Thank you all for your contributions and particularly to the last session, the panel from ACSC, which I would observe was itself an innovation and one that I think we should repeat each year. I would observe that whilst there was a lot of applause to Nick English’s observation about innovation, without that innovation Nick you wouldn’t have been on the stage.

Being serious again for a moment, Nick makes a fair point when he highlights the tension associated with the speed of change and how we make sure the golf club that we are effectively swinging does not mean that the units at the bottom end, where the head of the club is, are moving at a rapid rate. We need to make sure we control the rate at which it occurs.

I think the conference has confirmed that adaptation is essential particularly given the changing character of conflict. I think it has also observed that there are some significant obstacles to is and we have learned some of the ways that we may overcome those obstacles.

First we need to think hard about creating the right culture, where debate, constructive dissent, and challenge is encouraged. As Tim Harford put it, disagreement is where adaptation starts, by creating the opportunity either in training or through experimentation, where honest mistakes can be made.

Next it also tells us that treating early engagements in a campaign as reconnaissance is probably quite a sensible way of looking at the beginning of a campaign. It teaches us a bit about making honest mistakes and learning from them and I was struck by Herman Narula’s practice of celebrating failure, of course providing that it is based on a logical foundation.

Creating a flat information environment in which feedback can be received, particularly from the generation that matters, making sure the right lessons can be learned and applied. Eliot Cohen’s ghosts, and of course his point of view about rotating headquarters throughout Iraq and Afghanistan as an annual ‘frontal lobotomy’, provided food for thought, particularly from our perspective as a nation who cycle people through every six months. Did we not learn the right lesson from Northern Ireland that the continuity vested in those permanent brigade headquarters perhaps gave us the ability to achieve the effect we needed to achieve?

Notwithstanding this idea of a flat information environment we still need a hierarchy of decision-making and a means to ensure those decisions are being implemented. Again, I was struck by Paul Newton’s observation that even as a three-star general empowered to do this, he could not yet translate it all the way down the chain of command and this tells us something about having to organise for adaptation in terms of structure and process and, importantly, how you have to incentivise people to do it.

We learned a lot about the real risk of groupthink and that is a point that is particularly relevant to conservative institutions like ours. I remember being asked by a clever student at the Staff College shortly after I had done Army 2020 whether I had been as radical as I wanted to be. I answered him ‘it is very easy to be radical if you are not in charge’.

Yesterday the panel touched on loss-aversion; it is a criticism that was so often levelled, perhaps unfairly, at First World War generals. The panels have also touched on diversity, which is essential if you are going to overcome this notion of groupthink and maximise talent, a theme to which I shall return.
My last big point, in terms of what I have deduced from this, is that commanders and leaders who recognise the importance of humility and of listening and learning are vital to our future.

So what does this mean to the British Army and where do we go from here? I talked yesterday about our evolving force structure; I talked about it being designed to be adaptable and versatile. There is a distinction between those words; it has got to be able to adjust to new circumstances but it must also have an adequate range of capabilities that can be optimised specifically. That is why Army 2020 distinguished between the role of 3rd (UK) Division – essentially the heart of our divisional-level capability to war-fight – from that of 1st Division, which is very much optimised for this persistent engagement overseas.

I talked about Strike Brigades and Specialised Infantry Battalions. I talked about our intention to develop 1 ISR Brigade and 77 Brigade along with our signals brigades into an information manoeuvre formation. I talked about a more productive force preparation system that should also allow more time at unit level to learn and reduce friction in terms of the way that we do this. It is really important for us to buy more time at that level.

We do have to work at versatility. We have some acknowledged capability shortfalls as a result of ten years of campaigning in a counter insurgency context, namely Air Defence, CEMA, combined arms understanding, and our ability to fight in complex terrain, particularly the urban environment.

I talked about the Army Reserve component and the Army Regular Reserve. We have definitely got further work to do on reconstitution, regeneration, and generally being able to expand the army when we need it.

I also talked about the operating model and decision-making being focused on the right horizon. We are trying to distinguish clearly between ‘fight tonight’ and ‘fight tomorrow’. ‘Fight tonight’ is very much the business of the field army commander. It is his job to try to prevent the field army getting too worried about the future and change because that is what happens in Army Headquarters. There has got to be the distinction between fighting tonight and fighting tomorrow because otherwise we will not implement the change in a way that is manageable within the Army as a whole.

For the first time we have an Army Strategy. That strategy takes account of the fact that last autumn we did an audit on the amount of change going on in the Army and we discovered there were over 350 change initiatives, of which probably only ten per cent were resourced, on a good day. We have now adopted portfolio management as the way in which we are going to execute that strategy through ten key lines of operation and strategic programmes, and this acknowledges the pace at which the change has got to occur. This comes back to my point about a golf club and how fast you swing it and the speed at the bottom.

We do not yet have a flat information system, nor do we have a culture within our chain of command which is confident and, I would suggest, open-minded enough that we encourage innovation or experimentation. I do not think our chain of command is comfortable trying to allocate the time and space the panel before lunch talked about.

