

## Demystifying Transformation

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I am very grateful of being given the opportunity to talk to you today. The title of my presentation is called "Demystifying Transformation", and the aim of this brief is to show you, the nations, how each of you can hook in to the process of transformation.

### Three Fundamental Themes

When we are talking about ACT business, I believe that three fundamental themes should be in our minds.

Firstly, Deployability and Interoperability of Alliance and Partner forces are essential. NATO Nations must be able to go where required quickly, and be better able to work together in demanding and complex environments and at all levels of engagement. We used to plan for exercises and operations in environments where reach-back and line of sight communications were not a problem. As ISAF's role expands, and ever increasing numbers of Provincial Reconstruction Teams in remote locations are being established by members of this Alliance, force integration and interoperability are not only essential but will help save lives

Secondly, Member Nations together own NATO's military transformation – ACT can orchestrate this process but it's the nations that steer its course and make it happen. This is why we must have an active partnership with each and every member of the Alliance. ACT does not have the corner on this intellectual transformation market. The lessons learned by the nations' militaries will be a significant part of how we move forward.

Finally, ACT is the Alliance's engine for military transformation – it is ACT's business to push NATO and Nations' to transform forces, processes and organizations so that they meet the needs of the Alliance in the 21<sup>st</sup> century - actually it is incumbent on ACT to push hard for these fundamental changes.

### What is our remit ?

At the Prague NATO Summit in November 2002, better known as the “The summit of Transformation”, all member nations agreed on three major issues:

- A new military structure will be created: Two strategic commands, ACO for operations and ACT for transformation.
- New capabilities for the future forces were defined (Prague Capability Commitment)
- The enlargement of NATO by seven countries.

The Istanbul NATO Summit in June 2004 re-enforced the NATO commitment for “out of area” operations by enlarging the ISAF mission in Afghanistan and by agreeing to set up the NTM-I, the NATO Training Mission Iraq.

The closer EU– NATO military cooperation was signed in the “Berlin Plus” agreement.

### But what do we understand by Transformation?

For ACT, it is the continual and proactive changing of mindsets and behaviour with the aim of delivering military force in a more rapid and effective manner. In process terms, the transformational model is one in which lessons learned, innovative thinking, education and material implementation combine to promote capability improvement. In order to achieve this, our constant focus needs to be on the future.

- An iterative, spiral, ongoing process
- A new mindset - intellectual and cultural change
- Innovation
- Holistic change – organization / policy/ concepts/ doctrine/ processes (e.g. Defence Planning) / training
- Product orientated
- Short-term (1 year) to long-term (3-15 years perspective)
- Centred around “Effects based” and “Network enabled”
- Aimed at integrated “Multinational/Combined – Joint - Multilateral” solutions to future challenges
- With focus on DJHQ and NRF as catalyst for improving NATO’s and Nations’ forces and capabilities

### Four important documents

Four important documents are currently dealt with at the level of the Military Committee: The Comprehensive Political Guidance (CPG), the Bi-SC Strategic Vision, the Concepts of Allied Future Joint Operations (CAFJO) and the NNEC Foundation Document.

I will start with the Bi-SC “STRATEGIC VISION, The Military Challenge”, a document which was presented in September last year to the Chiefs of Defence. It is a framework for future conceptual work and acts as a stimulus for transformational ideas.

Strategic Vision consists of three parts describing the strategic environment for the coming decades, how to plan and conduct operations in such given environment and finally what capabilities we need to conduct operations in this environment. It provides a vision of the way in which future Alliance operations will be planned and conducted, and, thereby, guide the transformation of forces, concepts and capabilities in the coming decades.

ACT derived three Transformational Goals, which will allow the Alliance to conduct effects-based operations: Decision Superiority, Coherent effects and Joint Deployment & Sustainment.

For these Transformational Goals, ACT has defined seven Transformational Objectives, divided over five Transformational Objective Areas: Information Superiority & NATO Network-Enabled Capability, Effective Engagement & Joint Manoeuvre, Enhanced Civil & Military Cooperation, Expeditionary Operations and Integrated Logistics.

A kick-off conference for the revision of this document, has already taken place in Norfolk to make sure that the “Strategic Vision.2” will perfectly be in line with the Comprehensive Political Guidance.

The Concepts for Alliance Future Joint Operations (CAFJO) describes how capable NATO military forces are likely to operate in 10 – 15 years. It links the military strategic guidance set out in the Strategic Vision to actual operational capabilities necessary for NATO Operations. Furthermore, it provides a foundation for future Alliance Concept Development and Experimentation and a context for military transformation.

Political guidance to the Military Committee in handling the Strategic Vision and CAFJO is necessary. The Comprehensive Political Guidance (target date is Feb 06) should be a high-level, concise political document approved by Ministers, which provides a framework and clear political direction and sets out the priorities for NATO's continuing transformation and all Alliance capabilities issues, planning disciplines and intelligence with a view to making them more coherent. This document will lead to the transformational objectives of the Summit of Heads of State and Government in November 2006.

