

Building the Business Case

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Report Documentation Page

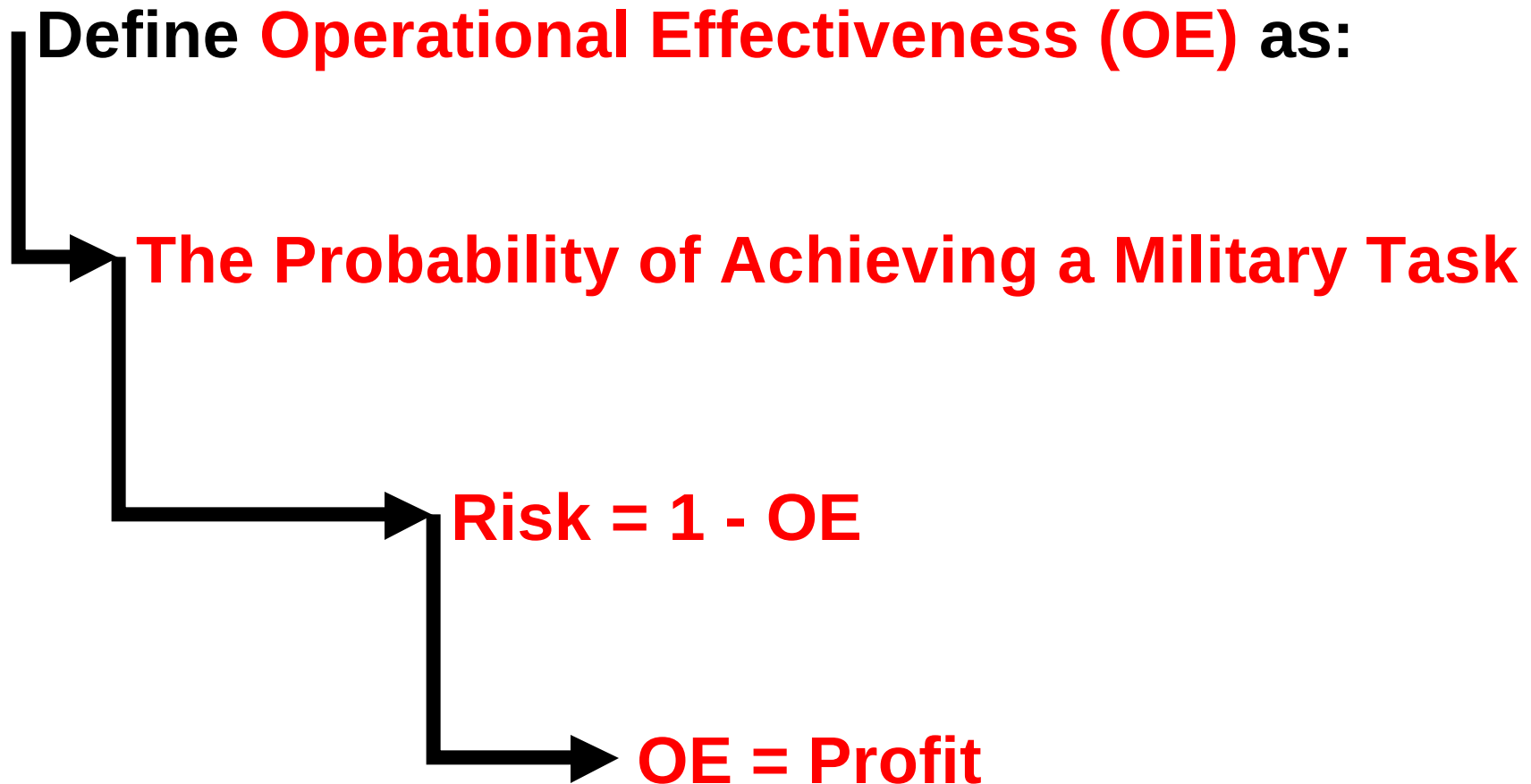
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SBA Problems

