



Val Jonas



Trevor Jay

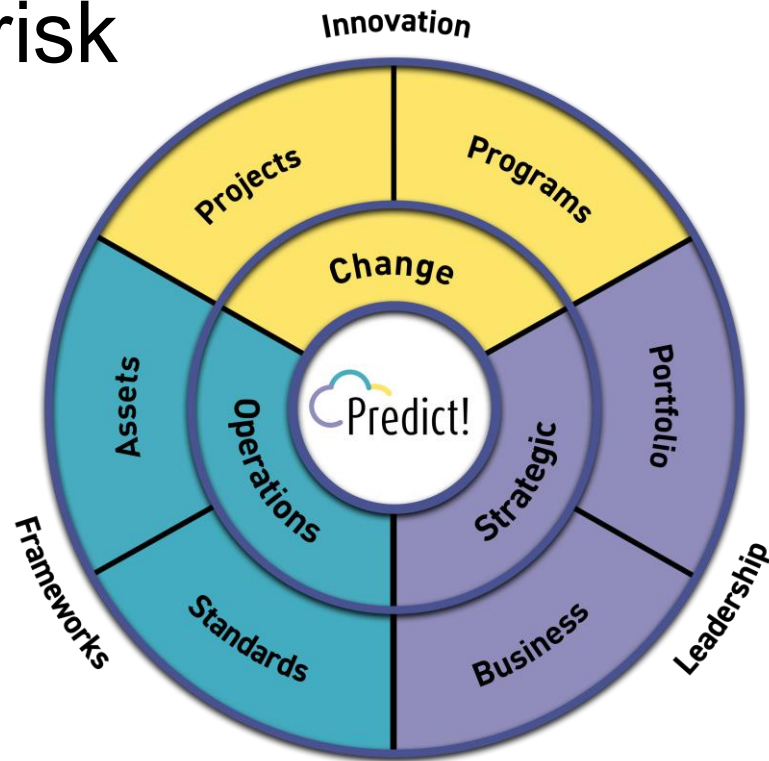
Best Practice Risk Management in Defence

14th / 15th Mar 2024



Agenda

- Introduction
- Drivers for Risk Management (RM)
- A Framework for risk
- Predict! session
- Questions



Global Defence & Aerospace Customers



BAE SYSTEMS



National
Defence



ATLAS ELEKTRONIK UK



L3HARRIS™
FAST. FORWARD.



Irving Shipbuilding, Inc.



Hanwha

QinetiQ

**NORTHROP
GRUMMAN**



ASC



Navantia



Ministry
of Defence



Australian Government
Department of Defence



**Nova
Systems**



AIPM: Improving project success in 2023

How Australia's project delivery performance is tracking

The core purpose of the project management profession is to deliver successful projects, but a volatile delivery environment can be an impediment. So, how did project success in 2022 compare with previous years?

The percentage of people reporting their projects achieved the business intent was steady compared to previous years. This demonstrates the resilience and perseverance of project teams to get the job done in challenging times.

- ◆ 50% said their projects were delivered in line with business goals most of the time

Other metrics were slightly down:

- ◆ 48% said their projects were delivered with stakeholder satisfaction most of the time, compared to 52% in 2020
- ◆ 36% said their projects were delivered on budget most of the time, compared to 40% in 2020

In the past two years, on-time project delivery is the metric that has dropped the most. This is likely due to skills shortages, supply chain disruptions and other economic constraints.

- ◆ 32% said their projects were delivered on time most of the time, compared to 42% in 2020

<https://aipm.com.au/blog/onwards-and-upwards-improving-project-success-in-2023/>

Extracted 13/3/2024

Key Metrics Summary

50% Projects met business goals

48 % projects satisfied stakeholders

36% delivered on budget (40% in 2020)

32% delivered on time (42% in 2020)

Risk Management drivers

- Major issues
 - Workforce planning
 - Cost escalation (materials / wages)
 - Cyber threats
- Global uncertainties
 - Geopolitical
 - Supply chain (logistics, raw materials)
- Productivity drive
 - Digitisation, AI
 - InnovationScrutiny
 - National Audit Office (UK, Australia, Canada, USA)
 - Governance, Compliance

Do the “right projects” right (...on-time, on-budget)

ANAO Defence Major Projects Report (MPR)

MAJOR PROJECTS REPORT

AUDITOR-GENERAL REPORT NO.14 OF 2023-24

2022-23 Major Projects Report

PUBLISHED Friday 9 February 2024



Defence have “Implemented cohesive and structured application of the ISO31000:2018 risk management” ... standardised approach ... mandated risk based decision making processes.

