward its capital program. By 2023, the Air Force will have a complete platform change-out—meaning new planes, new equipment, new technology and new skills—a massive undertaking that somehow must be resourced.

With an adaptive culture, the Air Force had already embarked on an improvement process in 2008, developing the Air Force Improvement Program (AFI) to find smarter and more economical ways of delivering capability. Through the AFI, the Air Force would be capability-led, people-focused, and cost-conscious. The program aimed to create a more resilient workforce with a sustainable work/life balance, while maintaining a robust organisational structure and embedding cost-consciousness and continuous improvement into the Air Force culture.

As part of this program, the Air Force engaged the services of the UniSA Business School Strategic Partnerships Unit, to introduce the Lean Business Model to its senior leadership team. Developed by UniSA’s Adjunct Professor of Lean Enterprise, Professor Peter Hines, the model aims to implant and develop continuous improvement behaviours in an organisation. The Lean model now underpins the AFI project.

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So in 2009, when the Australian Government announced that Defence would need to deliver improvements to enable \$20 billion of its existing operating budget to be directed toward the Defence White Paper capital upgrade, the Air Force was perfectly placed to respond. It determined that the rate and uptake of the AFI program and the application of the Lean Business Model would have to expand.

Group Captain Anthony Green explains, “What we needed to do was support our senior ranked officers to become champions of the Air Force Improvement Program and the Lean Business Model. This required a different skill set to that normally required in a military environment. It is about taking exceptionally skilled military leaders and asking them to look laterally at the way they achieve their outcomes, and to encourage and support their people to innovate and think creatively about how to be more effective and efficient in their day-to-day tasks.”

After sending several Air Force officers to the UniSA three-day Lean Leadership course it became clear there was an opportunity to tailor the course not only to the Defence sector, but to the specific objectives of the Air Force Improvement Program. Group Captain Green worked closely with the Strategic Partnerships Unit to ensure that the Air Force’s education goals could be met.

The RAAF Executive Change Leadership Program is the outcome. This program builds on the natural leadership style of the military and its non-negotiable imperatives, and develops the capacity of these skilled leaders to champion a system that gives people the tools and authority to innovate, and to successfully develop and implement new ideas.

WHAT LEAN MEANS FOR BUSINESS

- 1 Provides a clear framework for implementing sustainable business improvements
- 2 Engages people in the improvement process through the deployment of a Lean strategy
- 3 Builds leadership capability around leading and sustaining change
- 4 Reduces costs and increases product / service flow and quality—driven by what customers value
- 5 Establishes a culture of innovation, productivity and continuous improvement

Ross Morriss, Director of the Strategic Partnerships Unit notes that working with and identifying a client’s educational needs is the Unit’s preferred approach. “We worked with key Air Force personnel on how to build their organisational capability through education. This intensive course, delivered on bases around Australia, continues to be adapted and adjusted as needs change. With embedded Defence case studies, it informs, educates and encourages open and frank discussion. It also involves Defence guest speakers, as well as senior officers to open and close the program, and emphasises the importance of the program to the future success of the Air Force.”

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The results speak for themselves. So far, around \$500 million has been saved. It is possible that the tangential benefits are of greater value, with the Air Force receiving the welcome attention of other military commanders looking to improve the efficiency of their units.

This process generally sounds fairly standard for manufacturing, but remember what’s at stake. There can be no compromise on operational capability, aircraft airworthiness, or safety. The acceptable result can only ever be a lean fighting machine, with a commitment that runs deeper than dollars and cents.

For more information, visit: unisa.edu.au/Business-community/Strategic-partnerships