I think our CHACR, our Centre for Historical Analysis and Conflict Research, is a step in the right direction towards a learning culture, [as is] the role that ACOS Warfare and ACOS Training played during the latter stages of the Afghan campaign and continue to play at our Land Warfare Centre, with lessons learned at the heart of what they do. But I was very struck by Meir Finkel’s observation that you have to set a time on the process. He talked about 24 hours... well, maybe. It is about agility and it is about tempo but of course it is about tempo in relation to your opponent and therefore time has to be measured carefully.

We also have to institutionalise force development, building on the platform that Paul Newton re-established when he was a three-star in the Army, involving the field army more than we do in this force development. The fielding of Strike is an opportunity for us to experiment and develop concepts and doctrine in front of the equipment arriving.
Likewise the importance of developing concept demonstrators with industry, to pull them off the shelf when we need to adapt at pace and this plays back into the operating model. I absolutely acknowledge the notion of networks and communities of interest, the sort of things you saw before lunch are undoubtedly a means to achieve a community of interest that can cycle feedback information back to the levels that we need.

We should also widen the aperture – there is much more that we should be doing in terms of learning and development in a multinational basis. I talked about interoperability yesterday; our bilateral and multilateral relationships should be used in a far more systematic and experimental way than we currently do. It is also about our relationship with the outside world and in particular with industry. Do we, when we contract for a solution, think about innovation? Do we think about how we can achieve that effect from our industry partners? Invariably all we think about are KPIs. We do not think about how we can encourage the innovation that industry should bring to us, because that is the offset strategy that we need to work on I would suggest.

Part of the problem, as an organisation, is that it is challenging to incentivise creativity and innovation. We clearly need, as Kirstan Marnane observed yesterday, a stable backbone but we also need to find a means of rewarding innovators, creating the space for some mavericks, people who are prepared to take sensible intellectual risks and to challenge perceived wisdom. I am not sure that our talent management system allows for this, with so much importance attached to what the superior officer writes. Maybe we should be privileging some other attributes than those listed in the existed appraisal system and appraisal report.

We need to think hard about how we train. We need to think hard about our training incorporating tactical innovation and I subscribe to the view the panel expressed before lunch about force on force training because that forces a competition and thus it forces tactical innovation. I saw that repeatedly in Afghanistan where the better battle-group commanders in Sangin were thinking about how they could outwit their opponent rather than simply taking the blows he gave to them.

We need to think about where we train and the environment in which we train. The urban emphasis fell out yesterday, big time, and whether we can enter into partnership with the Germans in Letzlinger-Heide or the French in CENZUB it matters not, but the British Army does not spend nearly enough time thinking about complex terrain and urban environments.

We have to find the time, the space, and the manning resilience in our force preparation to encourage honest mistakes. I suspect you do not have to spend millions on collective training to achieve that effect. As we wrote in the leadership code, leaders must tolerate risk and accept honest mistakes as a natural part of leader development.

Part of the theme around this conference has been Maximising Talent and there are some important points to make about it. I touched yesterday on squeezing the maximum utility out of all of our manpower and given our size nowadays we need to be thinking of an end-strength of 120,000; combining all types of manpower so that we focus on its output and think of it as a capability not an overhead. I emphasise that point, we need to think of manpower as a capability not an overhead.

I also touched, in part, on how we make the most of all the talent that we currently have serving in the regular component and the reserve component as well as our wider workforce. This is an offset strategy for not having so many full time employees as we may have had in the past. It includes many who are not currently considered part of the Army’s trained strength who nevertheless have a level of training and discipline that would allow them to support the types of national resilience tasks described in our SDSR.

We therefore plan to use Phase 1 trained personnel as trained soldiers in response to crises in the UK, increasing the size of the force available in the event of a national emergency. This will result in soldiers contributing more and earlier in their careers, particularly important for the reserve component therefore feeling more motivated and valued. This will increase the pool of manpower available by three to five thousand in the regular component and around eighteen hundred in the reserve component.
Trained strength will now include all armed forces personnel trained in the core function of their service and for the Army this means you are a soldier once you have completed what we currently call Phase 1 training. The commitment, confirmed in the SDSR, to 82,000 regular roles, will not change but because we want to gain even more utility from the Army Reserve we will look to expand its strength to around 32,000 by the end of the next epoch.

I am going to talk about a brains based approach. What we need to do as an army, is to place intellectual rigour at the heart of our decision-making. We need to identify the trends through analysis of credible evidence and we need to apply science to what we do. It is shaming that the Army, fifteen years ago, got rid of its human science research capability. We have to have that if we are genuinely going to be able to form the future. We have to have it in order to determine innovative and imaginative solutions to tomorrow’s challenges.

That is one of the reasons why we have reinvigorated the idea of a General Staff. Yes, it is going to have a corporate approach and uniformity, and yes to the observant ones yesterday, I had the wrong buttons on, but seriously it is about greater unity of effort. It is about having a corporate voice as an army and suspending tribalism as an army and speaking with one confident voice.