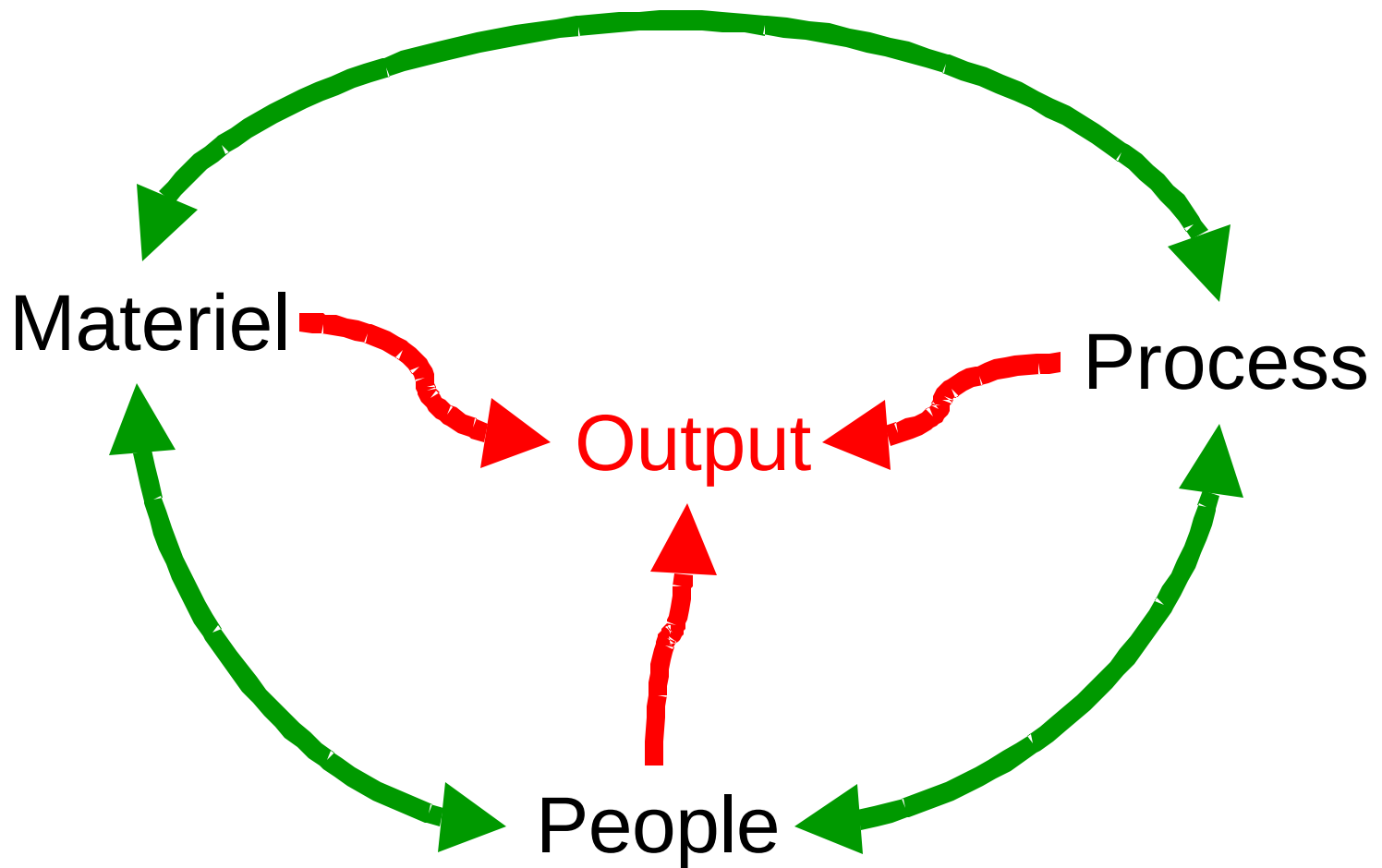
- **SBA is supposed to be “lust to dust”**
 - BUT seems to affect only Programme Managers
- **SBA needs culture change**
 - BUT seems to affect only Programme Managers
- **Result**
 - Initiative fatigue
- **Unless SBA starts at the top it won't work!**