“Predict! delivers a modern risk management platform for MPR projects, retiring the use of offline spreadsheets and facilitating improved risk management and governance processes throughout the capability lifecycle.”

Best practice Risk Framework

Customer

ENTERPRISE:
Real-time information
Strategic decision-making

PORTFOLIO:
Business case, objectives,
outcomes, benefits

Prime Contractors

**PROGRAMS &
PROJECTS:**
Requirements,
deliverables, scope,
resources, skills, budgets

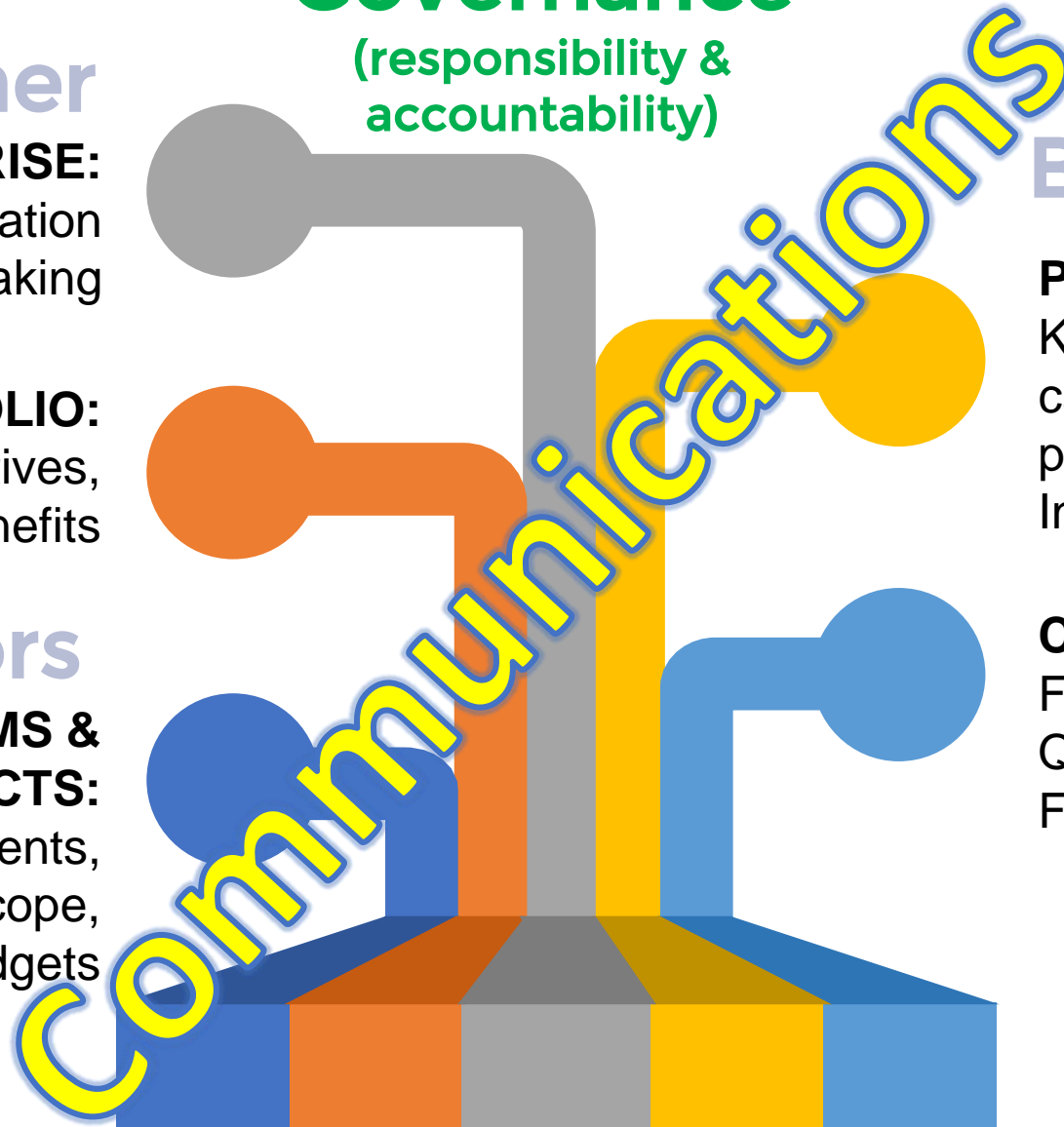
Governance

(responsibility &
accountability)

