

# TRANSFORMATION AND NEW MODEL OF MANAGEMENT



**Spanish-US Defense Industry Day 2015,  
Washington DC, May 18th**

**Lt. General Juan Manuel García Montaña  
National Armament Director**



TO UPGRADE THE **ARMAMENT AND MATERIEL**

1990,s

A HUGE INVESTMENT EFFORT

TRANSFORMING THE **DEFENSE INDUSTRIAL** STRUCTURE

MAIN CONTRACTOR

MINISTRIES OF INDUSTRY ECONOMY DEFENSE



MODERNIZATION OF ARMED FORCES

**ARMAMENT SPECIAL PROGRAMS**



DEVELOP INDUST. & TECH. CAPAC.

2008

RENEWING & RESCHEDULING PROCESS



**ECONOMIC CRISIS**

**BUDGET RESTRICTIONS**



**FOREIGN MARKETS**



**EXHAUSTED**

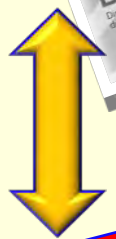
**CENTRALIZED DIRECTION & DESCENTRALIZED EXECUTION MODEL**

**THE ECONOMIC SITUATION  
THE LEGAL BACKGROUND**

**ORGANIZATION, EFFICIENCY & EFFECTIVENESS**

**CONCENTRATING POWERS  
CENTRALIZING MANAGEMENT BODIES  
RATIONALIZING & STANDARDIZING**

**GENERAL DIRECTORATE FOR ARMAMENT & MATERIEL**



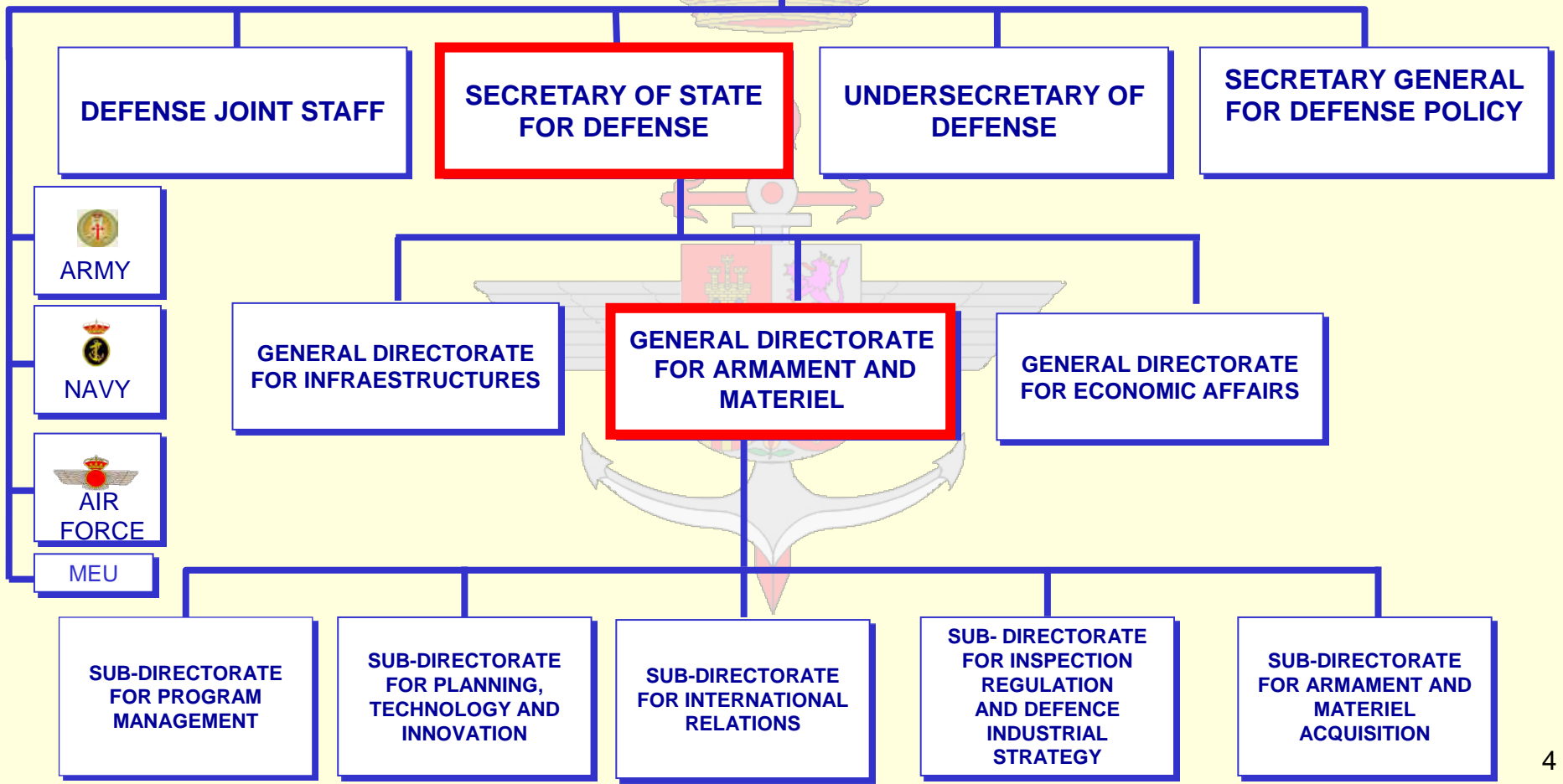
**IN CHARGE OF  
RUNNING, FOLLOWING UP & CONTROLLING  
ALL ARMAMENT & MATERIEL PROGRAMS,  
COMMON ACQUISITIONS, MODERNIZATION &  
MAINTENANCE PROGRAMS, AS WELL AS R&D+i**

