

## Peter Goon

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**From:** Air Power Australia [Peter Goon (the.firm@internode.on.net)]  
**Sent:** 21 March 2011 16:11  
**To:** Senator Mark Furner, Chair; Dr Dennis Jensen MP; jscfadt@aph.gov.au  
**Cc:** 'the Hon Stephen Smith, Minister for Defence'; 'Jason Clare, MP'; 'Faulkner, John (Senator)'; APA\_Peer\_Review\_Group  
**Subject:** Submission on Defence Strategic Reform Program  
**Attachments:** igb\_Chapter 4\_ SRP Diagram.pdf; 11-03-21\_JSCFADT Submission\_SRP.pdf

To:

Senator Mark Furner	Chair of Defence Sub-Committee, JSCFADT
Dr Dennis Jensen	Deputy Chair
Distinguished Members	Defence Sub-Committee, JSCFADT

For Information:

The Hon Stephen Smith	Minister for Defence
The Hon Jason Clare	Minister for Defence Materiel
Senator the Hon John Faulkner	Former Minister for Defence

Senator Furner, Dr Jensen, Ladies and Gentlemen,

Subject: Haddon-Cave, Amphibious Ships, 'Success' Behaviours, JSF Project and the SRP

Air Power Australia (APA) is pleased to provide the following submission on the Defence Strategic Reform Program (SRP) for your Committee's consideration and that of your Parliamentary colleagues. For your convenience, a PDF copy of this submission and referenced material are attached, while a brief overview on APA is appended to this eMail. The following quote is salient to what follows:

**"The definition of insanity is doing the same thing over and over again and expecting different results".**

*Albert Einstein*

There is an overwhelming consensus amongst those with the hard won skills, expertise and wisdom as well as forethought that comes from experience in Defence Matters that the vast majority of reviews and enquiries into Defence Matters over the past one and half decades or so have not improved defence management but, rather, have contributed to *institutionalised groupthink*, expediency and the inappropriate handling of risks becoming the norms in the Australian Defence Organisation.

These reviews and inquiries have been very similar in their approaches ; less than optimal in their governance constructs; and, thus, have produced less than optimal outcomes .

In most cases, they have created avenues and means whereby *institutionalised groupthink* has been allowed to infect and dominate nearly all decision making processes, particularly in the Canberra based elements of Defence and its prescribed agency, the DMO. This has led to significant erosion of the capabilities needed for the defence and security of Australia.

Just as Mr Giles' report into the behaviours aboard *HMAS Success* and the Minister's comments about the appalling situation with Australia's Amphibious Ship capabilities are important reads, so too is the [Haddon-Cave Report](#).

What this report exposes in stark and chilling terms as the leading, penultimate and ultimate root causes that led to 14 people making the supreme sacrifice should be compulsory reading for every Minister for Defence, Secretary for Defence and Chief of Defence Force around the Western world.

They should not just read the various summary précis documents prepared for them by their respective Departments and Ministries of Defence but, rather, the original words of Mr Charles Haddon-Cave QC, in their entirety and without filtering.

Though, comparing any précis documents with the original report could be a valuable exercise, if the Australian experience is any measure. It demonstrates the veracity of his observations and the breadth and depth of their pernicious effects, as well as confirms their applicability to the Australian Department of Defence.

We see in the way the Australian Department of Defence has mismanaged our Maritime Capabilities, its myopic focus on the Joint Strike Fighter, its inability to provide natural justice under the Military Justice System, and even in its grand strategy for the future, the Strategic Reform Program (SRP), that Defence is doing the same things over and over and over again while ignoring the likes of *Haddon-Cave* and, similarly, the advice from those with the hard won skills, expertise and wisdom of experience who seek what is right and what is best for the defence and security of our great Nation.

Assessing some of the above - the Amphibious Ships Debacle, the JSF Program and the SRP Plans of Defence - against standard Engineering and Project Management metrics, shows these are already failed projects or, in the case of the SRP, well on the way to becoming yet another failed program with dire collateral consequences for Australia.

