

Introductory Remarks-- Lessons for the Next QDR

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QDR Law Calls For Comprehensive Discussion/Assessments

- “....The report shall include the following: a comprehensive discussion of the national defense strategy of the United States and the force structure best suited to implement that strategy at a low-to-moderate level of risk.”

Mission Impossible?

- Most QDR participants whom I (and my study colleagues) have spoken with say QDR cannot realistically assess everything.... should instead focus intently on a handful of the most important issues/problems

IDA's Post-QDR'06 Interviews *

IPT Co-Leads (8)

IPT Chiefs of Staff (4)

Service Participants (4)

Other Key Participants (10)

Outside Observers (4)

**Note: Attempted to interview
ALL Services and IPTs*

2006 Study—Interviewee Lessons/ Suggestions for Next QDR

1. Ensure Strong and Continual Senior Leader Involvement
2. Develop a Clear, Strategy-Driven Capability Framework
3. Generate Strategic Choices for Decision
4. Support a Robust Analysis Capability
5. Create Incentives for Innovative Thinking
6. Build an Integrative QDR Organizational Structure

1. Ensuring Strong and Continual Senior Leader Involvement

- Recommendation #1.1: Establish a schedule that permits routine, active, and in-depth SECDEF involvement and input.
- **Recommendation #1.2: The Secretary of Defense should establish a small set (5-10) of priority issues for the QDR to address.**
- Recommendation #1.3: Install a leadership body early that will govern QDR process and enforce SECDEF's strategic priorities.

2. Developing a Clear, Strategy-Driven Capability Framework

- Recommendation #2.1: Generate early, intellectual and planning frameworks to guide QDR deliberations (e.g. quad chart and force planning construct)
- **Recommendation #2.2: Identify limited set of strategic priorities (5-10) that QDR will address.**
- Recommendation #2.3: Develop and enforce a “terms of reference” that frames and organizes the QDR process.

3. Generating Strategic Choices for Decision

- Recommendation #3.1: The Secretary should drive the demand for strategic choices or publicly empower a subordinate to drive choices.
- **Recommendation #3.2: DoD should conduct a formal risk assessment* at the outset of the QDR; compare baseline with future needs; should be SECDEF directed/led.**
- Recommendation #3.3: Identify an independent organization (internal or external to DoD) to assist with generation of strategic, cross-capability choices.

* **Some form of assessment of the risk of the baseline (programmed) force across DoD missions so as to provide meaningful comparisons of where risk was high and low.**

4. Supporting a Robust Analysis Capability

- Recommendation #4.1: Develop a detailed study agenda in advance of the review.
- **Recommendation #4.2: Increase emphasis on strategic-level analysis.***
- Recommendation #4.3: Improve methodologies for conducting cross-capability analysis.
- **Recommendation #4.4: Continue to aggressively advance the Department's existing Analytic Agenda for developing common scenarios, data sharing, etc.**

*Note: "Strategic-level analysis"—top-tier, cross-mission level analysis

5. Creating Incentives for Innovative Thinking

- Recommendation #5.1: Develop incentive structures (such as awards from a “bishop’s fund”) that reward innovation
- Recommendation #5.2: Avoid procedural devices that limit creativity (“rules memo” or limitation of trades to those within portfolios)
- Recommendation #5.3: Stress consideration of alternative futures at all levels of analysis and decision making.

6. Building an Integrative QDR Organizational Structure

- Recommendation #6.1: Strengthen ties to PPBE.
- Recommendation #6.2: Promote use of horizontal integration mechanisms (“roundtables”).
- **Recommendation #6.3: Strengthen organizational approach to integrating results.**
- Recommendation #6.4: Ensure all QDR leads report through lead integrator.

A Comprehensive Approach for the Next QDR

- I. **Conduct early baseline strategic risk assessment(s):** how well extant policies/ program/forces are structured to (1) address all key strategic risks that senior evaluators/decision-makers see; (2) implement the current strategy
 - Identify weaknesses, strengths –by major mission or "challenge" area—in comparable terms
- II. **Build/Refine National Defense Strategy (Vision--Ends),** incl. especially a small set of SECDEF strategic priorities for greatest additional emphasis/assessment/investment (near and longer term)
- III. **Identify alternative plausible ways (program puts/takes) to implement the strategy,** and especially to provide greater emphasis on key/priority areas
 - Within a Base budget topline; a larger budget topline; a smaller budget topline ; In unconstrained terms?
- IV. **Assess how well various "full up" program/force alternatives stack up --** in as comparable terms as possible (e.g., mitigating/balancing "strategic risk" to the United States)
- V. **Select best way to implement strategy** from among alternatives, at low to moderate risk
- VI. **Submit QDR Report and FYDP proposals** to Congress

Answering the QDR Mail & Building Useful Strategic Options and Choices

- This six step proposal builds upon core recommendations of QDR'06 Interviewees for strengthening the next QDR
- Begins with a comprehensive senior level review -- in strategic risk terms
- Identifies a small set of strategic priority areas for greatest SECDEF and staff attention in QDR
- Assesses/identifies promising (best?) options to implement (balance?) the national defense strategy at low-to-moderate risk
 - Use SECDEF's balancing dimensions as explicit parts of framework
- Could be conducting using a strategic-level process that was developed for OSD/JS and tested during the last QDR (ICCARM)
 - or other options to be reviewed in WG5
- Can complement/build upon/help guide Analytic Agenda analyses/products

Back-Up

A Strategic Framework for NDS 2008

- **Strategic Objectives**
 - Defend the Homeland
 - Win the Long War
 - Promote Security
 - Deter Conflict
 - Win Our Nation's Wars
- **Achieving Our Objectives**
 - Shape the Choices of Key States
 - Prevent Adversaries from Acquiring or Using WMD
 - Strengthen and Expand Alliances and Partnerships
 - Secure US strategic Access and retain freedom of Action
 - Integrate and Unify Our Efforts: a new Jointness

Wisely Balance Risks and Assets within Budget Constraints

Implementation of any strategy is predicated on developing, maintaining and, where possible, expanding the means required to execute its objectives within budget constraints. Without the tools, we cannot do the job. The Department is well equipped for its primary missions, but it always seeks to improve and refine capabilities and effectiveness. The challenges before us will require resourcefulness and an integrated approach that wisely balances risks and assets, and that recognizes where we must improve, and where others are better suited to help implement aspects of the strategy.

NDS—A Definition of Risk for DoD

With limited resources, our strategy must address how we assess, mitigate, and respond to risk. Here we define risk in terms of the potential for damage to national security combined with the probability of occurrence and a measurement of the consequences should the underlying risk remain unaddressed. We must hedge against changes in the strategic environment that might invalidate the assumptions underpinning the strategy as well as address risks to the strategy.

QDR Law (excerpts)

- (2) To define sufficient force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program of the United States associated with that national defense strategy that would be required to execute successfully the full range of missions called for in that national defense strategy; and
- (3) To identify (A) the budget plan that would be required to provide sufficient resources to execute successfully the full range of missions called for in that national defense strategy at a low-to-moderate level of risk, and (B) any additional resources (beyond those programmed in the current future-years defense program) required to achieve such a level of risk.
- The report shall include the following: a comprehensive discussion of the national defense strategy of the United States and the force structure best suited to implement that strategy at a low-to-moderate level of risk.