Finally, the NNEC foundation document. This document shows the way how ACT proceeds from the concept to actual delivery of the capability.

In the mean time, the EU is working on the "EU 2030 Military Vision". This document, to be finalised in autumn 2006, will look ahead to the next 30 years.

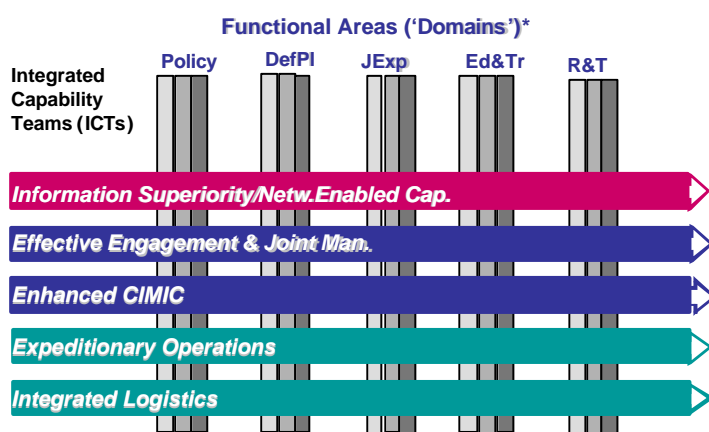
### ACT Structure

The new structure of NATO with its two Strategic Commands was created as a result of the Prague Summit: ACO and ACT.

HQ SACT has no J structure as we normally find in other HQs. It is a functional headquarter organised into two main divisions : "Transformation" and " Transformation Support".

This viewgraph shows the headquarters in another way.

### **Matrix: ICT / Staff Functions Interaction**



Integrated Capability Teams (ICT) have been created to enable a “cross functional domain” matrix organization to follow up the five Transformational Objective Areas. As depicted on the slide, the vertical pipes are the different functional domains such as Policy, Defence Planning, Joint Experimentation, Education & Training and Research & Technology. Horizontally, the five ICT’s: Information Superiority & Network Enabled Capability, Effective Engagement & Joint Manoeuvre, Enhanced CIMIC, Expeditionary Operations and Integrated Logistics.

The House of Transformation



This is what I call the house of transformation. At the bottom are the five Transformational Objective Areas which are subject to the different ICT’s. Through Concept Development and Experimentation, the real core business of ACT, and Defence Planning, we aim to achieve the three Strategic Transformational Goals which are Coherent Effects, Decision Superiority and Joint Deployment and Sustainment. The result is Capable Future Forces which must, of course, be usable and made available to NATO.

## ACT Strategic Plan

ACT has developed a Strategic Plan, and I speak here in terms of performance management. (Balanced score cards)

This is the real vehicle for all the nations and agencies to hook-in in a very concrete way. This week and next week, ACT together with the nations, is defining the transformational sub-objectives, enabling nations to see what capabilities are looked for by ACT.

ACT Standing Priorities are the following:

1. Transform NATO's military capabilities
2. Implement NATO Response Force and other deployable capabilities
3. Achieve ACT full operational capability
4. Prepare, support and sustain Alliance operations
5. Assist transformation of partner capabilities

## NRF as Catalyst for Transformation

Now turning to the role of NRF in NATO Transformation.

NRF is most relevant to ACT as a catalyst for capability development and a test-bed for future concepts. The close cooperation between ACT and ACO guarantees the desired output.

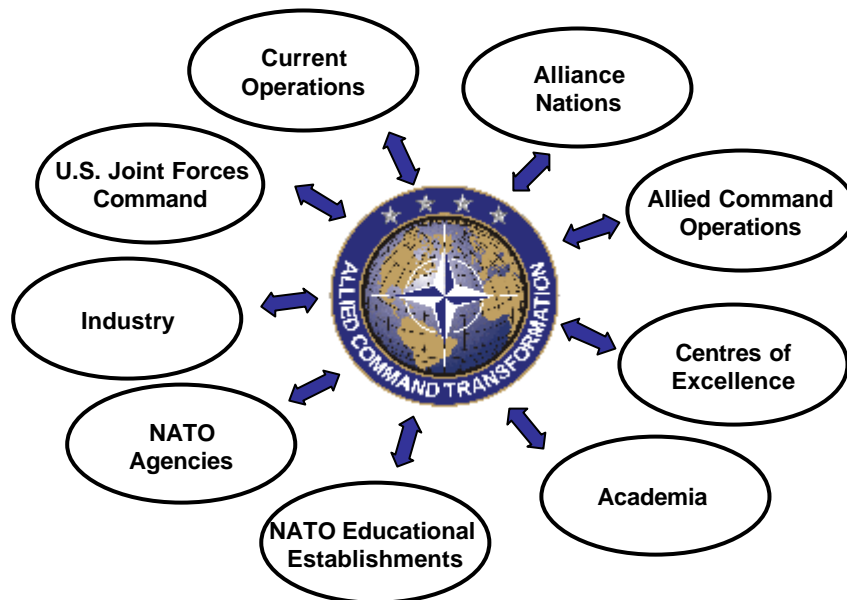
A capability however is more than just new equipment or materiel; it includes DOTMLPFI (Doctrine, Organization, Training, Materiel, Leadership development, Personnel, Facilities and Interoperability). A new capability needs a new doctrine, an adapted organisation with adequate facilities and materiel. The personnel have to be selected, the leadership developed and the troops well trained.