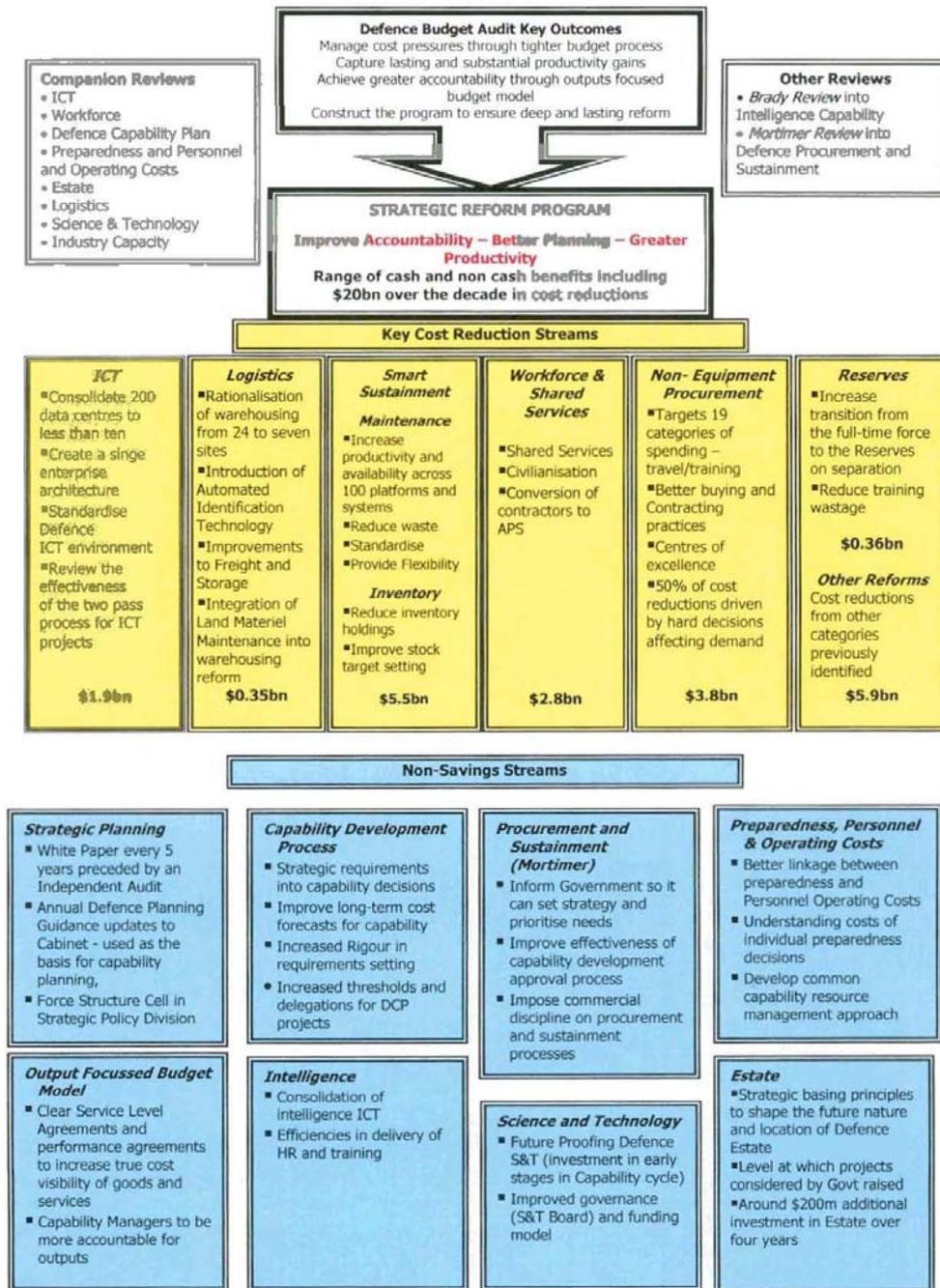
The *Haddon-Cave Report* provides some good insights into why this is the case. For example, the key influences/attitudes/behaviours that led to the tragic incident, which was the principle subject of his review and subsequent report, may be summarised as follows:

LSN	Influences/Attitudes/Behaviours
(1)	The 'can do' attitude and 'perfect place' culture.
(2)	Torrent of changes and organisational turmoil.
(3)	Imposition of 'business' principles.
(4)	Cuts in resources and manpower - deskilling.
(5)	Dangers of outsourcing to contractors.
(6)	Dilution of risk management practices/processes.
(7)	Dysfunctional databases.
(8)	'PowerPoint engineering'.
(9)	Uncertainties as to Out-of-Service (In-Service) date.
(10)	'Normalisation of deviance'.
(11)	'Success-engendered optimism'.
(12)	'The few, the tired'.