Business

PERFORMANCE:
KPIs, variance,
cause / consequence, controls,
preventive / corrective action,
Internal/external audit

COMPLIANCE PILLARS:
Finance, Commercial,
Quality, Cyber, HR, H&S,
Facilities, ESG, Legal, etc)

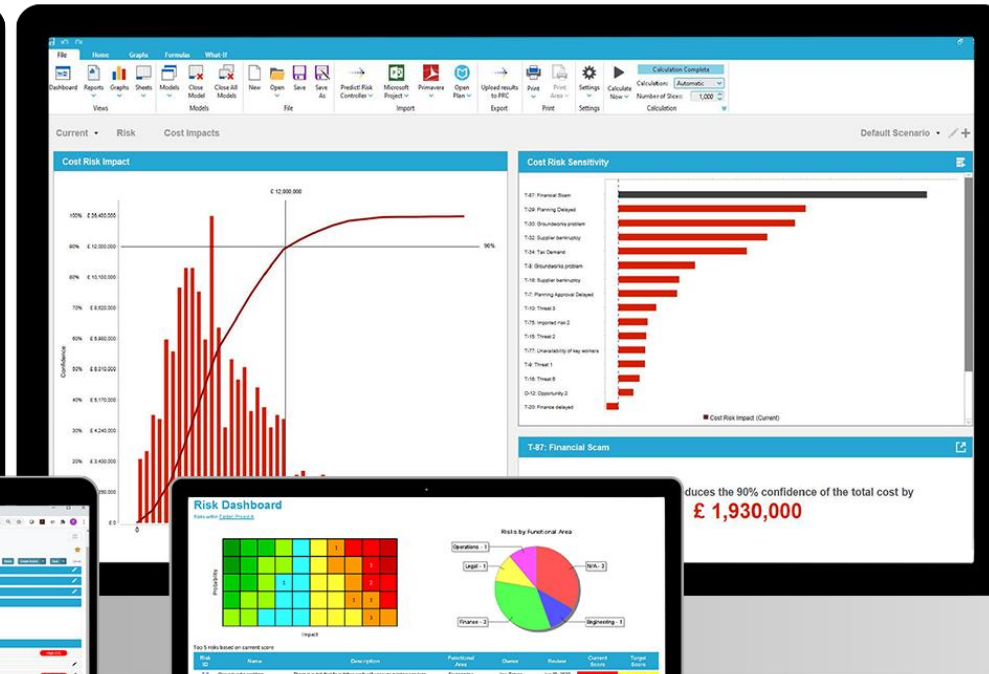
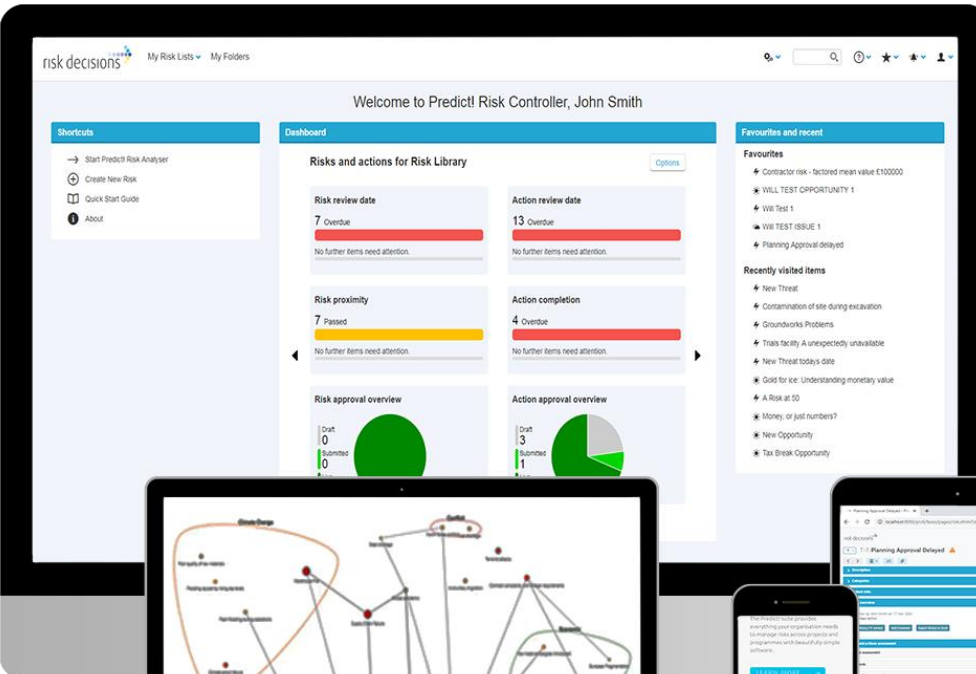