It is why we have a new General Staff Centre at the Robertson House, the former Army College building at Sandhurst. It is why we have an annual General Staff conference where the big idea is aired and then we go forth and multiply. It is about a new General Staff induction course and new general-ship programme that recognises the challenges of modern general-ship.

It is also about opportunities for continuous professional and personal development. We now require people on the General Staff to apply for jobs, to explain what their credentials are, for why they should do a particular appointment.

It is also about external placements and the key is to ensure that these opportunities are valued by the HR system. The linkage to study and promotion is just one of the options we are scoping and we must make sure the Army harnesses the knowledge skills and experience that these sorts of people will bring to the army. For example we now have the CGS Fellow at Chatham house and a full time doctoral research program in partnership with Kings College but the extent to which those people are valued when they return to the career structure is something we have to reinforce. They should not be taking a risk through attending it.

We have also got to major on empowerment. A slightly unattractive term but I will explain what I am talking about. We need to try and create the conditions to which our culture of mission command applies in peacetime as well as it does in wartime. We need to recognise, as is written at the front end of the Army Leadership Code, that over-assurance has no place on the battlefield and it must not in peacetime either. This is not about encouraging recklessness it is about accepting errors in pursuit of sensible risk-taking, boldness, and initiative. You have to seize those fleeting opportunities on the battlefield if you are going to succeed.

To pick up on Kieran Sheldon’s point, ECAB – which is the Executive Committee of the Army Board – took a paper on assurance. The Army Inspector has conducted a review, as directed by the Army Board, to get after the extent to which we have had this incremental growth in assurance processes, which has led to too much friction down the chain of command. What is needed is an audit to stop that assurance, so that like an octopus it does not extend its tentacles into all that we do.

We need to understand what the policy costs us both in terms of money but also in terms of time and you will find, commanding officers, that your assurance problem will be reduced by some 60 per cent during the course of the next year or so.

We also, going back to my point on empowerment, need to cascade the effect that defence reform has given to me, as a Top Level Budget-holder, further down the chain of command and we will initiate a series of pilots over
the next three months, whereby at school and unit level and in functional terms commanders and leaders are given the opportunity to imagine that they play with all their resources and, though a process of virtual bank accounts at TLB level, we will unlock their potential to innovate and think about how they can run things in a more productive and cost-informed way.

We are also going to modernise our career structure. Flexible engagements were announced in the defence review. This is about making it possible for everyone with the potential to serve a full career and to maximise everyone’s potential accordingly. It is about removing unnecessary constraints and timelines in the career structure. It is about getting after how we conduct career and personnel management. It is also about how we structure the career.

We need time in the career to build knowledge, skills, and experience and to encourage leaders to think for the longer term. We also need to privilege learning and have the time to privilege learning and I am going to re-quote Eric Hoffer the quote I used yesterday: ‘Education should implant a will and a facility for learning. It should produce not learned but learning people. In times of change, learners inherit the earth while the learned equipped to deal with a world that no longer exists’.

If we can encourage that to happen then this idea of adaptability and innovation will come forth. We need fundamentally to look at the balance between generalists and specialists and that will open up the potential for lateral entry and the potential for greater diversity of views to get after groupthink.

Finally on maximising potential, we have got to create the inclusive climate that was referred to earlier and of course this is about encouraging that diversity. We have got, as an institution, to broaden our recruiting base. We have got to reach out to communities that we have not traditionally recruited from. We have to do this partly because our traditional recruiting base is shrinking. It is about getting after communities like Black Asian Minority Ethnic, but it is also those with a future in the specialist areas that I talked about and therefore encouraging this idea of lateral entry.

It is about maximising the potential of the fifty-one per cent of the population that we do not tap into nearly enough at the moment. We need to be better at explaining the benefits of the military career. The education it offers and the apprenticeships. We have got some great recent role models Kidane Cousland who was a student at Army Foundation College Harrogate and who recently won the Sword of Honour at Sandhurst.

Fundamentally as an institution we have to keep looking to get after our culture and we have a culture I am afraid with too much unacceptable behaviour, often alcohol-induced, and that has to be resolved. The Army Leadership Code gets after this and it gets after a desire to make sure that our leaders live by our values and standards but we have got to be transparent about it.

It is only by transparency that people will genuinely realise that we are an employer that values everybody. We have to recognise, for leaders who are seeking to do this, that we live in a goldfish bowl and we have to be prepared, perhaps through Tim Harford’s idea of ‘failure fairs’, to acknowledge worst and best practice. There is, I am afraid, a fine line between encouraging fighting spirit and stifling it.

So in conclusion what I have drawn from the last couple of days is that there is a need to adapt. It is inevitable and for us as an institution that means we have to emphasise the importance of learning from our mistakes and learning the right lessons, notably James Sladden’s observation about ‘unknown knowns’.

We have to emphasise the value of trial and error, experimentation, feedback and a flat-information environment that enables tempo and agility. We have to emphasise the creation of an environment and a culture in which leaders are prepared to allow honest mistakes in the pursuit of calculated risk taking on the battlefield. Finally we have to emphasise the importance of leaders who have humility, are prepared to listen and thus learn.

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