For a quick overview of the key aspects of this report in relation to the '*dilution of risk management practices*', and its significance to Defence/DMO, see: [F-35 JSF Program: Assessment of Top Level Programmatic Risks](#)

When asked about the lessons learned from the *Haddon-Cave Report*, the DMO's Strategic Reform Program Director, Shireane McKinnie, responded, in somewhat classic bureaucratise:

**McKinnie:** We are **very mindful** of the Nimrod investigation findings. A key part of our approach in undertaking the SRP is that the safety of our people and the quality of our equipment will not be jeopardised. This was one of the first principles agreed in DMO's discussions with the Service Chiefs on implementing the reform program. We have also been very clear on this in our discussions with industry. This is a reform program that will deliver savings through improvements in productivity and efficiency. It is definitely not a simple cost-cutting exercise where genuine reform would only be a 'nice-to-have' or some sort of optional extra.



A comparison of the observations, conclusions and recommendations of the *Haddon-Cave Report* with the above overview of the Defence Strategic Reform Program (a copy of this figure is also attached) shows Ms McKinnie, the DMO and Defence have little, if any,

comprehension of the lessons to be learned that the *Haddon-Cave Report* represents so well and states so stridently.

Even a cursory glance over this SRP Diagram shows it is riddled with most, if not all, of the characteristics, causes-of-failure and conclusions about what is wrong as cited by Mr Charles Haddon-Cave QC, along with the perennial doing of the same things over and over again.

Since it would appear we are all agreed that things need to be done a lot better and the proposition of "*One Australia Defence View*" is likely a good place to start, this has been forwarded for your consideration.

Yours Sincerely,

*Peter Goon*

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*"Our role is to be so capable and so well prepared that the other guy doesn't even think about taking us on."*

Australian Defence Force Leadership prior to 2000

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## **AIR POWER AUSTRALIA** – *Australia's Independent Defence Think-Tank*

Air Power Australia (APA) is a privately funded, independent defence and security think tank based in Australia, with broad international linkages.

You are cordially invited to visit the [APA website](#).

This is a '[reference research web site](#)', established in 2004, for the purpose of providing people with the opportunity to better inform themselves through reading peer-reviewed papers and analyses, studies and articles intended (1) to encourage greater critical thinking and critical discourse and (2) to enable people to make more informed judgements, so (3) they are better able to encourage those responsible to make decisions on defence and security matters based on "*what is right and what is best*", in the interests of their respective Nations and those of their allies.

The website has a standard [search facility](#) as well as [hints for navigating](#) around the site.

The seminal work in the [UK Nimrod Review](#) resonates strongly with us and parallels efforts the founders of APA have been involved with since circa 1996 when we first identified the risks that, sadly, have now materialised, leading to the sorry state of affairs observed in many if not most of the Departments and Ministries of Defence around the western world.

Our work has concluded that this situation and the related '*misadventures*' are part of a much bigger Western global disease; the ultimate root cause for which can be described as:

*"... the [politics of self advantage and opportunism](#) being [allowed to dominate](#), driven by [Orwellian double-think](#) and '[a total indifference to what is real](#)', and fuelled by [the group](#)*

*narcissism of significantly deskilled officials* and its inevitable consequence, *institutionalised group think.*”

A number of the linked documents in this Ultimate Root Cause statement refer to the Joint Strike Fighter (JSF) program. Though the JSF is the largest defence acquisition program, of all time, and is *already a failed project* for many of the same reasons identified in the *Nimrod Review*, it is but a symptom of what is a much bigger problem.

We would welcome the opportunity to share the results of our work with you and your Parliamentary colleagues in the hope that what is broken in our defence organisations can be fixed so that *‘what is right and what is best’* for the defence and security of our nation can be assured.

We believe this can be done - simply, quickly and cheaply as well as effectively; and, in fact, if done properly, would become self actualising.