**DIRECTORS OF LOGISTIC SUPPORT OF THE MILITARY SERVICES**

**PROGRAMS FOR SPECIFIC MAINTENANCE AND  
PERMANENT NEEDS ACQUISITION**



MINISTRY OF DEFENSE



**THE AIMS**

- ❑ TO USE THE SYNERGIES OF ITS RULING BODIES.
- ❑ TO IMPROVE COORDINATION REGARDING INTERNATIONAL PROGRAMS, COMMON ACQUISITIONS, MODERNIZATION AND MAINTENANCE PROGRAMS AND ASSOCIATED R&D&I PROGRAMS.
- ❑ TO HAVE JUST ONE INTERLOCUTOR WITH THE INDUSTRY.
- ❑ TO IMPROVE THE INTEGRATION OF THE ACQUISITIONS AND PLANNING WITHIN THE DEFENSE INDUSTRIAL POLICY.

**TO UNIFY CRITERIA & GAIN AGILITY & UNIFORMITY REGARDING DECISION MAKING**

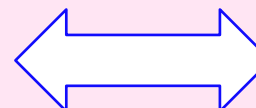
**PROVIDER**



**USER**

**A GLOBAL VISION OF THE SITUATION OF THE PROGRAMS & BECOME MORE EFFICIENT**

**DOMAIN OF SOLUTIONS**



**DOMAIN OF NEEDS**



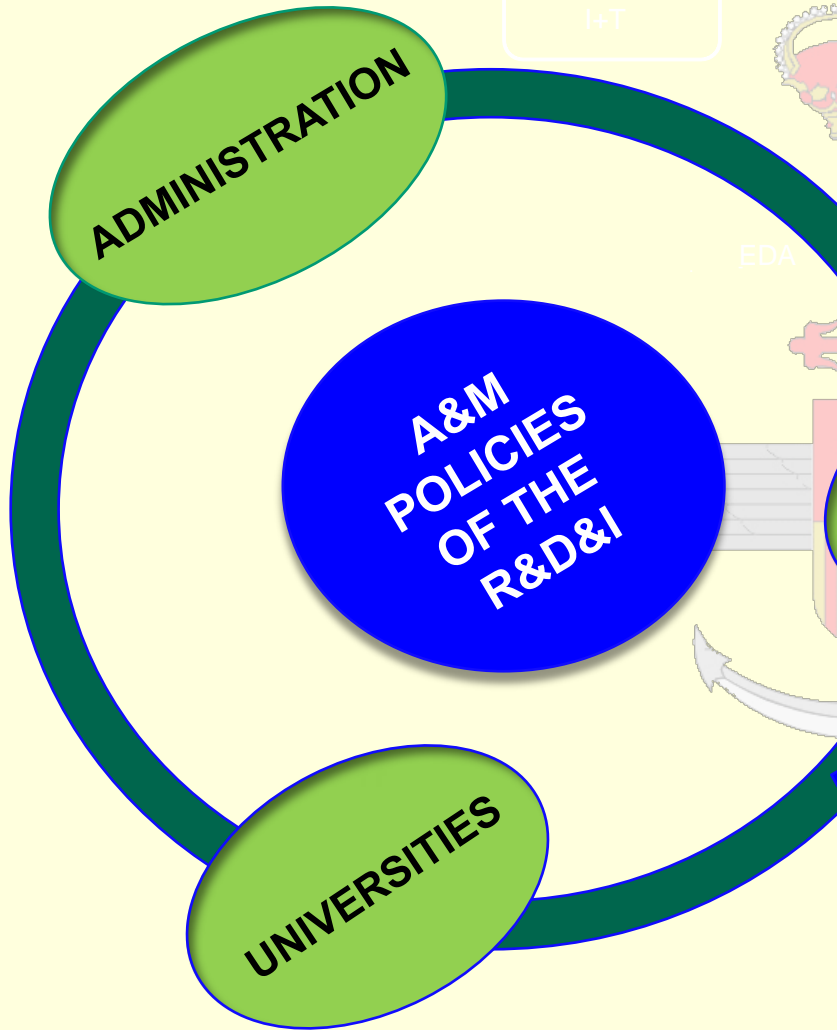

MINISTERIO DE DEFENSA

SECRETARÍA DE ESTADO DE DEFENSA

DIRECCIÓN GENERAL DE ARMAMENTO Y MATERIAL

# RESEARCH & DEVELOPMENT

**TO JOIN EFFORTS AND OBTAIN SYNERGIES**



**THE R&D&I OF DEFENSE IS BASED ON THE NATIONAL TECHNOLOGICAL AND INDUSTRIAL CAPACITY**



# INSTITUTIONAL SUPPORT

INTERNATIONAL PROGRAMS

INTERNATIONAL MARKETS

INTERNATIONAL FORA



## FOREIGN SUPPORT OFFICE

MEMORANDUMS OF UNDERSTANDING (MOU)

GOVERNMENT-TO-GOVERNMENT (GTG) AGREEMENTS





# GENERAL DIRECTORATE FOR ARMAMENT AND MATERIEL



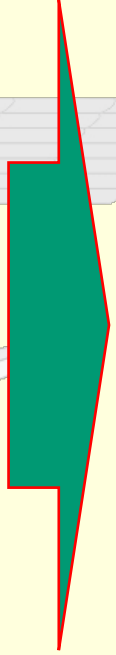
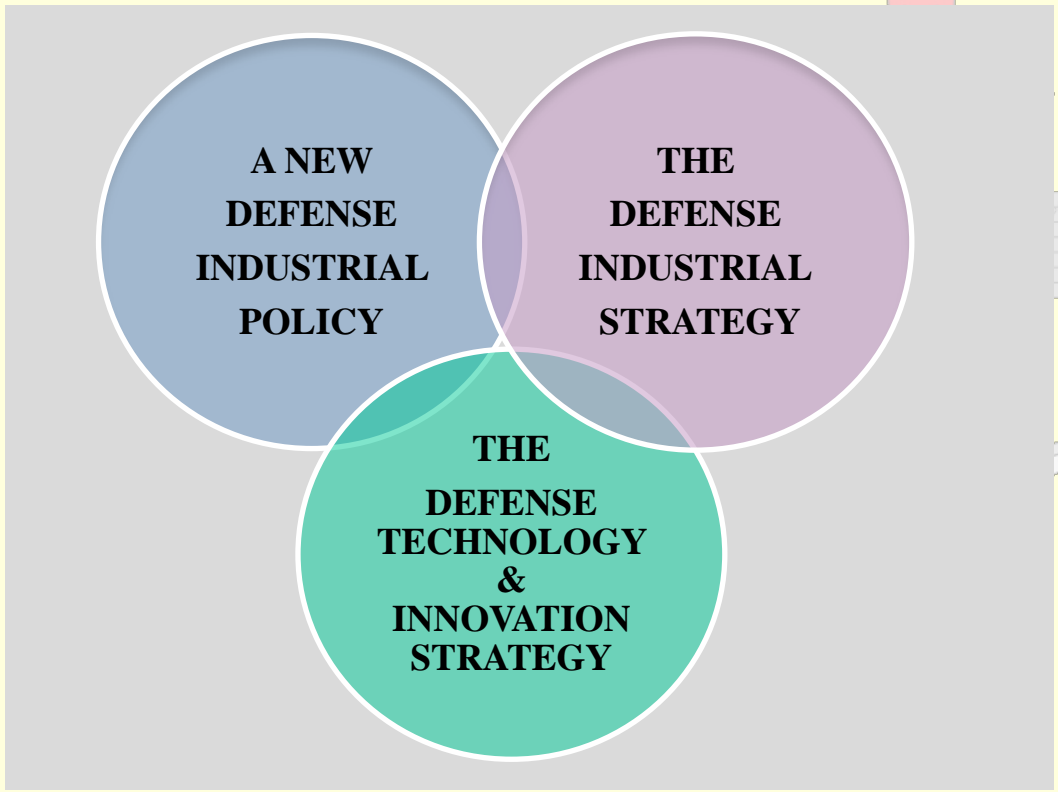
**THE INDUSTRIAL CAPACITIES**