Risk Management System

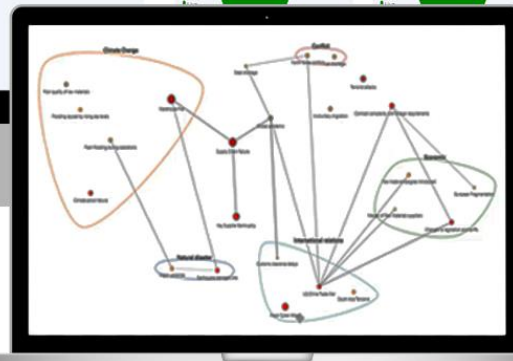
Predict!
Cloud

Predict!
Risk Controller

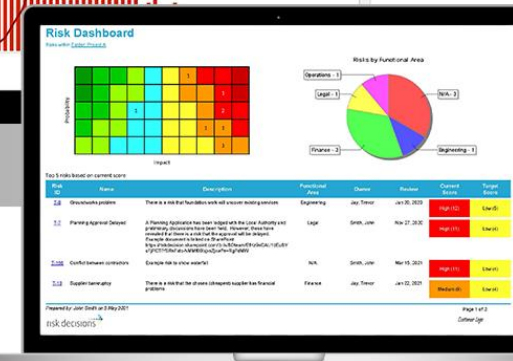
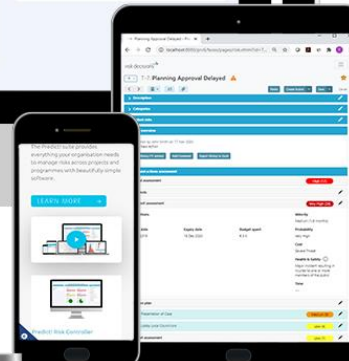
Predict!
Risk Analyser



2-way
Rest API



Predict!
Risk Visualiser



Predict!
Risk Reporter

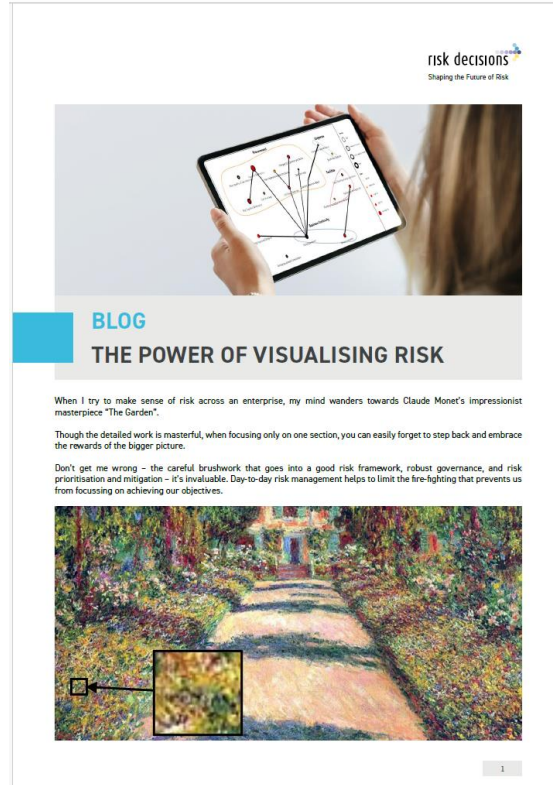
ISO31000
ISO27001

Questions?



risk decisions
Shaping the Future of Risk

CASE STUDY: ASC
USING RISK TO TRANSFORM INDUSTRY LEADERSHIP



risk decisions
Shaping the Future of Risk

BLOG
THE POWER OF VISUALISING RISK

When I try to make sense of risk across an enterprise, my mind wanders towards Claude Monet's impressionist masterpiece "The Garden".

Though the detailed work is masterful, when focusing only on one section, you can easily forget to step back and embrace the rewards of the bigger picture.

Don't get me wrong – the careful brushwork that goes into a good risk framework, robust governance, and risk prioritisation and mitigation – it's invaluable. Day-to-day risk management helps to limit the fire-fighting that prevents us from focussing on achieving our objectives.



risk decisions
Shaping the Future of Risk

Successful Planners Take Risks

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K

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