ACT is very much engaged with the development of the NRF. ACT is interacting in various domains such as:

- Higher HQ Joint Training at Joint Warfare Centre in Stavanger, Norway
- Staffs Joint Training at the Joint Forces Training Centre in Bydgoszcz, Poland
- Individual Training and Education at NATO SCHOOL Oberammergau and at the NATO Defence College in Rome

- Defence Planning at Staff Element Europe in Mons, Belgium
- Lessons Learned in the Joint Analysis Lessons Learned Centre in Monsanto, Portugal.

## *The Hub of Transformation*



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ACT is truly the Hub of transformation. It is up to ACT to establish and maintain all these links with militaries, academia, industry and agencies.

### What has ACT delivered up till now?

**Training at JWC** : ACT trained every ISAF Command up to ISAF VIII, every NRF HQ to date, and just finished the 3<sup>rd</sup> Iraqi Key Leader Training and conducted JFC Brunssum's Commander's Conceptual training.

**NTM-I and DARFUR** : ACT provided extensive operational and strategic level training. With regard to Africa, it represents the first time and a successful interaction with a regional partner organization, the African Union. This is just one example for our growing partnerships with various organizations inside and outside our Alliance. I would include here industry and maturing Centres of Excellence.

Another output area is our expanding **experimentation programme**. I would like to stress the importance of experimentation in the transformation process. In 2004, ACT

focused on the NATO Friendly Force Tracker. In 2005, ACT had a much more comprehensive plan, and in 2006, 40 % of the programme focuses on NNEC (NATO Network Enabled Capability). ACT supported the Crisis management Exercise 2005 (CMX 05) focusing on more informed and faster decision making, and will expand this next year in CMX 2006. The Steadfast Exercise series focus on the NRF. During Livex 06 (Steadfast Jaguar) in June 06 on and around the Cape Verde Islands, ACT will conduct experiments in the field of NRF logistics such as the “Base Camp Design “ and the “Water Generation and Distribution” experiment, and will experiment with the Coalition Combat Identification Training System.

On 5 Oct the **Review of the Long Term Capability Requirements** was submitted to the Military Committee. ACT is achieving closer links with CNAD to grow coherence between our output and National Armament Director’s work.

Another good example of our transformational agenda is **the Defence Requirements Review (DRR)** process. After the most comprehensive DRR ever, we are ready to further transform this important requirement process, moving concurrent with quantitative, service and ‘hardware’ focused targets to qualitative capability-based assessments and targets. Again, we need to have the Comprehensive Political Guidance underpin this development to ensure quick progress for the 2007 product in quantitative and qualitative terms.

Before I finish my presentation, I would like to give you these last two bullets on your way home. Transformation will always cause friction. Friction between nations, friction about costs and about the way ahead. It means ACT is doing its work.

Secondly, that capabilities are more than just new ships, tanks or planes. The whole military apparatus has to be adapted to the new demands. It is a cultural change.

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In summary, we need transformation to move from forces with the capabilities in the left column that fought the war to forces with capabilities in the right column to fight for peace.

**The Military Future of NATO**

20th Century	21st Century
Static	Agile
Reactive	Proactive
Regional	Global
Mass	Effects Based
Attrition	Precision
Deconfliction	Coherence
Supply Point Logistics	Integrated Logistics
National Intelligence	Fused Intelligence

**ACT + ACO + Nations through NRF =  
Transformed NATO Military**

**"Our business is your success"**

The Alliance command and force structure must be expeditionary in character and design and be capable of conducting a higher number of smaller, concurrent operations over long periods of time. A greater proportion of Alliance forces will need to be deployable and usable with the flexibility to transition rapidly between warfighting and peacekeeping. Future forces must be capable of operating within a networked environment. There will be a greater call on specialist skills. Our Strategic Vision and Concept for Alliance Future Joint Operations propose the way forward for the future direction and development capabilities of the Alliance for the next 15 years and set a tone for all that we do and to force change within the Alliance, moving it well into the 21st century. To make this transformed NATO military a reality, ACT must be hand in hand with ACO and the nations through the NRF.

Today, you have hopefully learned a lot about what we do at Allied Command Transformation. We are not here to achieve success for ourselves. We wake up everyday thinking of ways to make others more successful.

Our business is your success.