**THE RELATED ASSETS OF OUR INDUSTRY**



**THE DEFENSE AND TECHNOLOGY OF OUR NATION**

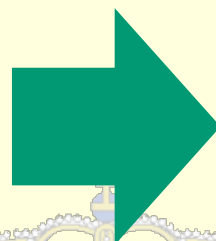
**THE ECONOMICAL, TECHNOLOGICAL & INDUSTRIAL DEVELOPMENT**



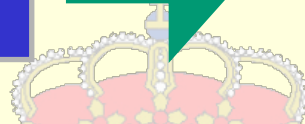
**TO STRENGTHEN THE SPANISH INDUSTRIAL & TECHNOLOGICAL BASIS RELATED TO DEFENSE**



**WE NEED TO HAVE QUALIFIED PROFESSIONALS WITH THE PROPER TRAINING**

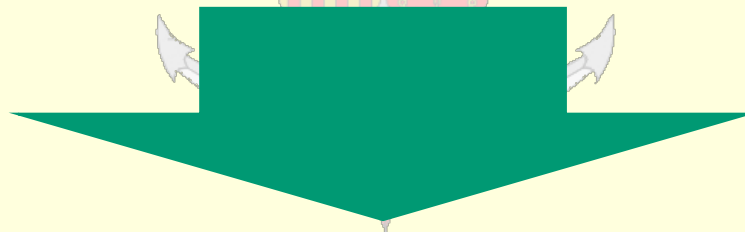


**TO FOSTER THE SPECIALIZATION AND PROFESSIONALIZATION OF OUR HUMAN RESOURCES**



**OUR AIM**

- ❖ THE MAIN REFERENCE IN TERMS OF KNOW-HOW.
- ❖ EXPERIENCE AND INFORMATION REGARDING MANAGEMENT, PLANNING AND DEVELOPMENT OF THE ARMAMENT AND MATERIEL POLICY.
- ❖ EVERYTHING RELATED TO PROGRAM MANAGEMENT AND CONTRACTING TECHNIQUES.



**TO DESIGN A NEW UNIVERSITY MASTER'S DEGREE PROGRAM**



COMPLEX  
ISSUE

## BUDGETARY CUTS

**MOST  
DEFENSE PROGRAMS  
ARE  
MULTIANNUAL**

**“We are attempting to develop major new systems with 10-year technology, 8-year programs, a 5-year plan, 3-year people, and 1-year dollars”**

*Norman R. Augustine*



❖ **FIRST:** “A RIGOROUS EXPENDITURE OF THE RESOURCES AT OUR DISPOSAL, RENOUNCING EVERYTHING THAT IS NOT ABSOLUTELY NECESSARY”.

❖ **SECOND:** “INCREASING EFFICIENCY IN THE USE OF THE EXISTING MEANS. MAXIMIZING THOSE THAT WE ALREADY HAVE”.

❖ **THIRD:** “SEEKING CERTAIN STABILITY AND FORECAST, ALLOWING US TO ALWAYS BE AWARE OF THE AVAILABLE RESOURCES WE CAN COUNT ON”.

- ❖ A RADICAL CHANGE OF ITS MANAGEMENT SYSTEM.
- ❖ IT HAS ADAPTED AND MODIFIED ITS ORGANIC STRUCTURE.
- ❖ TO CONSOLIDATE A NEW MODEL OF ACQUISITION MANAGEMENT.

LANDMARK

A MORE EFFICIENT AND EFFECTIVE MANAGEMENT OF THE AVAILABLE RESOURCES AS WELL AS CONSOLIDATING THE DEFENSE INDUSTRIAL SECTOR

"Creativity is thinking up new things.

Innovation is doing new things".



Theodore Levitt  
Harvard Business School  
(Cambridge, Massachusetts)

2014: OFFICIAL TRANSFORMATION.

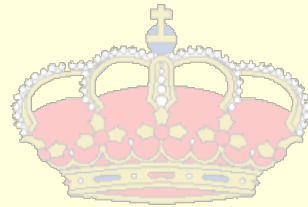
2015: CONSOLIDATION AND REINFORCEMENT



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