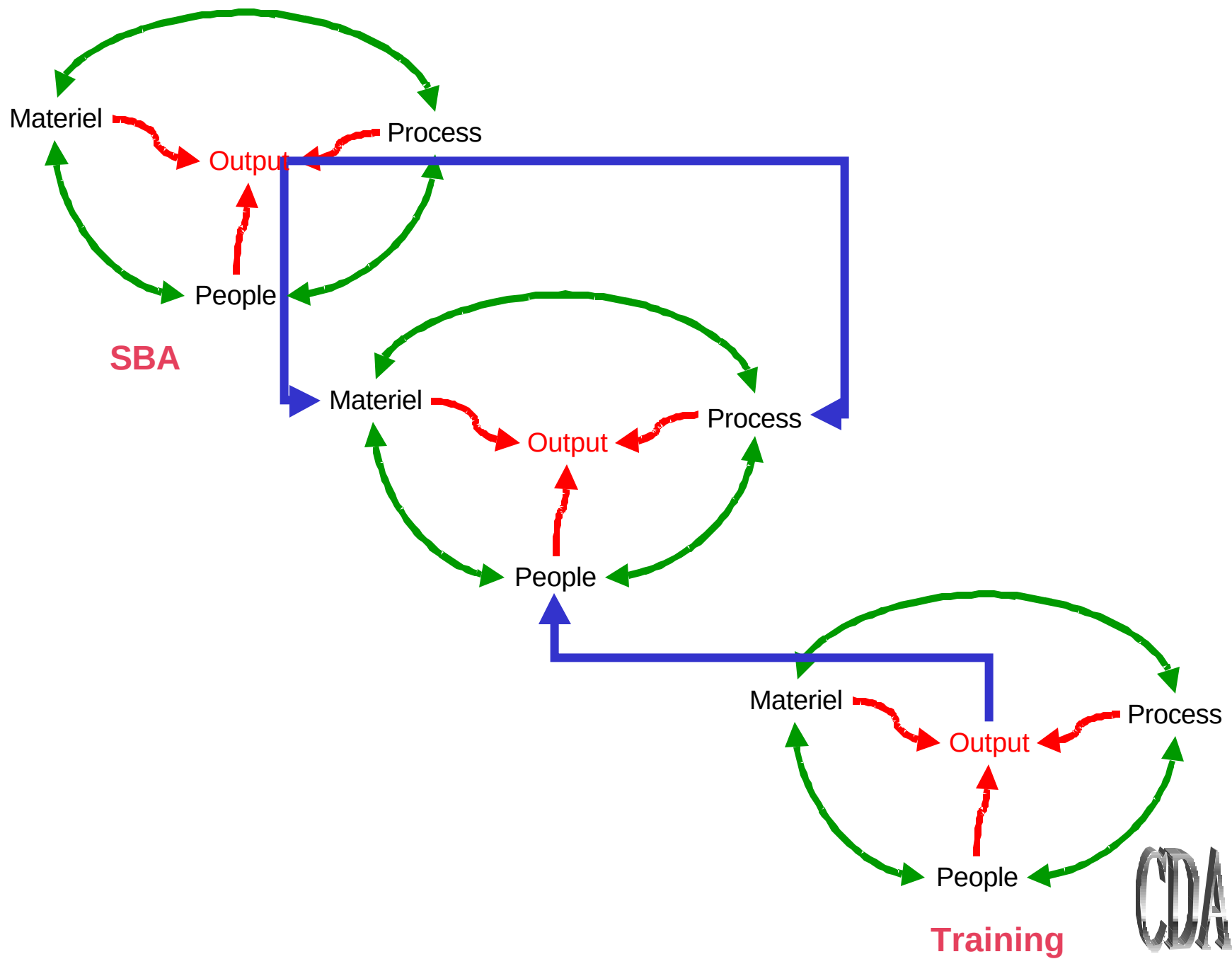


RoI at Board level



The Enterprise





- **MoD/DoD have to maximise OE by**
 - **estimating it - now and in the future**
 - **deciding how to invest in men and/or materiel and/or process to fix politically unacceptable shortfalls**
 - **ensuring that a mechanism exists to ensure coherence between investments in these three areas**



Managing OE

- **Two ways of doing this**
 - Implicit modelling aka pure judgement
 - Explicit modelling
- **Benefits of explicit modelling**
 - All stakeholders see all points of view
 - Trade-offs between men/materiel/process can be made coherent
 - auditable links to operational risk can be maintained



Business Case Challenge for SBA

- **What is likely reduction in operational risk arising from investment in M&S at MoD/DoD level?**
 - From understanding the risk better?
 - From more coherent remedial strategies
 - From providing PMs with top-down targets for materiel performance?
 - From providing PMs with explicit insights into how men/process improvements will affect their programmes?
- **Reduced Risk = Less operational cost**

